## O-612-17

## **TRADE MARKS ACT 1994**

# IN THE MATTER OF APPLICATION NO. 3167315 BY GUANGZHOU ANSTOP ELECTRONIC LTD TO REGISTER:



## **AS A TRADE MARK IN CLASS 9**

#### AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 407191 BY TOP TECHNOLOGIES LIMITED

#### **BACKGROUND & PLEADINGS**

- 1. On 1 June 2016, Guangzhou AnsTOP Electronic LTD ("the applicant") applied to register the trade mark shown on the cover page of this decision for various goods in class 9. The application was published for opposition purposes on 17 June 2016.
- 2. On 17 August 2016, the application was opposed in full by Top Technologies Limited ("the opponent"). The opposition is based upon section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). The opponent relies upon European Union Trade Mark ("EUTM") no. 15746639 for the trade mark **TOP.COM** which was applied for on 12 August 2016 (claiming an International Convention priority date of 11 April 2016 from an earlier filing in Pakistan); the application is currently status opposed. The opponent relies upon all the goods and services for which the application was filed i.e. in classes 9, 16 and 41 (full details of which can be found in the Annex to this decision).
- 3. The applicant filed a counterstatement accompanied by a Form TM21B in which the specification of its application was limited to that shown in paragraph 9 below. Having admitted that certain goods in its application are identical to named goods in the opponent's specification in class 9, the counterstatement consists, in essence, of a denial of the ground upon which the opposition is based.
- 4. In these proceedings, the opponent represents itself; the applicant is represented by Mewburn Ellis LLP. Neither party filed evidence, asked to be heard or elected to file written submission in lieu of attendance at a hearing.

#### **DECISION**

- 5. 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."

- 6. An earlier trade mark is defined in section 6 of the Act, which states:
  - "6. (1) In this Act an "earlier trade mark" means -
  - (a) a registered trade mark, international trade mark (UK), 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."
- 7. In these proceedings, the opponent is relying upon the EUTM application shown in paragraph 2 above. Although it has a later filing date than the application for registration, it claims an International Convention priority date of 11 April 2016 from an earlier filing in Pakistan. Attached to the Notice of opposition are documents from the records of the European Union Intellectual Property Office ("EUIPO") and Pakistani Trade Marks Registry confirming the opponent is entitled to the priority date it claims. However, as the trade mark upon which the opponent relies is currently opposed, it will, under the provisions of section 6(2) of the Act, only become an earlier trade mark upon its registration. I will, if necessary, return to this point later in my decision.

## Section 5(2)(b) - case law

8. The following principles are gleaned from the decisions of the courts of the European Union 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 greater 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

9. Although the opponent relies upon all the goods and services in classes 9, 16 and 41 of its application (shown in the Annex to this decision), in its statement of grounds, it refers solely to its goods in class 9 (shown below). That is a sensible approach. If the opponent is unable to succeed on the basis of its goods in class 9, it will be in no better

position in relation to its goods and services in classes 16 and 41. Thus, the comparison is as follows:

Opponent's goods in class 9	Applicant's goods
Class 9 - Computer hardware; computer	Class 9 - Cases for mobile phones; Mouse
software; computer peripherals; electronic	[data processing equipment]; Earphones;
data processing installations; computer	Speakers.
network apparatus; parts and fittings for all	
the aforesaid goods.	

10. In its counterstatement, the applicant admits that its "Mouse [data processing equipment]", "Earphones" and "Speakers" are identical to the opponent's "computer peripherals" in class 9. That leaves the applicant's "Cases for mobile phones" to consider. In its Notice of Opposition, the opponent accepts that "cases for mobile phones" are not identical to its goods in class 9. It does, however, submit that such goods are similar to its "computer hardware", "computer software", "computer peripherals" or "computer network apparatus" on the basis that:

"10...it is reasonable to assume that [producers and manufacturers of the competing goods] could coincide...It is not uncommon for producers and manufactures of computer technology and related goods to also venture into the arena of mobile phone technology; for example, Apple Inc. and Samsung manufacture both computers and mobile phone devices, inclusive of parts such as protection cases for phones, earphones or speakers."

