

**O-102-16**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 3092585  
BY LIFE IN THE OLD DOG YET LTD**

**TO REGISTER THE TRADE MARK:**

**SimplicityPPM**

**IN CLASS 9**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER NO. 404423 BY O2 HOLDINGS LIMITED**

## BACKGROUND AND PLEADINGS

1. On 3 February 2015, Life in the Old Dog Yet Ltd (“the applicant”) applied to register the trade mark **SimplicityPPM** for the following goods in class 9:

Class 9      Project & portfolio management software.

The application was published for opposition purposes on 27 February 2015.

2. The application is opposed by O2 Holdings Limited (“the opponent”). The Notice of Opposition was filed on 27 May 2015. The opposition, which is based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), is directed against all of the goods in the application. I note that the opponent has indicated, in the course of correspondence during the proceedings and in its written submissions, that it initially raised as a ground section 5(3) of the Act, withdrawing that ground when it elected not to file evidence. It is, however, clear from the original Notice of Opposition and statement of grounds that only section 5(2)(b) was ever pleaded.

3. The opponent relies upon trade mark registration no. 3028313 for the trade mark **SIMPLICITY**, applied for on 28 October 2013 and for which the registration procedure was completed on 30 May 2014. The opponent relies upon a range of goods and services in classes 9, 35, 36, 38, 41 and 42.

4. In its Notice of Opposition, the opponent claims that there is a likelihood of confusion, including the likelihood of association, because the marks are visually, aurally and conceptually similar and because the goods and services are identical or very similar.

5. The applicant filed a counterstatement, which required amendment. In its counterstatement, the applicant denies the basis of the opposition. As these are the only submissions I have from the applicant, they are reproduced in full, as written, below:

“In relation to the Opposition of O2 Holdings which relates to their trademark nr 3028313

Without further prejudice we state the following:

The clause 9 of O2 Holdings for nr 3028313 states that their trademark which is only Simplicity and not SimplicityPPM is for a specific area not covered by SimplicityPPM

This is completely different to our clause 9 and the purpose of the application which it would cover. PPM means Project and Portfolio Management application. It has no bearing on Telecommunications.

The name is a composite which will always include PPM in the headings.

When we look at the further clauses after taking advice, we can see clearly the lack of similarities to a PPM solution. Further nowhere is such an application service or goods mentioned.

So in opposition on the grounds as put forward we also state:

2) The visual aspect is different as PPM is an integral part. There are other trademarks with simplicity not owned by O2 Holdings which stipulate other services and goods.

3) As already explained the goods and services supplied are not identical. Detailed investigation of their Trade mark clauses shows this.

4) Under the act if the original Trademark did not cover the services and goods as we have shown then the registration of SimplicityPPM cannot be refused. We should advise domain names, the company who will market the application (Project Portfolio Systems) all have PPM as an integral part of the name”.

6. Neither party filed evidence. Whilst neither party asked to be heard, the opponent filed written submissions in lieu of attendance at a hearing. I will bear these submissions in mind and refer to them, as necessary, below.

### **Preliminary issues**

7. The applicant relies upon a number of factors which it states will avoid any likelihood of confusion. These are that:

- i) The parties have different areas of business, the applicant being concerned with project and portfolio management applications and the opponent with telecommunications;
- ii) there are a number of other marks on the register which feature the word “simplicity”;
- iii) the domain names and name of the company which will market the application all include “PPM” as part of their names.

8. Some of these are familiar arguments in trade mark oppositions. Before going further into the merits of this opposition, it is necessary to explain why, as a matter of law, these points will have no bearing on the outcome of this opposition.

9. A trade mark registration is essentially a claim to a piece of legal property (the trade mark). Every registered mark is entitled to legal protection against the use, or registration, of the same or similar trade marks for the same or similar goods/services if there is a likelihood of confusion. Once a trade mark has been registered for five years, section 6A of the Act is engaged and the opponent can be required to provide evidence of use of its mark. Until that point, however, the mark is entitled to protection in respect of the full range of goods and services for which it is registered.

10. The trade mark relied on by the opponent had not been registered for five years at the date on which the application was published. Consequently, the opponent does not need to prove use for any of the goods or services for which its mark is registered and may rely on the entirety of the specification registered. The earlier mark is entitled to

protection against a likelihood of confusion with the applicant's mark based on the 'notional' use of the earlier mark for all the goods and services listed in the register. This concept of notional use was explained by Laddie J. in *Compass Publishing BV v Compass Logistics Ltd* ([2004] RPC 41) like this:

"22. ....It must be borne in mind that the provisions in the legislation relating to infringement are not simply reflective of what is happening in the market. It is possible to register a mark which is not being used. Infringement in such a case must involve considering notional use of the registered mark. In such a case there can be no confusion in practice, yet it is possible for there to be a finding of infringement. Similarly, even when the proprietor of a registered mark uses it, he may well not use it throughout the whole width of the registration or he may use it on a scale which is very small compared with the sector of trade in which the mark is registered and the alleged infringer's use may be very limited also. In the former situation, the court must consider notional use extended to the full width of the classification of goods or services. In the latter it must consider notional use on a scale where direct competition between the proprietor and the alleged infringer could take place".

