O/011/21

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NUMBER 3370031

BY

VIION LIMITED

TO REGISTER THE FOLLOWING TRADE MARK IN CLASSES 9,41 AND 42

Viion

AND OPPOSITION THERETO UNDER NUMBER 416225

BY

GOANIMATE, INC

Background and Pleadings

1. On 25 January 2019, Viion Limited ("the Applicant") applied to register in the UK the trade mark "Viion" numbered 3370031 for goods and services in classes 9, 41 and 42 as listed below.¹ It was accepted and published on 15 February 2019.

Class 9: Software for generating virtual images; Software for monitoring, controlling and running physical world operations; Software for processing digital images; Software for processing images, graphics and text; Software; Software for searching and retrieving information across a computer network; Software for the analysis of business data; Virtual reality game software; Virtual reality hardware; Virtual reality models; Virtual reality software; Virtual reality software for education; Virtual reality software for simulation; Training software; Business process management [BPM] software.

Class 41: Arranging professional workshop and training courses; Training consultancy; Training courses (Provision of -); Training services provided via simulators; Training services relating to business management; Training services relating to logistics.

Class 42: Software design and development; Research and development of computer software; Research and development of new products; Research and development services; Research relating to technology; Research relating to the computerised automation of administrative processes; Research, development, design and upgrading of computer software.

2. GoAnimate, Inc ("the Opponent") opposes the application under section 5(2)(b) of the Trade Marks Act 1994 ("the Act") relying on its earlier International Registration

¹Although Mr Solbrandt believed that the application date was 25 January 2018 (para 13 of his statement), the filing date on the register is recorded as 25 January 2019 and therefore in absence of evidence to the contrary, this is the date to be relied upon.

designating the UK, numbered 1410843 for the trade mark VYOND ("IR"); it achieved protection in the UK on 11 October 2018 claiming a priority date of 18 October 2017 from the USA. For the purposes of the opposition it relies on all the goods and services of its registration in classes 9 and 42, as follows:

Class 9: Computer software for use in creating, editing, and combining animations, graphics, presentations, videos, visual effects, and other visual assets; computer software for creating characters, backgrounds, props, scene templates, starter videos, charts, graphs, infographics, visual effects, audio effects, text effects and scene transitions for use in the fields of virtual reality, augmented reality, business sales, marketing, customer support, human resources, communications and training; computer software for collaboration on creative projects.

Class 42: Providing temporary use of cloud-based and non-downloadable software for use in creating, editing, and combining animations, graphics, presentations, videos, visual effects, and other visual assets; providing temporary use of cloud-based and non-downloadable software for creating characters, backgrounds, props, scene templates, starter videos, charts, graphs, infographics, visual effects, audio effects, text effects and scene transitions for use in the fields of virtual reality, augmented reality, business sales, marketing, customer support, human resources, communications and training; providing temporary use of cloud-based and nondownloadable software for collaboration on creative projects; providing temporary use of cloud-based and non-downloadable software featuring hosting and storage of animations, graphics, presentations, videos, visual effects, and other visual assets; creating visual assets for use in computer software, namely, graphic design and video production of characters, backgrounds, props, scene templates, starter videos, charts, graphs, infographics, visual effects, text effects and scene transitions; providing technical support for computer software, namely, troubleshooting of computer software problems.

- 3. The Opponent claims that there is a likelihood of confusion under section 5(2)(b) of the Act because there is a high degree of similarity between the marks and that the goods and services are identical or highly similar.
- 4. The Applicant filed a defence and counterstatement denying the claims made, submitting that neither the trade marks nor the goods and services are identical/similar; arguing that the parties trade in different forums, with the Applicant creating and selling immersive and experimental training programmes for the development of professional expertise in extreme scenarios which is distinct from the Opponent's business. As a consequence, it claims that there is no likelihood of confusion.
- 5. In these proceedings the Opponent is relying on its IR as shown in paragraph 2, which qualifies as an earlier mark under section 6 of the Act, because it achieved protection in the UK at an earlier date than the Applicant's contested mark. Although, within its counterstatement, the Applicant claimed prior use within the UK of its applied for mark, it has not filed an application to invalidate the IR and therefore for the purposes of this opposition the Opponent's trade mark will be regarded as the earlier mark. Since the Opponent's IR has been protected in the UK for less than five years at the date the application was filed, it is not subject to the proof of use provisions contained in section 6A of the Act. Consequently, the Opponent may rely upon all the goods and services of its registration without having to demonstrate use.
- 6. Only the Applicant filed evidence in the form of a witness statement completed by Mr Nathan Solbrandt dated 2 June 2020, accompanied by fourteen exhibits marked VE 01-14. I briefly summarise the content of Mr Solbrandt's statement as follows:
 - Mr Solbrandt's statement and exhibits in the main act to provide background information as to the formation and development of the company, business and the trade mark.
 - Mr Solbrandt is one of the founders of Viion Ltd being involved in every aspect of the company's planning, set-up and development since 2017.