11. In its counterstatement, the applicant responded to the above in the following terms:

"15. The opponent advances two arguments why similarity exists. The first is that it is "reasonable to assume" that producers and manufacturers of "cases for mobile phones" and the goods of the earlier application "could coincide". This is hardly a basis for a finding of similarity between the goods and indeed it seems

to be entirely speculation on the part of the opponent. It appears entirely possible that the producers and manufacturers of any goods "could coincide".

- 16. The second argument is that "it is not uncommon for producers and manufacturers of computer technology and related goods to also venture into the area of mobile phone technology." However, this does not automatically result in accessories (such as cases) for mobile phones being similar to computing equipment. To the contrary, there are a large number of manufacturers of computers and computing equipment who do not have a presence in the mobile phone market, let alone in the much wider market for mobile phone cases. Similarly, there are a large number of manufacturers of cases for mobile phones which are only focused on that market and do not manufacture electronics products themselves.
- 17. Therefore, whilst it is reasonable in theory that the goods "mobile phones" and "cases for mobile phones" are considered complementary and therefore potentially similar, no such link can be drawn between "computer hardware", "computer peripherals" or "computer network apparatus"...and "cases for mobile phones". Such goods have different intended purposes, different methods of use and are neither in competition with each other nor complementary."
- 12. In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon*, Case C-39/97, the Court 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".

- 13. 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 enquiry 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.
- 14. In YouView TV Ltd v Total Ltd [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated:
  - "... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

15. In Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another, [2000] F.S.R. 267 (HC), Neuberger J. (as he then was) stated:

"I should add that I see no reason to give the word "cosmetics" and "toilet preparations"... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context."

16. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM), Case T-325/06, the General Court ("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".
- 17. Both parties' positions are based upon submissions rather than evidence. In those circumstances, I must reach my own conclusions. Whilst I note and agree with the applicant's submission regarding the complementarity relationship that exists between mobile telephones and cases for such goods, none of the broad terms in the opponent's specification would include mobile telephones. The nature of the opponent's goods (i.e. what they are made of) and the applicant's "cases for mobile phones" is likely to be different, as is their intended purpose and method of use. The goods are self-evidently not in competition. As the case law above makes clear, for goods to be regarded as complementary there must be 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 the goods lies with the same undertaking. In my view, there is no reason why a consumer would regard the opponent's computer hardware and software as being important for the use of the applicant's "cases for mobile

phones". In short, there is, in my view, no meaningful similarity between any of the opponent's goods in class 9 and the applicant's "cases for mobile phones". In eSure Insurance v Direct Line Insurance, [2008] ETMR 77 CA, Lady Justice Arden stated:

"49....... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity."

18. In relation to "cases for mobile phones" which I have found not to be similar there can be no likelihood of confusion and the opposition to those goods fails and is dismissed accordingly.

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

19. As the case law above indicates, it is necessary for me to determine who the average consumer is for the identical goods which remain; 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."

20. The average consumer of the identical goods at issue is either a member of the general public purchasing on their own behalf or a business user buying on behalf of a commercial undertaking. Such goods are, in my experience, most likely to be obtained by self-selection from the shelves of a bricks and mortar retail outlet or from the equivalent pages of a website or catalogue. As a consequence, visual considerations are likely to dominate the selection process. That said, as such goods may also be the subject of, for example, oral requests to sales assistants (in person and by telephone), aural considerations must not be forgotten. In the absence of evidence or submissions to the contrary, I see no reason why a business user selecting such goods would not do so in much the same way. As to the degree of care the average consumer will display when selecting such goods, the cost of the goods will vary. For example, in my experience, the cost of a computer mouse can vary considerably from just a few pounds to many hundreds of pounds with the cost of earphones and speakers also varying to a considerable degree. However, even when selecting the relatively inexpensive variants of these goods, as the average consumer will be alive to factors such as functionality, compatibility with existing items, size, colour, cost etc. I would expect them to pay at least a normal degree of attention during the selection process. As the cost of the goods rise, so too will the degree of attention paid to their selection. Once again, I see no reason why the same conclusions would not apply to a business user.

