

O-105-21

TRADE MARKS ACT 1994

IN THE MATTER OF THE INTERNATIONAL REGISTRATION 1485249  
DESIGNATING THE UK  
HELD BY OMRON CORPORATION:

***i*-Automation!**

IN CLASSES 7 AND 9

AND

IN THE MATTER OF THE OPPOSITION THERETO UNDER NO. 418703  
BY FAMIC TECHNOLOGIES INC.

## BACKGROUND AND PLEADINGS

1. OMRON Corporation (“**the Applicant**”) holds an international registration for a figurative trade mark: ***i*-Automation!** (“**the Applicant’s mark**”), in respect of goods in Classes 7 and 9. It is only the goods in Class 9 that are in issue in these proceedings, as set out for comparison purposes later in this decision (at paragraph 55). To avoid repetition (since the list is quite long) I shall not list them for the purpose of this background introduction, but, put broadly, the applied-for goods in Class 9 include various computer software and hardware, and, for instance, electronic machines, apparatus and their parts.
2. The Applicant’s international registration was filed on the 13 March 2019, based on a trade mark registered in Japan, and on the same date (“**the relevant date**”) the Applicant filed for the UK designation.
3. The international registration designating the UK (“**the Application**”) was published for opposition purposes in the Trade Marks Journal on 13 September 2019, and, on 9 December 2019, Famic Technologies Inc (“**the Opponent**”) filed a Form TM7 notice of opposition. The Opponent bases its objections on grounds under **sections 5(2)(b), 5(3) and 5(4)(a)** of the Trade Marks Act 1994 (“**the Act**”). The opposition is only partial, being directed only against the Applicant’s goods in Class 9.
4. For its claims under sections 5(2)(b) and 5(3) of the Act, the Opponent relies on UK trade mark registration No.: 2401481 for the following word mark:

### AUTOMATION STUDIO

Filing date: 14 September 2005

Registration date: 14 April 2006

**Class 9:** *Computer integrated software*

5. Since the trade mark registration relied by the Opponent has a filing date that predates that of the Application, it is therefore an “earlier trade mark” under the Act.<sup>1</sup> The earlier trade mark had been registered for more than five years when the Application was filed; it is therefore subject to the proof of use provisions under section 6A of the Act. The Opponent relies on the full extent of its registration (*Computer integrated software*) and its Form TM7 included a statement of use in relation to those registered goods.

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<sup>1</sup> Section 6(1)(a)

6. On the basis of **section 5(2)(b)**, the Opponent claims that ***i*-Automation!** is similar to AUTOMATION STUDIO and that all of the Applicant's goods in Class 9 are similar or identical to the goods covered by the Opponent's earlier mark creating a likelihood of confusion.<sup>2</sup>
7. On the basis of **section 5(3)**, the Opponent claims that its word mark AUTOMATION STUDIO had, at the relevant date, a reputation in the UK in relation to its registered goods. That reputation is said to be "*substantial*" and based on the mark having been used continuously throughout the UK since October 1996.<sup>3</sup> The claim is that in relation to all of the Applicant's goods in Class 9 use of the Applicant's mark would take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier trade mark.
8. The claim under **section 5(4)(a)** is that the Opponent has, since October 1996, and throughout the UK, used the word sign "AUTOMATION STUDIO" in relation to "*all goods listed in Class 9.*"<sup>4</sup> The Opponent claims to have sold a high quantity of goods under the sign regularly since that date, giving the Opponent "*substantial goodwill*" and an earlier right, such that use of ***i*-Automation!** in relation to all and any of the goods applied for by the Applicant in Class 9 would amount to passing off and damage the Opponent's sales.<sup>5</sup>

### **The Applicant's defence**

9. The Applicant filed a Form TM8 notice of defence, including a counterstatement. The Form TM8 included a request for the Opponent to provide proof of use of its earlier UK trade mark registration in relation to the goods registered.
10. In response to the section 5(2)(b) claim, the counterstatement denied that the marks were similar; it set out various submissions, including as to the lower level of distinctiveness of the word AUTOMATION, and as to the visual, aural and conceptual differences between the marks. The counterstatement also denied identity or similarity between the parties'

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2 Paragraphs 5 and 16 of the statement of grounds.