- Viion Ltd was formed to provide a customised virtual reality product for clients within the mining and military sectors thus being a specialist entity.
- The company name Viion has been used commercially and in the same form since 15 May 2017.
- Paragraph 12 sets out details regarding the Opponent's IR registration process.
- Before applying to register Viion, prior searches of similar companies/trade marks did not yield any reference to GoAnimate Inc or VYOND.
- The company provides immersive and experimental training and expertise acquisition, via bespoke virtual environments, under the trade mark Viion.
- The respective consumers differ; the Opponent's products are aimed at organisations, small businesses and individuals whereas the Applicant's are exclusively for business and corporate clients including national military and defence organisations.
- The 2D documents filed within the exhibits do not adequately illustrate the bespoke, multi participant, real life, interactive nature of the Applicant's product.
- Exhibits VE10 -13 include details of the Opponent's product and trade mark, in the form of webpages, brochures and press releases.
- 7. The Opponent is professionally represented by Bird and Bird LLP, whereas the Applicant represents itself. Following a request from the Opponent, a hearing took place before me on 19 October 2020 via video conference. At the hearing Mr Solbrandt of Viion Ltd appeared for the Applicant, whereas Mr Milligan of Bird and Bird LLP attended on behalf of the Opponent. Neither party filed submissions and only the Opponent filed skeleton arguments prior to the hearing. This decision is taken following a careful perusal of the papers.

Decision

8. Section 5(2)(b) of the Act states as follows:

"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. 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:
 - (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 to mind the earlier mark, 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 the goods and services

10. When conducting a goods and services comparison, all relevant factors should be considered as per the judgment of the Court of Justice of the European Union ("CJEU") in *Canon Kabushiki Kaisha v Metro Goldwyn Mayer Inc* Case C-39/97, where 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".

- 11. I am also guided by the relevant factors for assessing similarity identified by Jacob J in *Treat*, [1996] R.P.C. 281 namely:
 - (a) The respective uses of the respective goods or services;
 - (b) The respective users of the respective goods or services;
 - (c) The physical nature of the goods or acts of service;
 - (d) The respective trade channels through which the goods or services reach the market;
 - (e) 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;
 - (f) 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.
- 12. In *Gérard Meric v Office for Harmonisation in the Internal Market ("OHIM")*, Case T-133/05, the General Court ("GC") stated that:
 - "29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut für Lernsysteme

v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or Applicant relies on those goods as listed in paragraph where the goods designated by the trade mark application are included in a more general category designated by the earlier mark."

13. At the hearing both Mr Solbrandt and Mr Milligan put forward representations regarding the identity/similarity or otherwise of the contested goods and services. Mr Milligan argued that the Opponent's goods in class 9 in so far as they relate to software are all covered by the Applicant's general term *software* each being a subset of the broader term. This would include the respective parties' software relating to virtual reality; he argued that the remaining goods and services were identical or similar to varying degrees. Furthermore, the way in which the respective parties use their marks in the marketplace nor that the Applicant only offers distinct goods and services are not relevant to the likelihood of confusion assessment since notional and fair use is based upon the specifications as applied for and as registered.

14. Conversely, Mr Solbrandt submitted that:

"these branches of software are such broad applications of usage and we do not see any real relationship between what we are doing and what VYOND are doing in the marketplace. This is probably a reflection of some of the limitations of the trade mark classifications, but we just do not think there is a chance that people within our markets are going to be confused by these. Even when we look at class 9, we are in the business of creating experiential software that clients use, similar to a video game, to get experiences. VYOND is selling their tools for animations on a completely different scale. It is a completely different package of software.