11. So far as the use of the applied-for mark is concerned, in *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited* (Case C-533/06), the Court of Justice of the European Union ("CJEU") stated at paragraph 66 of its judgment that, when assessing the likelihood of confusion in the context of registering a new trade mark, it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered. As a result, my assessment must take into account only the applied-for mark (and its specification) and any potential conflict with the earlier trade mark. Any differences between the goods and services provided by the parties, or differences in their trading styles or marketing approach, are irrelevant unless those differences are apparent from the applied-for and registered marks. As the comparison is made only between the applied-for and earlier marks, and their respective specifications, the existence of other trade marks on the register is not relevant to the decision I must make (on this point, see the decision of the General Court ("GC") in *Zero Industry Srl v OHIM*, Case T-400/06).

## **DECISION**

12. The opposition is based upon section 5(2)(b) of the Act which reads as follows:

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

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

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

13. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

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

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) 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,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered”.

14. In these proceedings, the opponent is relying upon the trade mark shown in paragraph 3, which qualifies as an earlier trade mark under the above provisions. As this trade mark had not completed its registration process more than 5 years before the publication date of the application in suit, it is not subject to proof of use, as per section 6A of the Act. The opponent can, as a consequence, rely upon all of the goods and services it has identified.

### **Section 5(2)(b) – case law**

15. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles:

(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.

### **Comparison of goods and services**

16. In its Notice of Opposition, the opponent indicates that it relies upon all of the goods and services for which its earlier mark is registered. However, at pages 5-6 of its written submissions, it identifies, very helpfully, the goods and services in its specification which represent its best case. Bearing this in mind, the competing goods and services are therefore as follows:

Opponent's goods and services	Applicant's goods
<p><b>Class 9-</b> Mobile telecommunications equipment, sim cards for mobile phones; tablet computers; smartphones.</p> <p><b>Class 42-</b> Design and development of computer hardware and software; information and consultancy services relating to information technology; computer programming services; recovery of computer data; consultancy in the field of computer hardware; computer programming; duplication of computer programs; computer rental; computer software design; installation of computer software; maintenance of computer software; repair of computer software; updating of computer software; rental of computer software; rental of computer hardware; computer system design; computer systems analysis; consultancy in the field of computer software.</p>	<p><b>Class 9-</b> Project &amp; portfolio management software.</p>

17. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*, the CJEU stated at paragraph 23 of its judgment:

“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”.

18. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- 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.

19. As for whether the goods and services are complementary, in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC stated that “complementary” means:

“...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”.

20. Regarding complementarity, I also bear in mind the guidance given by Mr Daniel Alexander QC, sitting as the Appointed Person, in case BL O/255/13 *LOVE* where he warned against applying too rigid a test:

“20. In my judgment, the reference to “legal definition” suggests almost that the guidance in Boston is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to Boston”.

21. I note that the opponent has made its written submissions on the basis that the application is made in relation to “computer application software” in class 9. The official file indicates that the applicant did originally apply for computer application software but that, before publication, the specification was limited to “project and portfolio management software”. I proceed on the basis of the specification now recorded.

22. The applicant denies that there is any similarity between the goods in the applied-for specification and the goods and services of the earlier mark. The opponent indicates that it considers the goods and services relied upon to be identical or highly similar (p. 5) and “highly complimentary” [sic] (p. 6) to the applicant’s goods.



23. In my view, the opponent's best case rests in its class 42 services for "design and development of computer software". I note that there are a number of similar terms among those relied upon by the opponent (such as "computer programming services" and "maintenance of computer software") which point to a suite of software and programming services and which would have a corresponding level of similarity with the applicant's goods. However, none of these would put the opponent in a better position overall than "design and development of computer software".

24. Software is the end result of a software design and development process. The opponent's services are unrestricted and would, therefore, cover the design and development of project and portfolio management software. The relationship between software itself and the design and development of computer software, which is complementary, is likely to be one where the average consumer regards the same undertaking as being the provider of both the goods and the services. Consequently, I find that the applicant's "project and portfolio management software" is similar to a high degree with the opponent's "design and development of computer software".

### **The average consumer and the nature of the purchasing act**

25. 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".

