# **TRADE MARKS ACT 1994**

# IN THE MATTER OF APPLICATION No. 3082014 BY EVOD LIMITED TO REGISTER THE TRADE MARK

# **EVOD**

IN CLASSES 34 & 35 AND

IN THE MATTER OF OPPOSITION THERETO UNDER Nos. 404013 BY NICOPURE LABS LLC

#### **BACKGROUND**

- 1) On 18 November 2014, Evod Limited (hereinafter the applicant) applied to register the trade mark EVOD (as it appears above) in respect of the following goods and services:
  - Class 34: Electronic cigarettes used with nicotine-based liquid that is vaporized and inhaled, used to simulate the experience of smoking tobacco.
  - Class 35: Retail services connected with the sale of e-cigarettes and e-liquid used in the e-cigarettes.
- 2) The application was examined and accepted, and subsequently published for opposition purposes on 19 December 2014 in Trade Marks Journal No.2014/052.
- 3) On 19 March 2015 Nicopure Labs LLC (hereinafter the opponent) filed a notice of opposition. The opponent is the proprietor of the following trade mark:

Mark	Number	Dates	Class	Specification relied upon
Evo	M 1173444	date / Designation date 17 May 2013 Date of Protection of the	30	Chemical flavorings in liquid form used to refill electronic cigarette cartridges.
		International Registration in UK: 28 November 2013 Office of origin: USA	34	Cartridges sold filled with propylene glycol for electronic cigarettes.

- a) The opponent contends that its mark and the mark applied for are similar. It also contends that the goods for which its mark is registered are identical and/or similar to the goods and services applied for. The application therefore offends against Section 5(2)(b) of the Act.
- 4) On 11 May 2015 the applicant filed a counterstatement, basically denying that the marks are similar.
- 5) Only the opponent filed evidence. Both parties seek an award of costs in their favour. The matter came to be heard on 11 January 2016 when the opponent was not represented but its Trade Mark Agent provided written submissions; the applicant was due to be represented by Mr Ali who I assume is a director of the applicant company. He filed written submissions but failed to appear to the appointed time and did not contact the office to explain his non-attendance. I will therefore decide the issue from the papers filed.

#### OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 27 July 2015, by Camilla Sexton the opponent's Trade Mark Attorney. She provides the following exhibits:

- CS1: An extract from the BBC website with details of what is inside an e-cigarette. Basically a battery powers a heating coil which vaporises the contents of a cartridge.
- CS2: A selection of Internet printouts from five brands, *E-Lites, Vype, Nicolites, Vapestick* and *Puritane* which show that the same brand is used on the refills and cartridges as on the ecigarettes. These are either dated 8 June 2015 or 10 July 2015.
- CS3: A selection of internet printouts from the websites of various UK retailers which shows that they sell both e-cigarettes and also the refills and cartridges. The retailers include Lloyds Pharmacy; Smoker's Angel Electronic cigarette stores; Tesco; Sainsbury; www.ecigukonline.co.uk; www.sparksecigs.co.uk and www.electrictobacconist.co.uk. These are dated 8 June 2015, 10 July 2015 and 14 July 2015.
- 7) That concludes my summary of the evidence filed, insofar as I consider it necessary.

#### **DECISION**

- 8) The only ground of opposition is under 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. Given the interplay between the date that the opponent's mark was designated and the date that the applicant's mark was published, the opponent's mark is not subject to proof of use.
- 11) 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

- 12) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods 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."

- 13) To my mind, the average consumer for electronic cigarettes and the flavourings used will be a member of the general public who smokes and is over eighteen years old. Such goods will typically be offered for sale in retail outlets, as well as on the internet. Unlike real cigarettes the goods are on display and can be self selected. The initial selection is therefore primarily visual, although I accept that the goods may be researched or discussed with a member of staff or be recommended. Thus aural considerations must be considered.
- 14) The average cost of the items varies somewhat, being said in submissions to be between £4 for the flavourings and £35 for a starter kit. In my opinion, the average consumer's level of attention will be somewhat low although they will wish to ensure that the item purchased is suitable for their cigarette or taste and safe. Overall the average consumer for these types of goods is likely to pay a low to medium degree of attention to the selection of such items.

# **Comparison of goods**

15) 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".

- 16) 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.
- 17) The goods of the two parties are:

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Applicant's goods	Opponents' goods
Applicant 3 goods	Opponents doors

Class 34: Electronic cigarettes used with nicotine-based liquid that is vaporized and inhaled, used to simulate the experience of smoking tobacco.	Class 30: Chemical flavorings in liquid form used to refill electronic cigarette cartridges.	
Class 35: Retail services connected with	Class 34: Cartridges sold filled with	
the sale of e-cigarettes and e-liquid used in	propylene glycol for electronic	
the e-cigarettes.	cigarettes.	