The fact that both companies use software, this seems to be quite a difficult relationship to build this around because almost every company is going to be using software. When I read through these descriptions, it can mean so many different things that different seem to hold a lot of meaning in terms of linking these two together."

15. For the purposes of this opposition the contested goods and services under consideration are those as set out in paragraphs 1 and 2. I note Mr Solbrandt's submissions regarding the parties' different market sectors, but I am required to undertake a notional analysis based upon the respective goods and services as listed and make an assessment of similarity on those specifications and not an assessment of the similarity between the goods/services actually in use.

Class 9

- 16. Some of the contested goods and services are identical to the goods and services on which the opposition is based. In particular the application includes the term *software* at large which I accept encompasses all the Opponent's software goods in class 9 as being sub categories of the Applicant's broader term. According to the principles in *Meric*, therefore, these contested goods are identical.
- 17. The application also includes software for generating virtual images; Software for monitoring, controlling and running physical world operations; Software for processing digital images; Software for processing images, graphics and text; Virtual reality game software; Virtual reality models; Virtual reality software; Virtual reality software for simulation which are identical or identical according to Meric to the Opponent's computer software for creating characters, backgrounds, props, scene templates, starter videos, charts, graphs, infographics, visual effects, audio effects, text effects and scene transitions for use in the fields of virtual reality which whilst not using the identical wording to the competing goods, are in essence all to do with virtual reality software.
- 18. The Applicant's *virtual reality hardware* is similar to a medium to high degree to the Opponent's *Computer software for creating characters, backgrounds, props, scene templates, starter videos, charts, graphs, infographics, visual effects, audio effects, text effects and scene transitions for use in the fields of virtual reality. Hardware refers to the physical device whereas software is the set of instructions that enables the hardware to perform a specific set of tasks. In so far as these goods relate to virtual reality they would overlap in producer and trade channels and target the same end user. Whilst they differ in nature, they are complementary since the hardware is unable to function without the software.*

- 19. Virtual reality models although not specifically defined by the Applicant would be regarded by the average consumer as a virtual reality mock up used as an indication of the product or object. I consider that the Opponent's computer software for use in creating, editing, and combining animations, graphics, presentations, videos, visual effects, and other visual assets; computer software for creating characters, backgrounds, props, scene templates, starter videos, charts, graphs, infographics, visual effects, audio effects, text effects and scene transitions for use in the fields of virtual reality, augmented reality, business sales, marketing, customer support, human resources, communications and training computer software for collaboration on creative projects includes software for creating virtual reality models and thus would be highly similar. The respective goods would overlap in nature, intended purpose, method of use, trade channels and be directed towards the same end user.
- 20. Software for the analysis of business data; Virtual reality software for education; Training software; Business process management [BPM] software is identical or identical according to Meric to computer software for use in creating, editing, and combining animations, graphics, presentations, videos, visual effects, and other visual assets; computer software for creating characters, backgrounds, props, scene templates, starter videos, charts, graphs, infographics, visual effects, audio effects, text effects and scene transitions for use in the fields of virtual reality, augmented reality, business sales, marketing, customer support, human resources, communications and training on the basis that the respective software is being used in the course of business, training or education and therefore is encompassed in the other's broader term and vice versa.
- 21. I do not propose to undertake a full comparison of the remaining goods and services. The examination of the opposition will proceed on the basis that the contested goods and services are identical to those covered by the IR. If the opposition fails, even where the goods and services are identical, it follows that the opposition will also fail where the goods and services are similar to a lesser extent.

Average consumer and the purchasing process

22. When considering the opposing trade marks, I must determine, first of all, who the average consumer is for the goods and services. I must then determine the purchasing process. The average consumer is deemed reasonably well informed and reasonably observant and circumspect. For the purposes of assessing the likelihood of confusion the average consumer's level of attention is likely to vary according to the category of goods and services in question.²

23. 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."

24. Mr Solbrandt stated that the Applicant's goods and services are directed towards a distinct group of professionals exclusively business and corporate clients in the field of military and defence organisations. Whereas he states that the Opponent offers "use of software tools to the general public for them to create cartoon-style videos for social media style communication and e-learning." Mr Solbrandt submitted that the respective customers are different. Whilst not specifically addressing the level of attention Mr Milligan considered that the Applicant was asserting that essentially a higher degree of attention would be undertaken in the purchasing process of the Applicant's goods and services which he refuted given the fact that the application covers such a broad spectrum of terms. Mr Milligan accepted that the average

² Lloyd Schuhfabrik Meyer, case C-342/97.