26. I have no submissions from either party regarding the average consumer of the goods and services at issue. The average consumer of "computer programming services" will be either a member of the general public or a business consumer. The average consumer of project and portfolio management software is a business user.

27. The member of the general public purchasing computer programming services is likely to do so through primarily visual means, having reviewed the services on offer, for example, on websites and in magazines, although I do not discount an aural component (advice may, for example, be sought from a sales advisor). The member of the general public purchasing the services at issue will wish to ensure that the service offered is suitable for their needs and that it is compatible with the hardware and software of their

system. The purchase of these services is unlikely to be a frequent one. I conclude that the member of the public purchasing such services will do so with a reasonably high degree of attention.

28. The business user is likely to purchase the services after consulting, for example, websites, catalogues and trade publications. A business user may also have held exploratory meetings with or invited tenders from potential suppliers. I therefore consider that the business consumer's selection of computer programming services will be a predominantly visual process, though I do not discount that there may be an aural component.

29. The business consumer of the applicant's project and portfolio management software is likely to select the goods following a visual inspection of websites, catalogues and trade publications. Although I consider that visual selection will dominate, aural considerations may also play their part as the selection may, for example, be discussed with sales or technical advisors.

30. In selecting both the goods and services at issue, the business user will be keen to ensure that the most appropriate service is chosen. Considerable sums may be laid out in the purchase of the goods and services or lengthy contracts signed. Given that the goods and services will support a business need or enhance a business function, and that they may also have to be compatible with a business's existing infrastructure, the level of attention paid by the business consumer will be reasonably high.

### **Comparison of trade marks**

31. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

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

33. The trade marks to be compared are as follows:

<b>Opponent's trade mark</b>	<b>Applicant's trade mark</b>
SIMPLICITY	SimplicityPPM

34. The applicant states that “[t]he visual aspect is different as PPM is an integral part”. It also indicates that “PPM means Project and Portfolio Management application. [...] The name is a composite which will always include PPM in the headings”.

35. According to the opponent, the marks are visually and aurally very similar, and conceptually similar. In relation to the visual comparison, it submits that “[t]he inclusion of the word “ppm” within the mark is not sufficient to stop consumers being drawn to the SIMPLICITY element of the mark” (p. 3). It also states that:

“The marks are conceptually similar because they both contain the word SIMPLICITY which conveys meaning to the average consumer in the UK. Therefore, the marks are conceptually identical for the SIMPLICITY elements of both marks. When viewing the marks as a whole, the marks are conceptually similar due to the fact that they both contain the element SIMPLICITY.

The element “ppm” adds little to the mark, as it is simply describing project and portfolio management as described by the Applicant in their Counterstatement” (p. 4).

36. The applicant's mark consists of the thirteen letters “SimplicityPPM”. The first and final three letters are in upper case, with the remainder in lower case. Although conjoined, I think it clear that the mark will be perceived as the dictionary word “Simplicity” followed by the abbreviation “PPM”. Given the applicant's specification, and its submissions regarding the meaning of “PPM”, some consumers will understand that the letters “PPM” mean project and portfolio management. For those consumers, the letters will have no distinctiveness in relation to the applicant's goods. Other consumers will not know what the initials stand for. For both groups of consumer, I consider the word “Simplicity” to be the element that has the greatest impact in the overall impression of the mark. A weaker role is played by the letters “PPM” which, coming at the end of the mark, will have a lesser impact, particularly for those consumers for whom the abbreviation have no distinctiveness in relation to the goods.

37. The opponent's mark consists of the ten-letter word “SIMPLICITY”, presented all in upper case. There are no other elements to contribute to the overall impression, which is contained in the word itself.

38. Visually, both marks share the first ten letters “Simplicity”/“SIMPLICITY”. As notional and fair use means that either mark could be used in upper or lower case, the difference

created by the cases as presented above is not relevant. There is a difference between the marks on account of the letters “PPM” in the applicant’s mark. Even taking into account that difference, I find that there is a reasonably high degree of visual similarity.

39. Aurally, the word “Simplicity”/“SIMPLICITY” will be pronounced identically in each mark. I am of the view that those consumers who know the meaning of “PPM” may not articulate it and that the marks may, therefore, be aurally identical for that group of consumers. The other group of consumers, who do not know the meaning of “PPM”, will articulate the abbreviation as “PEE-PEE-EM”. For this group of consumers, the letters “PPM” create a difference between the marks and I consider that there is a reasonably high degree of aural similarity.

40. Conceptually, the word “Simplicity”/“SIMPLICITY” is a common dictionary word that will be readily understood by the average consumer as meaning easy to understand or uncomplicated, either to use or in its design. Those consumers who know the meaning of “PPM” in relation to the applicant’s goods will attribute no distinctiveness to the abbreviation. As a result, for this group of consumers, the marks are conceptually identical.

