

O-526-15

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 3068619
BY GENIUS PPT LIMITED
TO REGISTER THE TRADE MARK**



**IN CLASSES 9 & 38
AND**

**IN THE MATTER OF OPPOSITION
THERE TO UNDER No. 403665 BY
INTELLIGENT MECHATRONIC SYSTEMS INC.**

BACKGROUND

1) On 14 August 2014, Genius PPT Limited (hereinafter the applicant) applied to register the trade mark shown on the front cover in respect of the following goods and services:


In Class 9: Internal modems; Internet phones; Internet servers; Intranet servers; Computer games programs downloaded via the internet [software]; Data encryption apparatus; Digital music downloadable from the Internet; Digital music [downloadable] provided from mp3 web sites on the internet; Digital music downloadable provided from the internet; Internet phones; Computer games programs downloaded via the internet [software]; Digital music [downloadable] provided from mp3 web sites on the internet; Internet servers; Digital music downloadable from the Internet; Digital music downloadable provided from the internet.

In Class 38: Arranging access to databases on the internet; Broadcasting of programmes via the internet; Electrical data transmission over a global remote data processing network, including the internet; Electronic and telecommunication transmission services; Electronic communication service by means of computer; Electronic communication services; Electronic communication services for the transmission of data; Electronic communications services for the transmission of data; Electronic data communications; Internet access services; Internet based telecommunication services; Internet connection services for residential consumers and for commercial entities; Internet portal services; Internet provider services; Internet radio broadcasting services; Internet service provider (isp) services; Internet service provider services; Internet services providers (isps); Internet telephony services; ISP services; Arranging access to databases on the internet; Broadcasting of programmes via the internet; Electronic transmission of computer programs via the internet; Internet access services; Internet connection services for residential consumers and for commercial entities; Internet provider services; Internet service provider services; Internet telephony services; Live transmissions accessible via home pages on the internet [webcam]; Providing chat lines utilising the internet; Providing user access to the internet; Provision of internet access services; Communications via a global computer network or the internet; Electrical data transmission over a global remote data processing network, including the internet; Internet based telecommunication services; Internet service provider (isp) services; Mail services utilising the internet and other communications networks; Providing access to digital music web sites on the internet; Provision of telecommunication access and links to computer databases and the internet; Internet portal services; Internet services providers (isps); Providing telecommunications connections to the internet or databases; Internet radio broadcasting services; Broadcasting of video and audio programming over the Internet; Simulcasting broadcast television over global communication networks, the Internet and wireless networks; Transmission of data or audio visual images via a global computer network or the internet; Distribution of data or audio visual images via a global computer network or the internet; Chatrooms (Providing internet -).

2) The application was examined and accepted, and subsequently published for opposition purposes on 24 October 2014 in Trade Marks Journal No.2014/044.

3) On 23 January 2015 Intelligent Mechatronic Systems Inc. (hereinafter the opponent) filed a notice of opposition, subsequently amended. The ground of opposition is in summary:

a) The opponent is the proprietor of the following trade mark:

Mark	Number	Date of application / registration	Class	Specification relied upon
	2509183	19.02.09 17.07.09 Priority date: 19 August 2008 United States Of America	9	Electronic device providing an interface between a portable wireless communication device and a user; event recorder, namely a computerized device for recording vehicle operating data; computerized device, namely, computer hardware for recording a motor vehicle's operating data; computer software for collecting and processing vehicle data and transmitting the vehicle data to a central server.

b) The opponent contends that the verbal element of each mark is IMS and so the marks are phonetically identical. The respective goods and services are said to be, in the broadest sense, communication devices and devices for collecting, processing or transmitting data and services therefor. As such the mark in suit offends against section 5(2)(b) of the Act.

4) On 24 March 2015 the applicant filed a counterstatement. It basically denies all the grounds of opposition and puts the opponent to proof of use of its mark. The applicant also points out that, in relation to its business, the term DIMS has a meaning of Discovery Inventory Management System, whereas in the opponent's mark the letters IMS obviously stand for Intelligent Mechatronic System. The padlock device in the applicant's mark also suggests in the context of the goods and services that they are secure, whilst the opponent's mark has two non-distinct horseshoe shapes. The applicant also states that the goods and services are not similar as the opponents' specification is narrower than that of the mark in suit.