³ Para 13 witness statement

consumer for the goods and services could be professionals undertaking a higher degree of attention but that a larger proportion of consumer for these products (particularly the virtual reality software and hardware goods and services) would be the public at large paying an average level of attention.

25. Prior to the hearing neither party made any specific submissions regarding the purchasing process of the respective goods and services, however, when pressed, Mr Milligan conceded that the goods, in particular the software and hardware (for example virtual reality headsets) would be purchased from retail type stores such as Amazon, Curry's, PC World and such entities. He submitted that "consumers would see the Opponent's VYOND mark on a piece of software next to the Viion mark, the products being side by side on shelves." Furthermore, he accepted that visual considerations were "part of it" but considered that there would be an oral element with consumers requesting the goods in store and referring to the software by word of mouth.

26. Mr Solbrandt stated that the parties do not have the same relevant public, submitting that:

"We are selling to completely different groups, the sales process is completely different, VYOND has online subscriptions; that is not a market we are ever going to be in. We are working with large corporations....The product we have is complex, it is bespoke, it is by its very definition inappropriate for the public at large."

27. I consider that the contested goods that I found to be identical cover a broad range of information technology software related generally to augmented and virtual reality, from computer related software to the software used to operate them. The provision of the services include design and development, training and services in order to distribute the software in the market place. The Applicant's specification includes software at large and its terms are drafted more broadly than argued by Mr Stolbrandt, thus having a wider scope of application and not limited only to business and corporate clients. The average consumer will, therefore, include members of the general public who have an interest in computer-based gadgetry and technology, as well as professional users such as specialist business purchasers requiring for example specific hardware or programmes to run their businesses or to undertake a simulation

experience. The purchasing process is likely to be dominated by visual considerations for both the goods and the services, whether a professional or public at large. Members of the general public would purchase the goods from retail premises or their online equivalent and the business/corporate consumer would select the goods and services through websites and internet search engines in order to locate the providers. I do not ignore the fact that an aural process may factor, through recommendations or as a result of requests made to sales assistants.

28. To my mind taking into account the technological nature of the goods and services, and the costs, for professional consumers and those that require a bespoke service, there would be a considered approach in the selection process. Usually this type of product (be it a design and development service or a software package for example) is client specific, provided to match a specific set of criteria as requested by the consumer and may also involve a bidding/tender process, resulting in a reasonably high level of attention undertaken. In relation to software goods directed towards the general public at large, for example off the shelf virtual reality game software and the like, I consider that considerations such as price, reputation and suitability would still apply leading to a slightly higher than average level of attention being undertaken, but not considerably so.

Comparison of the trade marks

29. 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 the 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."

30. It would be wrong, therefore, to dissect the trade marks artificially, although it is necessary to consider the distinctive and dominant components of the 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.

31. The respective marks are as follows:

Opponent's trade mark	Applicant's trade mark
VYOND	Viion

- 32. At the hearing Mr Milligan argued that there are significant similarities between the marks which render them visually highly similar, submitting that "both marks are single works consisting of five letters where three out of the five letters are in the same order. They coincide with the first letter V and they both contain the letters "O" and "N" in the middle of the marks." Furthermore, Mr Milligan submitted that the letters Y and I are visually similar which increases the similarity between the marks and that the first letter V is the most dominant element of the marks particularly the "V-ON" element. In relation to the aural comparison he submitted that aurally the marks were near identical or at least highly similar in as much as they coincide with two near identical syllables and the D on the end of the IR is a silent, softer D. As such the opposed mark will be pronounce as VEE-ON and the IR mark as VEE-OND with a very soft D at the end. He also submitted that since no conceptual comparison was possible the assessment would essentially be based on the visual and aural similarities of the marks.
- 33. Mr Solbrandt conceded that there were similarities in terms of letters however the similarity was tenuous. In essence the Applicant refutes that the marks are identical or even aurally similar. In particular, in relation to the visual and aural similarities Mr Solbrandt argued that:

"A five letter word starting V, has ON in it and is followed by two vowels. When I go through and just work out how many words could follow that particular function, I worked out there are about 15,120 words where we can start with a V, have two vowels or vowel sounds next to it, have an ON and then a consonant to finish. There are a huge amount of words that are going to fall under this sort of a comparison when we are taking a five letter word, we are constrained by the number of letters and sounds in the English language and then when we start building a situation where three fifths of the words are similar so they are likely to be too close to each other for that circumstance.