3 Paragraph 27 of the statement of grounds (and paragraphs 28 -31).

4 (I take this to refer to the goods in respect of which the Opponent has the earlier trade mark registration, and not to the Applicant's goods listed in Class 9.)

5 Paragraphs 33 – 35 of the statement of grounds.

goods, and denied that there is a likelihood of confusion on the part of the public. It put the Opponent to strict proof on all aspects of this ground of opposition.

11. In response to the section 5(3) claim, the counterstatement denied that the earlier mark has a substantial reputation and put the Opponent to strict proof of that claim. It also denied that use of the applied-for trade mark would take unfair advantage of, or cause detriment to, the distinctive character and repute of the Opponent's mark, and again put the Opponent to strict proof of that claim.
12. The Applicant also contested the section 5(4)(a) grounds, denying (i) that the Opponent had acquired a substantial goodwill in the claimed sign (AUTOMATION STUDIO) (ii) that use of the applied-for mark would constitute a misrepresentation and (iii) that there existed a risk of damage to the Opponent. The Applicant again put the Opponent to strict proof of its claims.

#### **Representation and papers filed**

13. In these proceedings, Briffa acts for the Opponent; EIP Europe LLP for the Applicant. During the evidence rounds, the Opponent filed evidence in chief. On 17 November 2020, the Applicant responded by filing submissions making various criticisms of the evidence filed.<sup>6</sup> The Opponent filed no further evidence or submissions in reply to the Applicant's submissions, and the evidence rounds were therefore concluded. Neither party requested an oral hearing, but the Opponent filed submissions dated 18 December 2020 in lieu of an oral hearing (its "**final submissions**").
14. In a letter dated 21 December 2020, the Applicant's representatives wrote to the registry arguing that the Opponent's final submissions go beyond the scope of final submissions on the merits of the case, but instead seek to clarify and expand on the evidence, whereas such clarifications should have been made during the evidence rounds. The letter protested that it would be unfair to allow clarifications and expansions on evidence to which the Applicant has had no opportunity to respond in full.
15. It argued that in any event the final submissions still do not remedy the deficiencies in the Opponent's previously filed evidence. The letter referred to the Applicant's reliance on the points made in its counterstatement and in its submissions during the evidence rounds

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<sup>6</sup> The submissions filed on 17 November 2020 were initially not dated, but the same submissions were refiled the following month, merely with the insertion of that date at their end.

(17 November 2020). In particular, it reiterated its submissions that the Opponent's evidence lacked the required clarity and structure to show the time, place, extent and nature of use of the Opponent's Mark. The letter stated: *"By way of example only, place of use cannot be inferred based solely on use of the English language, which is a global language used in business around the world. Use on relevant goods cannot be inferred based on the specification of a trade mark registration. Customers and the relevant public are not necessarily aware of trade mark registrations and in any event, it is the validity of this registration itself which is to be evidenced."*

16. The letter from the Applicant's representatives requested that the final submissions be disregarded or that the Applicant be given the opportunity to respond in full to the Opponent's new comments made in its final submissions.
17. The registry replied by official letter on 5 January 2021, stating that the comments in the Applicant's letter of 21 December 2020 would be taken into account by the Hearing Officer in determining the claims. I have read the letter and shall take due account of the objections raised; indeed, I make this decision having read all the papers filed. I set out in some detail below a sequential account of the evidence rounds – my description of the evidence as filed by the Opponent, followed by the commentary submissions filed by the Applicant. Once I have given that account, I proceed to my assessment and findings based on the evidence, reflecting relevant points of submission to the extent I consider appropriate for deciding the claims.

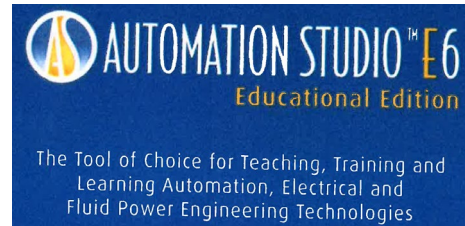
## **EVIDENCE ROUNDS**

### **The Opponent's evidence**

18. The Opponent filed around 150 pages of evidence, which comprised a **witness statement of Charbel Nasr**, dated 20 May 2020, together with **Exhibits CN1 to CN9**. Mr Nasr states that he has been a director of the Opponent company since 1987. Mr Nasr states that the Opponent's mark has been used extensively in the United Kingdom. He expressly frames his evidence of use and reputation in the context of four criteria: (1) place (2) time (3) extent and (4) nature of use.