5) Only the opponent filed evidence. Both parties seek an award of costs in their favour. The matter came to be heard on 9 November 2015 when the opponent was represented by Mr Jones of Counsel instructed by Messrs Marks & Clerk LLP; the applicant was not represented but provided written submissions.

OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 7 July 2015, by William Ben Miners the Vice President Innovation of the opponent, a position he has held since 2013. He states that his company is dedicated to vehicle safety and intelligence, evolving beyond vehicle component applications to include connected vehicle solutions that greatly enhance driver behaviour, improve productivity and make it safer for drivers to acquire and manage critical information efficiently whenever required. The opponent has converged in-car infotainment, automotive telematics and wireless technology. Although he is based in Canada the opponent has a sales office near Bristol which was established in May 2014. He provides the following exhibits in which certain confidential information has been redacted:

- WBM1: A copy of part of a document sent to the Department for Transport (DfT) dated 27 November 2009 in response to an invitation to tender for a road pricing demonstration project. The document has the opponent's trade mark upon it. It refers to wireless and telematics data services.
- WBM2: A copy of a template letter sent to all participants (drivers) in the road pricing demonstration in January 2010 to schedule the removal of hardware from each vehicle and solicit a continued relationship with the opponent should they wish to take part in any future road pricing trials for which they are paid to participate. The document has the opponent's trade mark upon it.
- WBM3: A copy of part of a report prepared for the DfT in February 2010 on road pricing where the DfT was a customer of the opponent. The document has the opponent's trade mark upon it.
- WBM4: A copy of part of a report on fraud, compliance and assurance issues relating to road user charging schemes which was prepared for DfT in January 2010. The document has the opponent's trade mark upon it.
- WBM5: Copies of invoices said to have been sent to DfT in November 2009 and March 2010 for the delivery of products and services. However, they are actually copies of invoices between the opponent company in Canada and IMS UK based in London. The invoices are for Canadian \$433,159 and \$126,789 respectively. Both invoices refer to "Service Sales DfT UK" and one references "Service Sales DfT contract". Both have the opponent's trade mark upon them.
- WBM6: A copy of part of a proposal submitted to ERS (a potential customer) on 10 October 2014 relating to the "provision of an IMS usage-based insurance service powered by the IMS DriveSync platform enabling ERS to develop telematics-based insurance products for both personal lines including young drivers and commercial lines including fleet, car sharing and rental services." The document has the opponent's trade mark upon it.
- WBM7: A copy of a proposal submitted to Europa Group (a potential customer) on 13 October 2014. It concerns a similar usage-based insurance service to enable Europa Group to develop telematics-based insurance products for both personal and commercial lines. The document has the opponent's trade mark upon it.
- WBM8: A copy of a press release issued on 6 May 2014 announcing the expansion of the opponent's operations in the UK and Europe. The document has the opponent's trade mark upon it.
- WBM9: Copies of the first two pages of a report supplied to a partner of the opponent (Towers Watson UK) to support a proposal to Direct Line Group in September 2014. This includes the "IMS Data Exchange Specification" to help secure potential customers. The document has the opponent's trade mark upon it.
- WBM10: A copy of a "road pricing demonstration project welcome pack and user guide" with a UK customer support number and a study investigating road usage to assist the UK government in considering its future transport strategies. This is touting for drivers to have a device installed in their car which will provide information to the opponent regarding which

roads are driven on, time elapsed etc and for which the drivers will be paid by the opponent. The document has the opponent's trade mark upon it.

7) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

8) The opposition is based upon section 5(2)(b) which reads:

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

(a)

(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.”

9) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

10) The opponent is relying upon its trade mark listed in paragraph 3 above which is clearly an earlier trade mark. The applicant requested that the opponent provide proof of use and, given the interplay between the dates that the opponent's mark was registered (17 July 2009) and the date that the applicant's mark was published (24 October 2014), the proof of use requirement bites. Section 6A of the Act states:

“6A Raising of relative grounds in opposition proceedings in cases 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 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, 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) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(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.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

11) I must first consider whether the opponent has fulfilled the requirement to show that genuine use of its marks has been made. In the instant case the publication date of the application was 24 October 2014, therefore the relevant period for the proof of use is 25 October 2009 – 24 October 2014. In *Stichting BDO v BDO Unibank, Inc.*, [2013] F.S.R. 35 (HC), Arnold J. stated as follows:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010] R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

(1) Genuine use means actual use of the mark by the proprietor or third party with authority to use the mark: *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]”.

12) Although minimal use may qualify as genuine use, the CJEU stated in Case C-141/13 P, *Reber Holding GmbH & Co. KG v OHIM* (in paragraph 32 of its judgment), that “*not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question*”. The factors identified in point (5) above must therefore be applied in order to assess whether minimal use of the mark qualifies as genuine use.

13) Also in *Laboratoire de la Mer* Trade Mark [2006] FSR 5, the Court of Appeal held that sales under the mark to the trade may qualify as genuine use. Mummery L.J. stated that:

“31. After some hesitation I have reached a different conclusion from Blackburne J. on the application of the Directive, as interpreted in *Ansul* and *La Mer* , to the rather slender facts found by Dr Trott.”

32. Blackburne J. interpreted and applied the rulings of the Court of Justice as placing considerably more importance on the market in which the mark comes to the attention of *consumers and end users* of the goods than I think they in fact do. I agree with Mr Tritton that the effect of Blackburne J.'s judgment was to erect a quantitative and qualitative test for market use and market share which was not set by the Court of Justice in its rulings. The Court of

Justice did not rule that the retail or end user market is the only relevant market on which a mark is used for the purpose of determining whether use of the mark is genuine.

33. Trade marks are not only used on the market in which goods bearing the mark are sold to consumers and end users. A market exists in which goods bearing the mark are sold by foreign manufacturers to importers in the United Kingdom. The goods bearing the LA MER mark were sold by Goëmar and bought by Health Scope Direct on that market in arm's length transactions. The modest amount of the quantities involved and the more restricted nature of the import market did not prevent the use of the mark on the goods from being genuine use on the market. The Court of Justice made it clear that, provided the use was neither token nor internal, imports by a single importer could suffice for determining whether there was genuine use of the mark on the market.

34. There was some discussion at the hearing about the extent to which Goëmar was entitled to rely on its intention, purpose or motivation in the sales of the goods bearing the mark to Health Scope Direct. I do not find such factors of much assistance in deciding whether there has been genuine use. I do not understand the Court of Justice to hold that subjective factors of that kind are relevant to genuine use. What matters are the objective circumstances in which the goods bearing the mark came to be in the United Kingdom. The presence of the goods was explained, as Dr Trott found, by the UK importer buying and the French manufacturer selling quantities of the goods bearing the mark. The buying and selling of goods involving a foreign manufacturer and a UK importer is evidence of the existence of an economic market of some description for the goods delivered to the importer. The mark registered for the goods was used on *that* market. That was sufficient use for it to be genuine use on the market and in *that* market the mark was being used in accordance with its essential function. The use was real, though modest, and did not cease to be real and genuine because the extinction of the importer as the single customer in the United Kingdom prevented the onward sale of the goods into, and the use of the mark further down, the supply chain in the retail market, in which the mark would come to the attention of consumers and end users.”

14) Whilst Neuberger L.J. (as he then was) stated:

“48. I turn to the suggestion, which appears to have found favour with the judge, that in order to be “genuine”, the use of the mark has to be such as to be communicated to the ultimate consumers of the goods to which it is used. Although it has some attraction, I can see no warrant for such a requirement, whether in the words of the directive, the jurisprudence of the European Court, or in principle. Of course, the more limited the use of the mark in terms of the person or persons to whom it is communicated, the more doubtful any tribunal may be as to whether the use is genuine as opposed to token. However, once the mark is communicated to a third party in such a way as can be said to be “consistent with the essential function of a trademark” as explained in [36] and [37] of the judgment in *Ansul*, it appears to me that genuine use for the purpose of the directive will be established.