I think as well, just to talk a little bit to the auralwe are VIION and when we think about the way that you would aurally receive VYOND, when we talk about the Y before a vowel, this is I guess when we dig into some of the syllable work of English grammar. When the Y is before a vowel it constitutes the first syllable of the word, so when we have a consonant next to that we would expect some sort of hard pronunciation, so "Dyson", "gyroscope", "bypass", "myopic" or even "vying" if you want to use a word that starts with a V. We do have pronunciation that would follow the "ii" sound, which would be similar to an "ee", as in VIION, but we think that the general public, if they are following basic English grammar, would pronounce the other mark something like "vy-ond". Like I said, "Dyson", there are examples of this so we do not think the aural comparisons are particularly relevant in that sense either.

When looking again at the aural comparisons they were referring to the D and this idea that the D has quite a soft ending on it. Again, when we looked into some of the English grammar. There are some irregular action verbs that end with a voiceless T to give something similar to a D, but we would not expect that to come after an N very often. When we dug through that and came up with exams you have got "sound", "ground", "friend"; these are all quite hard D pronunciations at the end, so again we would ascertain or we would say that VIION and VYOND are very different in how they are

going to come across to people that are following these basic rules of English grammar.

Our logos are visually and phonetically different and we do not think that the marks are identical or even similar aurally at all."

Overall impressions of the trade marks

34. Both marks are word only marks with no additional elements or stylisation and therefore the overall impression of both trade marks resides in the totality of the respective words. Whilst the Applicant argues that the marks in use contain some stylisation in their presentation I am only able to consider the overall impression of the marks as registered/applied for, which in relation to the case in suit is contained in the respective unstylised words.

Visual comparison

35. Both trade marks appear in different casing but this will have no bearing on the visual comparison assessment since notional and fair use allows marks to be presented in any font or type case.⁴ In addition how the marks are used in the market place by the respective parties is not relevant as I must assess the matters on how the marks appear on the register. The trade marks coincide to the extent that each trade mark is five letters in length and have three out of the five letters in common. Each begins with the letter V and also contains the letters O and N in sequence albeit at different positions within the respective marks. As a general rule the beginning of marks tend to have more impact, however whilst both marks begin with the letter V there is a clear difference created by the proceeding letters; the double "ii" following the first letter V in the application, as opposed the letter "Y" following the letter V in the IR. The overlap in the letters O and N also give rise to a visual difference as a result of their respective positions; in the Opponent's mark they are within the word positioned as the third and fourth letters whereas in the Applicant's mark they are the

-

⁴ Paragraph 47 Sadas SA v. OHIM Case T-364/04.

fourth and fifth letters and are at the end. These differences arising in relatively short marks, therefore, have more impact visually. Of note also is that the respective words end with different letters which also creates a point of difference. Of course, if I took a mathematical analysis of the visual similarities then statistically I would conclude that three out of the five letters being in common would give rise to a 60% level of similarity. However, the case law directs me, that this is not how the marks comparison should be undertaken. I must assess the matter as to how the marks are perceived on first impressions and from the perspective of the consumer's immediate and instinctive reaction to the marks on first encounter.⁵ To conclude similarity purely based on a mathematical analysis would result in an overly analytical assessment which I do not consider would be undertaken by the average consumer when first encountering the trade marks. Taking this approach, therefore, I consider that despite both marks beginning with the letter V, the position of the remaining overlapping letters O and N within the middle of the Opponent's mark means that consumers will place less weight on these letters such that the similarity between these letters is reduced. I consider that the differences at the beginning of the marks by the first three letters "Vii" as opposed to "VYO" (even discounting variations in casing) combined with the respective marks ending in different letters, the N as opposed to D would be what impacts visually on consumers. Therefore, notwithstanding the three letter overlap, weighing up the similarities and the differences for the reasons I have outlined, I consider that the marks are visually similar to a low degree.