## **Comparison of trade marks**

21. 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 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."
- 22. 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 they create. The trade marks to be compared are:

Opponent's trade mark	Applicant's trade mark
TOP.COM	AnsTOP

- 23. In reaching the conclusions which follow, I have taken into account (but do not intend to record here) all the parties' competing submissions on this aspect of the case.
- 24. The opponent's trade mark consists of the words "TOP" and "COM" presented in block capital letters. Between the letter "P" and "C" there appears a punctuation mark in the nature of a full stop. The opponent states that:
  - "12(a)...Additionally, the ".com" element within the earlier mark will simply be perceived as a Top Level Domain ("TLD") intended for use by companies and commonly used across the world. This element is non-distinctive...."
- 25. I agree that the average consumer will understand the ".COM" part of the opponent's trade mark in the manner it suggests. As to the word "TOP", in its submissions, the opponent states:

- "12(c)...The term "Top" signifies in a literal sense "the highest point, level or part of something" (see Merriam Webster Dictionary Online)..."
- 26. In its counterstatement, the applicant states:
  - "23. However, the element "Top" is for any goods or services, inherently an extremely weak mark. The word "top" is commonly used in English as an adjective to denote the highest in position, rank or degree (e.g. "top marks", "top secret", "top drawer", "top notch", "tip top", "the top 40", "at the top of his profession", "to be on top of things"). As such it is a laudatory term of minimal distinctiveness for any goods."
- 27. The above submissions appear to indicate that in reality there is little between the parties in relation to the word "TOP" i.e. the opponent refers to "the highest point, level or part" and the applicant to "the highest in position, rank or degree." In my view, the word "TOP" in the opponent's trade mark is likely to be construed in that manner i.e. to refer to something (goods for example) considered to be the best of their type. Considered in that context, I agree with the applicant that the word "TOP" has "minimal" distinctive character. Keeping the above conclusions in mind, the overall impression conveyed by the opponent's trade mark and whatever distinctiveness it may possess, stems from the trade mark as a whole.
- 28. Turning to the applicant's trade mark, this consists of the conjoined letters/word "Ans" presented in title case in a slightly stylised but unremarkable heavy bold font. It is followed by the letters/word "TOP" presented in conjoined capital letters (of the same size as the initial letter "A") in a similar heavy bold font and in which it appears the letter "T" is connected to the top of the letter "s". Although presented as an integrated whole, given the difference in size of the letters within it and as the letters/word "Ans" end with a lower case letter "s" and the letters/word "TOP" begins with a capital letter "T", it is likely that the average consumer will identify that the letters/word "TOP" form part of the applicant's trade mark.

- 29. The opponent submits that the letters/word "Ans" is "negligible in nature" (paragraph 12(a) of the Notice of Opposition refers) whereas the applicant states it "must be considered to be the dominant and distinctive part of [its trade mark] compared to the non-distinctive element "TOP" (paragraph 25 of the counterstatement refers). Appearing as it does as the first part of the applicant's trade mark and with no obvious meaning in relation to the goods at issue, the letters/word "Ans" will make an important contribution to the overall impression the trade mark conveys and its distinctive character. Given the size of the letters/word "TOP" in relation to the letters/word "Ans" and notwithstanding its minimal distinctive character, it will, nonetheless, contribute to the overall impression conveyed.
- 30. I will now compare the competing trade marks from the visual, aural and conceptual standpoints with the above conclusions in mind. Both parties' trade marks consists of six letters with the opponent's trade mark also containing a punctuation point. The word "TOP" comprise the first three letters of the opponent's trade mark and last three letters of the applicant's trade mark. The first three letters of the applicant's trade mark i.e. "Ans" and the punctuation point and last three letters in the opponent's trade mark i.e. ",COM" share no similarity whatsoever. Considered overall, the competing trade marks are visually similar to at best a low degree.
- 31. As to the aural comparison, the pronunciation of the opponent's trade mark is entirely predictable i.e. as the three syllable combination "TOP dot COM". Although the pronunciation of the applicant's trade is more difficult to predict, the most likely alternatives are, in my view, the two syllable combinations "AN-STOP" or "ANS-TOP". In the first example, where the sound created by the word "TOP" is subsumed in the word "STOP", there is very little (if any) aural similarity. Although in the second example the word "TOP" will be articulated in its own right, the fact that, inter alia, the word "Ans" in the applicant's trade mark will be pronounced first results in at best, a moderate degree of aural similarity between the competing trade marks.