49. A wholesale purchaser of goods bearing a particular trademark will, at least on the face of it, be relying upon the mark as a badge of origin just as much as a consumer who purchases such goods from a wholesaler. The fact that the wholesaler may be attracted by the mark because he believes that the consumer will be attracted by the mark does not call into question the fact that the mark is performing its essential function as between the producer and the wholesaler.”

15) When considering the evidence filed I take into account the comments in *Awareness Limited v Plymouth City Council*, Case BL O/230/13, where 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.”

16) I also look to the case of *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL O/404/13, where Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not 'show' (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use."

17) The opponent's mark is registered for the following specification in Class 9: Electronic device providing an interface between a portable wireless communication device and a user; event recorder, namely a computerized device for recording vehicle operating data; computerized device, namely, computer hardware for recording a motor vehicle's operating data; computer software for collecting and processing vehicle data and transmitting the vehicle data to a central server.

18) The evidence shows that the opponent has been providing vehicle telematics to large clients such as DfT, and has received considerable sums in return. **I have no hesitation in stating that the opponent has made genuine use of the registered mark on the whole of its registered specification.**

19) When considering the issue under section 5(2)(b) I take into account the following principles which 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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and the nature of the purchasing decision

20) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then determine the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“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.”

21) Although the opponent's proof of use focussed on the provision of goods to large entities such as DfT, it is common knowledge that use of such technology can enable drivers, particularly younger drivers, to reduce their insurance premiums considerably. The average consumer for the opponent's goods must therefore be the general public including businesses. Both parties accept this view as outlined in their submissions. The cost and complexity of the type of technology and services provided by the two parties will vary considerably as will the average consumer's level of attention. Such goods and services are most likely to be selected by eye from the internet or printed matter, although I must not overlook the potential for personal recommendation which means that aural considerations must be considered.

Comparison of goods and services

22) In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include,

inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

23) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) 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;
- e) 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.

24) I also take into account the comments of Jacob J. in *Avnet Incorporated v. Isoact Ltd* [1998] FSR 16 where he said:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

25) The goods and services of the two parties are:

Applicant's goods and services	Opponent's goods
<p>In Class 9: Internal modems; Internet phones; Internet servers; Intranet servers; Computer games programs downloaded via the internet [software]; Data encryption apparatus; Digital music downloadable from the Internet; Digital music [downloadable] provided from mp3 web sites on the internet; Digital music downloadable provided from the internet; Internet phones; Computer games programs downloaded via the internet [software]; Digital music [downloadable] provided from mp3 web sites on the internet; Internet servers; Digital music downloadable from the Internet; Digital music downloadable provided from the internet.</p>	<p>In Class 9: Electronic device providing an interface between a portable wireless communication device and a user; event recorder, namely a computerized device for recording vehicle operating data; computerized device, namely, computer hardware for recording a motor vehicle's operating data; computer software for collecting and processing vehicle data and transmitting</p>
<p>In Class 38: Arranging access to databases on the internet; Broadcasting of programmes via the internet; Electrical data transmission over a global remote data processing network, including the internet; Electronic and telecommunication transmission services; Electronic communication service by means of computer; Electronic communication services; Electronic communication services for the transmission of</p>	

<p>data; Electronic communications services for the transmission of data; Electronic data communications; Internet access services; Internet based telecommunication services; Internet connection services for residential consumers and for commercial entities; Internet portal services; Internet provider services; Internet radio broadcasting services; Internet service provider (isp) services; Internet service provider services; Internet services providers (isps); Internet telephony services; ISP services; Arranging access to databases on the internet; Broadcasting of programmes via the internet; Electronic transmission of computer programs via the internet; Internet access services; Internet connection services for residential consumers and for commercial entities; Internet provider services; Internet service provider services; Internet telephony services; Live transmissions accessible via home pages on the internet [webcam]; Providing chat lines utilising the internet; Providing user access to the internet; Provision of internet access services; Communications via a global computer network or the internet; Electrical data transmission over a global remote data processing network, including the internet; Internet based telecommunication services; Internet service provider (isp) services; Mail services utilising the internet and other communications networks; Providing access to digital music web sites on the internet; Provision of telecommunication access and links to computer databases and the internet; Internet portal services; Internet services providers (isps); Providing telecommunications connections to the internet or databases; Internet radio broadcasting services; Broadcasting of video and audio programming over the Internet; Simulcasting broadcast television over global communication networks, the Internet and wireless networks; Transmission of data or audio visual images via a global computer network or the internet; Distribution of data or audio visual images via a global computer network or the internet; Chatrooms (Providing internet -).</p>	<p>the vehicle data to a central server.</p>
--	--