Aural comparison

36. At the hearing Mr Stolbrandt argued that the Applicant's mark will be pronounced as VEE-ON whereas the Opponent's mark will be pronounced as VY-OND giving rise to a different pronunciation. Mr Milligan for the Opponent considers that its mark could be pronounced in a number of ways but would probably be pronounced as VE-OND whereas the Applicant's mark would be pronounced as VE-ON the sounds produced

-

⁵ Duebros Limited v Heirler Cenovis GmbH, BL O/547/17

by the 'y' and 'ii' likely to be identical thus being aurally nearly identical or at worst highly similar.⁶

37. I agree that the respective marks could generate a number of pronunciations, as argued by the Opponent, however, I do not consider that these are obvious ones. To assess every possible variation in the pronunciation of the marks would result in an overly analytical assessment, again, which I do not consider would be undertaken by the average consumer when first encountering them.

38. To my mind I consider that the beginning of each mark could be pronounced as either "VEE" or "V-AYE" (a sound similar to the word "eye") and the respective ends as "-ON" and "-OND". If the beginning of both marks are pronounced identically, namely as VEE-ON/VEE-OND or V-AYE-ON/V-AYE-OND I consider that the marks are aurally highly similar since the pronunciation of the letter D at the end of the Opponent's mark will not give rise to a considerable difference and as such the pronouncement of the letter D would be lost and swallowed by the pronunciation of the remaining letters. In this scenario, the pronunciation of the letter D is not so significant that it acts as a distinguishing factor. If, however, the beginning of one trade mark is pronounced as V-AYE and the other as VEE as argued by Mr Solbrandt then the aural similarity will be reduced to a medium degree.

Conceptual comparison

39. Neither mark gives rise to any meaning and as such they would both be regarded as invented words, with a conceptual comparison not being possible, rendering them conceptually neutral.

Distinctive character of the IR

40. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV,* Case C-342/97, the CJEU stated that:

-

⁶ Para 17- 20 skeleton arguments

- "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)."
- 41. Registered trade marks possess varying degrees of inherent distinctive character; descriptive words tend to have a low level of inherent distinctiveness, whereas invented words are regarded as possessing a high level of distinctive character and dictionary words that are neither descriptive nor allusive are somewhere in the middle. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion; the more distinctive the earlier mark the greater the likelihood of confusion. The distinctive character of a mark can be enhanced by virtue of the use made of it.
- 42. The Opponent did not file evidence nor did it plead that the distinctive character of its mark has been enhanced through use, therefore, I only have the inherent position to consider. Since the IR will be regarded as invented with no apparent link to the goods and services it possesses a high degree of inherent distinctive character.

Likelihood of confusion

43. When considering whether there is a likelihood of confusion between the marks I must consider whether there is direct confusion, where one mark is mistaken for the other or whether there is indirect confusion where the similarities between the marks lead the consumer to believe that the respective goods and services originate from the same or related source.

44. A number of factors must also be borne in mind when undertaking the assessment of confusion. 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 or services and vice versa. As I mentioned above, it is also necessary for me to keep in mind a global assessment of all relevant factors when undertaking the comparison and that the purpose of a trade mark is to distinguish the goods and services of one undertaking from another. In doing so, I must consider 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 that he has retained in his mind. Mr James Mellor, as the Appointed Person, directed that a common sense approach should be undertaken in any assessment where "every comparison must be conducted according to the approach laid down in the CJEU case law and every comparison will depend on its own facts" applying "the well-established propositions for assessing the visual, aural and conceptual similarities." ⁷

45. Earlier in my decision I found that some of the goods and services were identical proceeding with my assessment on this basis. I consider that the trade marks are visually similar to a low degree and aurally similar to a medium or high degree depending on the pronunciation of the first syllable of the respective marks. I consider that no conceptual comparison was possible as both marks would be regarded as invented. The Opponent's IR has a high degree of distinctive character. In terms of selection process, given the nature of the goods and services, I assessed that a reasonably high degree of attention would be undertaken by the professional user,

⁷ Robert Bosch GmbH v Bosco Brands UK Limited, BL O/301/20

whereas for the general member of the public a slightly higher than average level of attention would be undertaken, but not considerably so. Irrespective of whether a professional or a general member of the public the purchase/selection of the goods and services would be dominated by visual means but not discounting aural considerations.