41. For the other group of consumers, who do not know what “PPM” means in relation to the applied-for goods, a difference between the marks is created by the letters “PPM”. However, while the abbreviation will be noted, it is likely that these letters will be perceived by the average consumer as having no particular meaning. I consider that there is a reasonably high degree of conceptual similarity.

### **Distinctive character of the earlier trade mark**

42. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods and services for which it has been registered as coming from a particular undertaking and thus to distinguish those goods and services from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585. 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-2779, 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)".

43. The applicant has made no submissions regarding the distinctiveness of the opponent's trade mark. The opponent submits that "the trade mark SIMPLICITY is highly distinctive for the goods and services of the subject application" (p. 8). It also asserts that "[w]e have demonstrated through the evidence submitted that the mark SIMPLICITY enjoys an enhanced distinctive character, and a reputation" (p. 9). This appears to be an error, as the opponent in fact filed no evidence in these proceedings. I therefore have only the inherent position to consider.

44. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods/services, to those with high inherent distinctive character, such as invented words which have no allusive qualities (KODAK is the paradigm example). The judgment of the CJEU in *Formula One Licensing BV v OHIM* Case C-196/11P indicates that a registered trade mark must be considered to have at least a minimum degree of distinctive character. For the services relied upon, "SIMPLICITY" is highly allusive of a characteristic of the services, i.e. that they are simple to use or understand. Consequently, I find that the earlier mark has a low degree of inherent distinctiveness.

### **Likelihood of confusion**

45. 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 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 bear 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.

46. I have found the parties' marks to be visually similar to a reasonably high degree and that they are aurally and conceptually similar to at least a reasonably high degree. I have identified the average consumer as a member of the general public or a business user who will select the goods primarily by visual means (though I do not discount an aural component). I have concluded that the degree of attention paid will be reasonably high for both groups of average consumer. I have found the parties' goods and services to be highly similar. I have found the earlier mark to have a low degree of inherent distinctive character.

47. Before making my decision, I remind myself of the CJEU's guidance in *Formula One Licensing BV v OHIM*, Case C-196/11P, where it found that:

"41. ....it is not possible to find, with regard to a sign identical to a trade mark protected in a Member State, an absolute ground for refusal, such as the lack of distinctive character, provided by Article 7(1)(b) of Regulation No 40/94 and Article 3(1)(b) of Directives 89/104 and 2008/95. In this respect, it should be noted that the characterisation of a sign as descriptive or generic is equivalent to denying its distinctive character.

42. It is true that, as is clear from paragraph 48 of the judgment under appeal, where an opposition, based on the existence of an earlier national trade mark, is filed against the registration of a Community trade mark, OHIM and, consequently, the General Court, must verify the way in which the relevant public perceives the sign which is identical to the national trade mark in the mark applied for and evaluate, if necessary, the degree of distinctiveness of that sign.

43. However, as the appellant rightly points out, their verification has limits.

44. Their verification may not culminate in a finding of the lack of distinctive character of a sign identical to a registered and protected national trade mark, since such a finding would not be compatible with the coexistence of Community trade marks and national trade marks or with Article 8(1)(b) of Regulation No 40/94, read in conjunction with Article 8(2)(a)(ii)".

48. Although I have found that the earlier mark has only low distinctive character, that does not, of itself, preclude a finding of likelihood of confusion. In *L'Oréal SA v OHIM*, Case C-235/05 P, the CJEU found that:

"45. The applicant's approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it

would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight difference between the signs reflected a variation in the nature of the products or stemmed from marketing considerations and not that that difference denoted goods from different traders”.

49. Bearing all of these factors in mind, and notwithstanding the reasonably high degree of attention that will be paid to the selection of the goods and services at issue (thus making the average consumer less prone to the effects of imperfect recollection), I am satisfied that, owing to the degree of similarity in the marks and the closeness of the goods and services, there is a likelihood of direct confusion, i.e. the average consumer will mistake one mark for another.

### **Conclusion**

50. The opposition succeeds in full.

### **Costs**

51. As the opponent has been successful it is entitled to a contribution towards its costs. Neither party filed evidence; the opponent filed written submissions but these were not substantial. Awards of costs are governed by Annex A of Tribunal Practice Notice (“TPN”) 4 of 2007. Using that TPN as a guide but bearing in mind my comments, above, I award costs to the opponent on the following basis:

Official fees:	£100
Preparing a statement and considering the other side’s statement:	£200
Written submissions:	£200
Total:	£500

52. I order Life in the Old Dog Yet Ltd to pay O2 Holdings Limited the sum of **£500**. This sum is 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 26<sup>th</sup> day of February 2016**

**Heather Harrison  
For the Registrar  
The Comptroller-General**