26) The opponent contended:

“17. Specific matters will be dealt with orally as required. Suffice it to say that at a broad level, across both specifications, the goods for which the Earlier Mark is registered and for which the Applicant Mark is in application are communication devices and devices for collecting, processing and/or transmitting data.

18. The Applicant’s class 9 goods all touch on data transfer and transmission (particularly by the internet). The same can be said of the Opponent’s class 9 goods. Similarly, the Applicant’s services in class 38 all depended on data transfer, particularly by the Internet. There is a plain resonance between the technological sphere of the specification in application, and that already registered. This is likely to result in the same or very similar users and trade channels for both the goods of the Opponent and the goods and services of the Applicant.”

27) The applicant's only comment regarding the similarity of the goods and services, other than the comment in the counterstatement that "the opponents' specification is narrower than that of the mark in suit" was as follows:

"In the present case, the applicant's goods/services can broadly be characterised as computer and telecommunications technologies and related telecommunications services. Being technology products/services, the relevant consumers are very likely to search for, identify and decide to purchase the applicant's goods/services using internet search engines."

28) I must therefore make the best I can from some of the technical terms. I also note that there is considerable duplication and overlap in the applicant's specification. Although the opponent's goods are concerned with vehicle data, this would appear to encompass a number of the opponent's goods, but I do not accept that this would include goods for the downloading of music, or computer programs. Whilst the technology is for downloading music is very similar to downloading any data I believe that the users, uses and trade channels would be significantly different. **I therefore regard the following goods in class 9 as highly similar/identical to the goods of the opponent.**

"Internal modems; Internet phones; Internet servers; Intranet servers; Data encryption apparatus."

29) **I therefore regard the following goods in class 9 as not similar to the goods of the opponent.**

"Digital music downloadable from the Internet; Digital music downloadable provided from the internet; Digital music [downloadable] provided from mp3 web sites on the internet; Computer games programs downloaded via the internet [software]."

30) Moving onto consider the class 38 services of the applicant with the class 9 goods of the opponent. I also note that there is considerable duplication and overlap in the applicant's specification. In the absence of detailed submissions I must make the best of that I can of the comparison. The opponent's goods revolve around the sending and receiving of data via telecommunications systems and the internet. I believe that the average consumer would expect the provider of such goods to also arrange the necessary transmission service. **I find that the following services applied for are similar to a medium degree to the class 9 goods of the opponent.**

"Arranging access to databases on the internet; Communications via a global computer network or the internet; Distribution of data or audio visual images via a global computer network or the internet; Electrical data transmission over a global remote data processing network, including the internet; Electronic and telecommunication transmission services; Electronic communication service by means of computer; Electronic communication services; Electronic communication services for the transmission of data; Electronic data communications; Electronic transmission of computer programs via the internet; Internet based telecommunication services; Internet access services; Internet connection services for residential consumers and for commercial entities; Internet portal services; Internet provider services; Internet service provider (isp) services; Internet service provider services; Internet services providers (isps); Internet telephony services; ISP services; Providing user access to the internet; Provision of internet access services; Provision of telecommunication access and links to computer databases and the internet; Providing telecommunications connections to the internet or databases."

31) I do not regard the following services as similar to the opponent’s goods as they differ in terms of uses and trade channels, and I do not believe that they are in competition with the opponent’s goods:

“Broadcasting of programmes via the internet; Broadcasting of video and audio programming over the Internet; Chatrooms (Providing internet -). Internet radio broadcasting services; Live transmissions accessible via home pages on the internet [webcam]; Mail services utilising the internet and other communications networks; Providing chat lines utilising the internet; Providing access to digital music web sites on the internet; Simulcasting broadcast television over global communication networks, the Internet and wireless networks; Transmission of data or audio visual images via a global computer network or the internet.”