- 46. The aural similarity provides the Opponent with its best case however I do not consider that the goods and services will be selected solely via this selection process. I take particular note of the fact that the beginning of the application starts with the three letters Vii as opposed to the letters VYO (discounting the difference in casing); the identity of the letters O and N being offset by their position within relatively short marks. Accepting that there is no special test for 'short' marks, the IR comprises only five characters and therefore a second and third character difference at the beginning of the respective marks coupled with different endings has a significant impact on the visual impression of the respective marks.
- 47. Whilst appreciating that I found the goods and services to be identical, the visual differences created at the beginning of the competing marks with the characters following the letter V and the fact that the Opponent's mark has a different character at the end, would not in my view be overlooked by the average consumer. There is a marked visual difference between the letters VYO and Vii at the beginning of the respective trade marks. I have taken account of the potential for consumers to mistakenly recall the marks as a result of the identical three letters V, O and N, however the position of the letters O and N which appear within the middle of the Opponent's mark and at the end of the application coupled with the marks ending with different endings cannot be discounted. I have considered the possibility that the marks will be mistakenly recalled when requested aurally, however, I do not consider that this would be the sole way in which the goods would normally be purchased. Relying on aural similarity alone would not in my view be a basis for a finding of confusion.

48. Notwithstanding that the beginnings of words/marks tend to have more visual and aural impact than the ends this does not apply in all cases. Any assessment must take into account the global assessment of all factors and although Mr Milligan argues where no conceptual comparison is possible the aural and visual considerations would dominate any assessment, the fact that I found that visually the marks were only similar to a low degree coupled with a predominantly visual purchasing process cannot be underplayed. The visual influence in the purchasing process overrides the possibility of the marks being misheard, any similarity in sound would be put down by the consumer to the marks coincidentally sounding similar. This is particularly significant factoring in a reasonably high/higher than average degree of attention.

49. I do not believe that consumers within the UK would see Viion and directly confuse it with VYOND despite the overlap in letters and the high distinctive character of the IR. In my view the difference with the first three letters of the IR versus the first three letters of the application is so noticeable visually that no consumer would misremember the one for the other even for identical goods. Even accounting for the independency principle and factoring in imperfect recollection, without a conceptual hook to assist, these factors do not counteract the differences between the competing trade marks as previously identified, which are, in my view, likely to be sufficient to avoid the average consumer mistaking one trade mark for the other; it follows therefore that there will be no direct confusion.

50. Moving on to indirect confusion I do not consider that a finding of indirect confusion could be established. If consumers note that the marks are different, I find it improbable that they would then acknowledge those differences but conclude that the one mark is a brand extension or sub brand of the other or that the goods and services are provided by one and the same undertaking. At best if the average consumer goes through this mental process in my view it would merely bring to mind the other's mark as envisaged in *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17. Consumers may consider that the marks coincidentally have similar sounding names but this is where the similarity ends. It would be highly unusual for a company to rebrand its mark

 8 El Corte Inglés, SA v OHIM, Cases T-183/02 and T-184/02, $\,GC$

or launch a sub brand by adopting a different name to the original, other than some

overlap in their letters. In my view there would be no logical reason for consumers to

believe that there is an economic connection between them.

51. Taking into account all the global factors I do not consider overall, taking the

Opponent's best case as outlined in paragraph 38, that the high aural similarity alone

would lead to direct or indirect confusion.

52. Finally, for clarification, having come to this conclusion on the basis of goods and

services that are identical, my view would not differ for those goods that are further

away in terms of similarity.

Conclusion

53. Based on these conclusions the opposition fails in its entirety under section 5(2)(b)

of the Act. Subject to any successful appeal, the application may proceed to

registration.

Costs

54. As the Applicant has been successful, ordinarily it would be entitled to an award

of costs. As it has not instructed solicitors it was invited by the tribunal under cover

letter dated 11 September 2020 to complete a costs pro forma indicating an accurate

estimate of the number of hours spent on a range of given activities relating to

defending the proceedings. It was made clear in this letter that if the pro-forma was

not completed, no costs would be awarded. Despite Mr Solbrandt requesting a costs

order at the hearing and indicating that he intended to return the pro forma, at the date

of writing this decision, no such form has been received. On this basis no costs are

awarded to the Applicant.

Dated this 7th day of January 2021

Leisa Davies

For the Registrar

23