## Exhibit CN1 - pamphlets

19. **Exhibit CN1** is said to show use of the mark on literature “*distributed in the UK*”; it comprises 22 pages which appear to be two separate promotional pamphlets for products



of the Opponent: the first pamphlet is branded **(“the educational edition”)**. The educational edition is stated to meet the needs of technical teaching and training in the subjects of hydraulic, pneumatic, electrical and control technologies; it states that Automation Studio is software “*used in thousands of schools worldwide, ... which offers intuitive design, animation, simulation and system analysis features in a versatile and user-friendly environment*” and “*allows teachers [in schools, colleges and universities] to present more content in less time, improves students’ understanding of concepts and diagnosis capabilities.*” It offers subscription to its Annual Maintenance and Technical Support Plan, which grants, for a period of one year, “*exclusive advantages such as remote access licensing (WAN); software updates, service releases, new versions; online training session (2 hours); unlimited technical support; Teachware; manufacturers’ catalogues.*”



20. The second pamphlet is branded **(“the professional edition”)**. The professional edition describes this Automation Studio software as “*design and simulation software covering all project/machine technologies including hydraulics, pneumatics, electrical controls, HMI and communications*”, and as “*a complete project/product life cycle solution to optimise entire workflow*” whose “*diagnostic capabilities allow maintenance and training personnel to quickly and easily perform “what-if” scenarios to troubleshoot potential problem areas.*” The pamphlet refers to the Opponent having “*established a strong reputation amongst Fortune 500 companies as well as small OEMs.*”

### **Exhibit CN2 – press release**

21. The witness states that the Opponent has invested substantial sums of money in marketing and advertising including using online news and press release distribution services from providers such as PRWeb. **Exhibit CN2** is said to be evidence of the Opponent engaging PRWeb's services. Exhibit CN2 shows two emails, dated 3 and 9 May 2018, to the Opponent from PR Web Editorial. The latter is based in Quebec, Canada. The first email thanks the Opponent for "*using PR Web to distribute your news*" and acknowledges payment by the Opponent of \$249 for the "Advanced Visibility Package"; the second email is a notification that a (specified) press release was successfully distributed via PRWeb's online visibility engine on 9 May 2018. The exhibit includes a copy of the specified press release - which begins with a place reference – "MONTREAL (PRWEB)". As indicated in the title of the press release, it concerns a collaboration between Opponent and another company (identified as listed on the New York Stock Exchange) to integrate a further catalogue of a third party's fluid-power products into Automation Studio, the Opponent's "*design and simulation*" software.

### **Exhibit CN3 - websites**

22. To address the issue of **place** of use the opponent refers to its having achieved a "*high degree of renown*" throughout the UK in a "*lengthy and illustrious career*" selling goods under its earlier mark. **Exhibit CN3** shows the mark appearing on what the witness describes as "*various reputable websites*" – four in total: (i) a page from the website of "Rexroth (a Bosch company)", which shows search results for "*automation studio*", where zero results are returned on the Rexroth website, but that results "*from the catalog*" of Rexroth show 3 products identified as "*Automation Studio for Bosch*"; (ii) a page from Eureka magazine .co.uk – which the witness states to be a leading design engineer and design management publication in the UK; the page shows a search result under "*Suppliers*" which identifies the Opponent by its Canada address and trade name Automation Studio; (iii) the third is a search result from the website of British Fluid Power Association (BFPA), which shows merely the bare contact details for the Opponent, including its website automationstudio.com; the witness states that that URL (comprising the earlier mark), "*redirects*" to the Opponent's website. And finally (iv) is a page from the website of Fluid Power World, which has a .com suffix; the earlier mark is shown in the banner at the top of the page captured.