Comparison of trade marks

32) 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 them, 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.”

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

Opponent’s trade mark	Applicant’s trade mark
	

34) The opponent contended:

“10. The Earlier Mark consists of a swirl shape, comprised of interlinking crescents to the left hand side next to the capitalised letters “I” “M” “S” on the right hand side. It is inherently distinctive both as a device in totality, but for its elements also. The swirl shape is slightly larger in the vertical axis than the height of the letters and slightly smaller in the horizontal axis than the combined width of the letters. The “IMS” element of the Earlier Mark is the distinctive and dominant element of the mark being the one capable of aural exposition and use.

11. The Applicant Mark consists of a padlock shape, comprised of interlinking oval elements, with one element (the left most) surrounding a keyhole shape. To the right hand side of the

padlock shape are the capitalised letters “I” “M” “S”. The Padlock shape is slightly larger in the vertical axis than the height of the letters and slightly smaller in the horizontal axis than the combined width of the letters. The “IMS” element of the Applicant Mark is the distinctive and dominant element of the mark being the one capable of aural exposition and use.

12. There is a high degree of visual similarity. Both marks comprise a generally rounded shape to the left of the capitalised letters “IMS”, where the shape element is taller than the letters, but narrower than their combined width, and comprise a pair of interlinked, rounded shapes. The “IMS” elements are also highly similar, in that in both marks the letters are capitalised. The overall visual impression that would be formed by the average consumer of each mark would be highly similar.

13. Aurally, the marks do not differ at all – they are identical in this respect. Both would be vocalised as “I” “M” “S”. This is the most natural aural expression of the marks.

14. As to the Applicant’s assertion that the mark would be vocalised as “dms”, this is not plain on the face of the Applicant Mark. The device element of the Applicant Mark has purposefully been designed to resemble a padlock. It does not obviously resemble a “d” or “d” as part of a word such as to make the vocalisation “dms”. Moreover, this assertion is not supported, by evidence.

15. Neither mark has a clear conceptual meaning. The opponent’s mark is acronymic for “Intelligent Mechatronic Systems”. The applicant’s assertions that the Applicant mark is acronymic is again unsupported by evidence, but if correct there is a conceptual similarity in both the fact of them both being acronyms, and the last word in each acronym alleged being “systems”.

35) Whilst the applicant contended:

“3. When comparing the applicant's DIMS logo mark and the opponent's IMS (& device) logo mark, the overall impression conveyed by the respective signs is different and distinguishable. The applicant's mark clearly conveys the word DIMS, the 'padlock on its side' device signifying the capital letter D and being integral to the overall impression of the applicant's mark as a whole. To treat the applicant's mark otherwise would be an artificial dissection of the mark. This perception of the applicant's mark as the single word DIMS is supported by factors such as the close spacing utilised within the logo and the uniform colour in which the logo is presented.

4. In contrast, the opponent's IMS (& device) mark will be perceived as the lettering I.M.S. beside a device which can be broadly characterised as circular, but not itself representing a specific letter. Such letter-based marks are submitted not to be particularly high in distinctiveness, it being reasonably common for undertakings to adopt letters as indicators of trade origin.

5. The decision of the Hearing Officer in Application number 2594309 by David Bell- Gam to register the trade mark J.O.O (& device) and opposition number 102832 thereto by Strellson AG [*OpposWon case number 0-341-12*] is submitted to be of close relevance to the present proceedings. In reaching her decision that no likelihood of confusion was present, the Hearing Officer, at paragraph 32, describes the J.O.O (& device) mark as being "a letter combination which is not a known word" which thus "creates an impression of an acronym, rather than a word. Acronyms are, by definition, letters rather than words". In contrast, the mark of the

other side in this J.O.O case (which was JOOP/JOOP [word]) is described as "a word, albeit an invented word, which is easily pronounced".