32. Finally, the conceptual comparison. The opponent's trade mark contains the word "TOP" as a separate word and this word is present in the applicant's trade mark, resulting in a modest degree of conceptual similarity. The applicant submits that the presence of ".COM" in the opponent's trade mark means that it will be construed as "relating to a website" (paragraph 34 of the counterstatement refers): I agree. In my view, the opponent's trade mark is unlikely to convey any concrete conceptual message to the average consumer beyond that of a website. As for the applicant's trade mark, notwithstanding the presence in it of the letters/word "TOP", when preceded by the letters/word "Ans", the combination created is, in my view, meaningless.

#### Distinctive character of the earlier trade mark

- 33. 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 for which it has been registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.
- 34. As the opponent has filed no evidence of any use it may have made of the trade mark upon which it relies, I have only its inherent characteristics to consider. I have commented upon the distinctiveness of the individual parts of the opponent's trade mark above. Considered overall, any distinctiveness the opponent's trade mark possesses must, in my view, be low.

#### Likelihood of confusion

- 35. 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 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 it is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, 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.
- 36. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and goods down to the responsible undertakings being the same or related.
- 37. Earlier in this decision, I noted that the applicant admitted that its "Mouse [data processing equipment]", "Earphones", and "Speakers" were to be regarded as identical to the opponent's "computer peripherals" in class 9. I then went on to conclude that (whilst not discounting aural means), the average consumer was most likely to select the goods at issue by predominantly visual means whilst paying at least a normal degree of attention during the selection process. Having assessed the competing trade marks distinctive and dominant components, I found that the competing trade marks were visually and aurally similar to at best a low and moderate degree respectively and conceptually similar to the limited extent that both contain the word "TOP".
- 38. Given the various differences between the competing trade marks I have identified earlier, I am satisfied that a consumer paying a normal degree of attention to the

selection of the identical goods at issue is unlikely to mistake one trade mark for the other i.e. there will be no direct confusion. In addition, I see no reason why a consumer would reach the erroneous conclusion that the applicant's trade mark is connected to the opponent, simply because of the mere presence in it of the letters/word "TOP" (which is possessed of minimal distinctive character) i.e. there will be no indirect confusion. Even, if I were to proceed on the basis that the average consumer pays only a low degree of attention during the selection process (thus making them more prone to the effects of imperfect recollection), given, inter alia, the various differences between the competing trade marks, there is still, in my view, no likelihood of either direct or indirect confusion between them. As a consequence of the above conclusions, the opposition fails and is dismissed accordingly.

#### Conclusion

39. The opposition has failed and, subject to any successful appeal, the application will proceed to registration.

#### Costs

40. As the applicant has been successful, it is entitled to a contribution towards its costs. Awards of costs in proceedings commenced after 1 July 2016 are governed by Annex A of Tribunal Practice Notice ("TPN") 2 of 2016. Using the TPN mentioned as a guide, I award costs to the applicant on the following basis:

Reviewing the Notice of Opposition and £400 preparing a counterstatement:

41. I order Top Technologies Limited to pay to Guangzhou AnsTOP Electronic LTD the sum of £400. 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 30 day of December 2017

**C J BOWEN** 

For the Registrar

ANNEX

## The opponent's goods and services

**Class 9 -** Computer hardware; computer software; computer peripherals; electronic data processing installations; computer network apparatus; parts and fittings for all the aforesaid goods.

**Class 16** - Printed publications, books, music sheets, music scores, magazines; printed matter; photographs; stationery.

**Class 41** - Education; production and distribution of television shows and movies; services related to exhibitions, shows and fairs, organization and preparation in the field of fashion, culture and entertainment, music publishing services.