### **Exhibit CN4 and CN6 - invoices**

23. I will describe Exhibit CN4 and CN6 together, since they both comprise example invoices from the Opponent to its customers. I will describe Exhibit CN4 more completely, since it involves fewer invoices (six in total) and observations on its content read across to Exhibit CN6. **Exhibit CN4** relates to sales to customers in Norfolk, Yorkshire, Surrey and Scotland – all in 2014:
- The first invoice dates from June 2014, is to an address in Norfolk, in relation to "*Automation studio annual maintenance P6 for S/N 5 8865*" (quantity 1) in the amount of just over 2600 Canadian dollars ("CAN");
  - The second invoice dates from October 2014, is to an address in Norfolk, in relation to "*Automation studio annual maintenance E v6 1 for S/N 66108 N 2 and SN 66109 N18*", in the amount of just over 2000 CAN, and in relation to "*Automation Studio Fluid Power Pak E v6 1*", (quantity 20) plus a couple of other items; the total invoice amounts to just over 10,500 CAN;
  - The fifth invoice dates from March 2014, is to ship to an address in Edinburgh, though bill to an address in Essex. The invoice is in relation to "*Automation Studio annual maintenance PRO for S/N 65607 N2*" (quantity 1) in the amount of just over 9500 CAN, and in relation to "*Automation Studio P6 Fluid Power Pack*", (quantity 2, but each at nearly 10, 400 CAN), plus a continent-wide area network (WAN) in the amount of just over 9900 CAN, plus a couple of other items such that the total invoice amounts to just almost 48,000 CAN;
  - The sixth invoice dates from May 2014, is to ship to an address in Inverness, though to bill to an address in Surrey (end user identified as a college in Scotland, which is named). The invoice is in relation to "*Automation Studio annual maintenance Ev6.1 for S/N 5 8887*" (quantity 1) in the amount of just over 2000 CAN;
24. The witness states that as to proving the **time** aspect of the use, **Exhibit CN6** shows that the Opponent was selling its goods under its earlier mark in the UK throughout the five-year period 2014 – 2019, the exhibit also includes several invoices from 1999. Exhibit CN6 involves around 87 invoices. All appear to relate to the UK – although the currency for this batch of invoices is mostly given in US dollars, with only a few in Canadian dollars. I note that there is a degree of double presentation with Exhibit CN4 (for example page 5 shows the same 2014 Edinburgh invoice); I also note that a portion of this exhibit show invoices from *after* the relevant date (pages 73 – 75 and 79 – 87). The nature of the



customers is not generally clear, although I note that page 17 identifies the end user as user identified as a college in England, which is named. The invoices again tend to be in respect of annual maintenance by reference to the earlier mark and of subscriptions to manufacturer catalogs. Amounts vary considerably - from as little as 50 dollars (page 51) to over 42,000 dollars (page 46 - December 2017). However, most are for lower thousands of dollars from one thousand (page 72) to over 18,700 US dollars (e.g. page 43 – which relates to "*Automation Studio Annual Maintenance pack Educ*" – quantity 20).

#### **Exhibit CN5 – trade shows**

25. The witness states that the Opponent has been a presence at major industry in careers fairs and shows and that **Exhibit CN5** is said show the Opponent's involvement at such events. The exhibit shows that the Opponent gave a short presentation (no title or subject is given) at the National Forum of Engineering Centres (NFEC) annual national conference in November 2018, but there is no reference to the earlier mark. The exhibit also indicates the Opponent's involvement at the 2018 WorldSkills UK live event, where the Opponent's profile blurb refers to its development of "*system design and simulation software*" under the mark Automation Studio, "*originally meant for education and training for fluid power systems but now used throughout the industry for system design engineering maintenance service and training.*" It also states that the Opponent offers "*a complete range of high end products and services in the field of software engineering and industrial automation.*" The exhibit also indicates that the Opponent had a stand at a fair organised by Advanced Engineering in 2018, but there is no reference to the earlier mark.