6. In the present proceedings, the verbal element of the opponent's mark will be viewed by the relevant consumer as separate letters (e.g.-pronounced separately). The IMS part of the applicant's mark does not hold an independent role within the DIMS (logo) mark as a whole, the device element being so integral to the overall impression which is conveyed that the relevant consumer will view it as "a word ... which is easily pronounced" (and not an invented word as in the J.O.O case, which bolsters the distinguishable nature of the applicant's mark).

7. The decision of the Hearing Officer in Application number 3003096 by The Royal Academy of Arts to register the trade mark RA (stylised) and opposition number 401111 thereto by Errea' Sport S.P.A. [Opposition case number 0-036-15] is also submitted to be of relevance to the present proceedings. In reaching her decision that no likelihood of confusion was present between the RA mark and the opponent's 'Errea' marks, the Hearing Officer stated (at paragraph 14) that:

"[the] mere fact that the respective marks have the letters 'R' and 'A' in common does not, in the light of the other clear and marked differences between them, make them visually similar. On the contrary, they are visually dissimilar. Aurally, the applicant's mark will be pronounced as the two letters 'R' 'A' ... the respective marks are not aurally similar to the ear ... As for the conceptual aspect, neither mark has any immediately graspable concept".

8. Applying the above decisions to the present case, it is submitted that there are significant visual, phonetic and conceptual differences between the applicant's DIMS logo mark and the opponent's IMS (& device) mark. The key visual impact conveyed by the opponent's mark is of the lettering I.M.S., which is not a known word and so "creates an impression of an acronym, rather than a word". In contrast, the visual impact conveyed by the applicant's mark is the easily pronounced dictionary word DIMS. In addition, the stylisation used in the respective marks do not hold any devices, fonts, colours etc in common. The respective marks are submitted to be visually dissimilar overall.

9. Aurally, the opponent's mark will be pronounced as the three letters 'I' 'M' 'S', in contrast to the applicant's easily pronounced DIMS word, rendering the respective marks aurally dissimilar overall. Finally, the opponent's IMS (& device) logo mark does not have "any immediately graspable concept". In contrast, the conceptual message of the applicant's mark is capable of immediate grasp [*Ruiz Picasso v OHIMi* [2006J e.c.r. -1-643; [2006J E. T.M.R. 29], being a dictionary word referring to the verb for 'making less illuminated'. Although the internal origin of the applicant's marks is as an abbreviation for "Discovery Inventory Management System", this is not a commonplace industry term. It does not supersede the more 'immediately graspable' conceptual impact of the applicant's mark, which is distinguishable from of the opponent's conceptually neutral mark."

36) Both parties accept that the opponent's mark consists of a circular device of two crescents interlocked and the letters IMS. It is also common ground that the mark would be pronounced as three separate letters as there is no such word as "IMS" and the mark would appear to be an acronym. The two parties differ over how they view the mark in suit. To my mind, the padlock device is obvious. I do not accept that the hasp of the padlock forms a letter "D". The straight "bar" on the left is much longer than the crescent shape, and the bar and the crescent do not meet. It is more akin to a backwards letter "C" than a letter "D" but the most obvious view that I believe that the average consumer will make is that it is simply the hasp of the padlock device signifying security. Again the letters "IMS" will, I believe be seen as an acronym. In its counterstatement the applicant made this point when it said:

“in relation to its [the applicant’s] business, the term DIMS has a meaning of Discovery Inventory Management System, whereas in the opponent’s mark the letters IMS obviously stand for Intelligent Mechatronic System. The padlock device in the applicant’s mark also suggests in the context of the goods and services that they are secure, whilst the opponent’s mark has two non-distinct horseshoe shapes.”

37) To my mind, most consumers will not know the meaning of the letters IMS they will simply assume they stand for something and pronounce them as individual letters. Visually the marks differ in that the device elements are completely different. However, the padlock device when used on what the applicant describes as “its computer and telecommunications technologies and related telecommunications services” has an obvious and well known meaning that the software is secure and can be trusted to protect the user. The marks are visually similar to at least a medium degree. Aurally the device elements would not come into play and so the marks are identical. Conceptually neither mark has an obvious meaning when one first encounters it, only if you are educated would you know what the acronyms stand for. The padlock device is commonly used to indicate that a site is secure and so it has no conceptual meaning in terms of a specific trade mark. The marks are therefore conceptually neutral.