- 18) The applicant contends that the opponent's goods in class 30 are in totally different classes to its goods and services. The applicant also contends that its e-cigarette does not use cartridges. However, it did not submit any evidence regarding the manner in which these items work. It attempted to introduce such evidence as part of its submissions but as it has not been correctly filed I am not taking this into account. In any event it is still an e-cigarette. The opponent points out that an electronic cigarette is a method of delivering nicotine to the user without the combustion of tobacco. The battery in the e-cigarette heats a coil which heats liquid nicotine contained in the e-cigarette cartridge. The liquid, which contains propylene glycol and flavourings, becomes a vapour and is inhaled. The chemical flavourings and the cartridges are integral to the functioning of the e-cigarette. Therefore, in my opinion, the goods of the opponent in classes 30 and 34 are highly similar to the applicant's goods in class 34. I also note that the evidence shows that such items are commonly produced by the same manufacturer. This was disputed by the applicant who attempted to submit evidence on this point as part of its submissions but as it was not correctly filed I do not take these claims into account in reaching my decision as the opponent has not had the opportunity to comment on them.
- 19) The opponent contends that manufacturers sell such items from their own websites, and their evidence backs up this contention. I also accept that retail outlets will sell e-cigarettes as well as cartridges and liquid flavourings. The retail services in class 35 must therefore be regarded as similar to the goods being offered for sale and for which the opponent has its marks registered in classes 30 & 34.

# **Comparison of trade marks**

- 20) 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."
- 21) 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:

Opponents' trade mark	Applicant's trade mark
Evo	EVOD

22) As part of its submissions the applicant contended that its mark stands for Electronic Vaporing Operating Device. However, this has not been filed as part of its evidence and it has not been corroborated. Therefore, I am not taking this claim into account as part of my decision as the opponent has not had a chance to comment on this claim. The letters "EVO" and "EVOD" have, as far as I am aware, no dictionary meaning, nor are they acronyms with any meaning in respect of the goods or services in the instant case. Therefore, the marks have no meaning so from a conceptual perspective the position is neutral. The whole of the opponent's mark is contained in the mark in suit with simply the addition of the letter "D" at the end. It could be mistaken for a "D" version of the evo ecigarette. As such the marks must be regarded as similar to a medium to high degree both visually and aurally. **Overall the marks are similar to a medium to high degree**.

#### Distinctive character of the earlier trade marks

- 23) 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 WindsurfingChiemsee v Huber and Attenberger [1999] ECR I-0000, paragraph 49).
  - 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."
- 24) 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".
- 25) As the opponent's mark has no meaning it must be regarded as a made up word and as such it has a high degree of inherent distinctiveness but cannot benefit from enhanced distinctiveness as the opponent has not shown that it has a significant reputation in the UK.

#### Likelihood of confusion

- 26) 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 opponents' 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 over eighteen years of age, who will select the goods by predominantly visual means, although not discounting aural considerations. Overall the average consumer for these types of goods is likely to pay a low to medium degree of attention to the selection of such items.
  - the goods of the opponent in classes 30 and 34 are highly similar to the applicant's goods in class 34
  - the retail services in class 35 must be regarded as similar to the goods being offered for sale and for which the opponent has its marks registered in classes 30 & 34.
  - the marks are visually and aurally similar to a medium to high degree. They are conceptually neutral.
  - the opponent's earlier trade mark has a high degree of inherent distinctiveness in relation to all the goods but cannot benefit from an enhanced distinctiveness.
- 27) The applicant contends that many words are similar but people do not get confused. The applicant also contended that as it is seeking to register its company name this is acceptable. I do not accept this point as registering a company name gives no right to use that name as a trade mark. However, in view of the points in paragraph 26 above and allowing for the concept of imperfect recollection, there is a likelihood of consumers being confused into believing that the goods and services applied for 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 full.**

# **CONCLUSION**

28) As the opponent has succeeded in full it is entitled to a contribution towards its costs.

Opposition fee	£100
Preparing a statement and considering the other side's statement	£200
Preparing evidence	£500
Preparing submissions	£600
TOTAL	£1,400

29) I order Evod Ltd to pay Nicopure Labs LLC 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 19<sup>TH</sup> day of January 2016

George W Salthouse For the Registrar, the Comptroller-General