#### **Exhibit CN7 - revenue**

26. The witness states that in relation to the **extent** of use of the registration the opponents brand has "*an enviable reputation throughout the United Kingdom*". In support of this assertion the witness provides in his witness statement the following table showing revenues from "*sales of products*" under the earlier mark for the years of the relevant period.


| Year | Turnover in GBP |
|------|-----------------|
| 2014 | £ 159,353.34    |
| 2015 | £ 128,948.65    |
| 2016 | £ 172,707.65    |
| 2017 | £ 220,818.49    |
| 2018 | £ 183,976.62    |
| 2019 | £ 199,342.11    |

27. The same figures are given in **Exhibit CN7**, which is a single page extract from an unspecified source and which is in French.

#### **Exhibit CN8 – website statistics**

28. The witness also states that the Opponent has a generic top-level domain for the earlier mark and refers to the URL for automationstudio.com. **Exhibit CN8** is said to comprise Google Analytics reports which the witness states is further evidence of the extensive presence of the earlier mark in the UK. The exhibit runs to nine pages, showing around 240 rows of information seemingly relating to a summary of UK users associated with www.famicttech.com between January 2014 – April 2020 (which is beyond the relevant date). In those six years, the Opponent’s famicttech website appears to have had around 19,000 “users” from the UK, with approximately 7,700 accessing via the automationstudio.com site. One of the columns indicates 0% “goal conversion rate” and 0% “goal value”. Without explanation of the significance of the column headings or other context, I am not able to draw any clear conclusions from this exhibit.

#### **Exhibit CN9 – branded goods**

29. The witness statement deals with the **nature** of the use of the earlier mark in respect of its registered goods in class 9 only in the very briefest of terms, stating that **Exhibit CN9** “includes examples of the Automation Studio software sold under the prior mark.” The Exhibit shows images of packaging and goods (resembling a CD) bearing the earlier mark, for example, as: . (The reference P6, which features in various of the invoices in evidence, appears to signify the professional edition; goods referenced by, for example, E6 signify the educational edition.) Page 4 of the exhibit shows what could be an insert leaflet to accompany the goods – although it is not made

clear. I note that that printed matter/leaflet includes, among the dozen national flags, a Union Jack.<sup>7</sup> It also shows the earlier mark and includes the promotional description “*the unique and indispensable software suite for engineering maintenance and training*” and the further self-description “*Drag and Drop CAD and simulation software for Fluid Power and Automation Technologies*”.

### **Other content of the Opponent’s evidence**

30. Mr Nasr’s witness statement includes various submissions including in relation to the comparison of the goods. I’ll refer to such submissions in due course.

### **The Applicant’s submissions during the evidence rounds**

31. The Applicant’s submissions filed during the evidence rounds included arguments relating to a comparison of the marks, a comparison of the parties’ (relevant) goods and as to the relevant consumer and the level of attention – I’ll return to such submissions as appropriate. What I note at this point of my decision, is that the Applicant made clear and specific criticisms of the Opponent’s evidence, denying that it was sufficient to establish genuine use of the Opponent’s Mark within the relevant time period in the UK, or to establish the claimed reputation or goodwill. The Applicant put forward various clear points of challenge, in relation to place, time and extent of use, as I record below. As I noted as part of the background section above, the Opponent filed no further evidence or submissions during the evidence rounds, but made only final points in submission in lieu of an oral hearing. The points below reflect points from both parties.

### **Exhibit CN1 - pamphlets**

32. The Applicant points out (correctly) that the literature submitted under **Exhibit CN1** bears **no dates**, nor is there any indication that it was distributed or made available in the UK - the only contact details provided at the bottom of the literature refer to Canada, Germany and India.<sup>8</sup> The Opponent submitted that the Opponent is entitled to provide contact details for its subsidiaries and that the contact details referring to Canada, Germany and India are irrelevant. I accept that point from with the Opponent. The Opponent submitted that the literature has been distributed throughout the UK from 2012 to the present date. However, there is no evidence at all to support that assertion. The Opponent also

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<sup>7</sup> The flags include other English speaking countries, including USA, Canada and Ireland.