Distinctive character of the earlier trade mark

38) 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).”

39) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.'

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

40) The opponent's mark consists of a device element of two interlocked crescents and an acronym. Both are distinctive elements which are independent of each other. I would consider the acronym the dominant element as overall it is wider than the device element, albeit shorter, and although it comes after the device element I take into account the accepted view that word speak louder than devices, in this case even though it is three letters forming an acronym rather than a word which can be pronounced. The opponent's mark is inherently distinctive to a medium degree but cannot benefit from enhanced distinctiveness as the opponent whilst it provided invoices showing it has turnover, did not put these figures into context in terms of market share, nor did it provide any evidence of advertising or promotion.

Likelihood of confusion

41) In determining whether there is a likelihood of confusion, 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 trade 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 also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods and services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer is a member of the general public (including businesses), who will select the services / goods by predominantly visual means, although not discounting aural considerations and that the degree of care and attention they pay will vary enormously depending upon cost;
- Visually the marks are similar to a medium degree, whilst being aurally identical. Conceptually the marks are neutral.
- the opponent's earlier trade mark has a medium level of inherent distinctiveness but cannot benefit from an enhanced distinctiveness as the evidence of use was not sufficient.
- Some of the goods in class 9 are identical whilst other goods are dissimilar, and some of the services in class 38 are similar to a medium degree whilst others are dissimilar.

42) In view of the above and allowing for the concept of imperfect recollection, there is a likelihood of consumers being confused into believing that some of the applicant's goods and services in classes 9 and 38 provided by the applicant are those of the opponent or provided by some undertaking linked to

them. **The opposition under Section 5(2) (b) therefore succeeds in relation to these goods and services.**

Class 9: Internal modems; Internet phones; Internet servers; Intranet servers; Data encryption apparatus.

Class 38: Arranging access to databases on the internet; Communications via a global computer network or the internet; Distribution of data or audio visual images via a global computer network or the internet; Electrical data transmission over a global remote data processing network, including the internet; Electronic and telecommunication transmission services; Electronic communication service by means of computer; Electronic communication services; Electronic communication services for the transmission of data; Electronic data communications; Electronic transmission of computer programs via the internet; Internet based telecommunication services; Internet access services; Internet connection services for residential consumers and for commercial entities; Internet portal services; Internet provider services; Internet service provider (isp) services; Internet service provider services; Internet services providers (isps); Internet telephony services; ISP services; Providing user access to the internet; Provision of internet access services; Provision of telecommunication access and links to computer databases and the internet; Providing telecommunications connections to the internet or databases.

43) In view of the above and allowing for the concept of imperfect recollection, there is no likelihood of consumers being confused into believing that some of the applicant's goods and services in classes 9 and 38 provided by the applicant are those of the opponent or provided by some undertaking linked to them. **The opposition under Section 5(2) (b) therefore fails in relation to these goods and services.**

Class 9: Digital music downloadable from the Internet; Digital music downloadable provided from the internet; Digital music [downloadable] provided from mp3 web sites on the internet; Computer games programs downloaded via the internet [software].

Class 38: Broadcasting of programmes via the internet; Broadcasting of video and audio programming over the Internet; Chatrooms (Providing internet -). Internet radio broadcasting services; Live transmissions accessible via home pages on the internet [webcam]; Mail services utilising the internet and other communications networks; Providing chat lines utilising the internet; Providing access to digital music web sites on the internet; Simulcasting broadcast television over global communication networks, the Internet and wireless networks; Transmission of data or audio visual images via a global computer network or the internet.

CONCLUSION

44) As the opponent has been partly successful it is entitled to a contribution towards its costs.

Expenses	£100
Preparing a statement and considering the other side's statement	£200
Preparing evidence	£400
Preparing for and attending a hearing	£600
TOTAL	£1,400

45) I order Genius PPT Limited to pay Intelligent Mechatronic Systems Inc. the sum of £1400. This sum to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 11th day of November 2015

**George W Salthouse
For the Registrar,
the Comptroller-General**