<sup>8</sup> (at pages 7 and 22 of CN1)

submitted that “*in any event the literature is printed in English which clearly indicates that it is intended to be distributed in England.*” I reject that line of reasoning – clearly there are numerous other countries in the world where publications in English would be equally required (and the exhibit’s references to “*Fortune 500*” and “*OEDs*” are not terms that suggest a UK-focus.) Even if I accept that the literature in the exhibit has been distributed in the UK, as the witness states, there is certainly no evidence of the *extent* of distribution and I would expect such information to be provided. Overall, **I find that Exhibit CN1** does not of itself show use of the mark in the UK, but it has evidential value in so far as, taken with other parts of evidence - notably the invoices - it casts light on the nature of the Opponent’s goods,

### **Exhibit CN2 – press release**

33. The Applicant submits that Exhibit CN2 merely shows an email chain with a public relations company based in Canada and a draft press release and does not show any use of the Opponent’s mark in the course of trade. It points out that no evidence or details have been provided regarding publication of this press release or whether it was ever made available to consumers in the UK. The Opponent responded that Exhibit CN2 shows that PRWeb has a 24-hour UK editorial desk with a corresponding telephone number. I do not consider this to be evidence as to the release of the article in the UK. The evidence does confirm that the Opponent’s press release was successfully “*distributed*” – but it is entirely unclear whether the news article, centred on Montreal, reached UK consumers. In any event the 250 CAN in relation to the exhibited press release is a very modest sum. I consider Exhibit CN2 to be of no evidential value. There is no significant evidence of promotion of the mark to the UK market.

### **Exhibit CN3 - websites**

34. The Applicant points out that none of the website printouts at Exhibit CN3 is dated, nor does the Opponent even indicate their approximate dates, such that they cannot therefore be considered evidence of use within the relevant time period and should not be taken into account. The Opponent submitted that the websites evidenced at Exhibit CN3 are currently live and the screenshots were taken for the purposes of the Opposition and that there would be no reason for it to possess such screenshots prior to the Opposition. I agree with the Applicant. It is common practice, especially for those with professional representation, to file evidence showing the content and appearance of a website at a

particular point of time in the past using tools such as the waybackmachine. I note too that it is not even stated that the mark did appear on the websites during the relevant period. I consider Exhibit CN3 to be of no evidential value. (Moreover, even if I were to consider the website extracts, they do not strike me as evidence sustaining a “*high degree of renown*” in the UK, as the witness claimed; they largely merely disclose the mark as a term that may return results if searched on particular websites.)

#### **Exhibits CN4 and CN6 - invoices**

35. The Applicant submits that the invoices under **Exhibits CN4** and **CN6** are not clear as to the nature of the goods and/or services to which they relate - none of the invoices mentions software, and the witness statement does not explain. Thus, there is no explanation of the nature of goods or services covered, for example, in terms such as “*Automation Studio Complete Pack E V5. 7*” or “*Automation Studio Fluid Power Pak*” referenced in invoices. The Applicant submits that the invoice evidence cannot be considered proof of genuine use for the earlier goods as registered and claimed. In my view, the evidence could certainly have been clearer as to the nature of the goods sold in the UK, and many of the terms used in the invoices are opaque. However, taken with other parts of the evidence, such as the product descriptions in Exhibit CN1 and the content of Exhibit CN9, I find that the invoices are evidence of relevant sales, which will duly factor into my assessment of the claims below.

#### **Exhibit CN5 – trade shows**

36. The Applicant submitted that Exhibit CN5 does not show genuine use of the Opponent’s mark in relation to the relevant goods, noting that the evidence does not show that the Opponent’s mark was displayed at all at the NFEC. The Opponent submitted in response only that the NFEC was “*a national event and events of this nature are attended by a significant number of individuals in the engineering sector.*” I note there is no evidence on that point, but moreover I have already described the very limited extent to which the Exhibit refers to the earlier mark (only as part of the Opponent’s profile blurb for the 2018 WorldSkills UK live event). I consider Exhibit CN5 to be of very limited evidential value.

#### **Exhibit CN7 - revenue**

37. The Applicant points out that neither Exhibit CN7 nor the Witness Statement identifies the source of the information on sales revenue, and argued that it is “*well established that statements drawn up by the interested parties themselves or their employees have a*

*lower probative value than third party evidence.*” Whereas evidence of genuine use must relate to the relevant goods, the Applicant argued that neither the Witness Statement nor Exhibit CN7 states to what goods (or services) the sales revenues relate. It also submitted that since Exhibit CN7 is in French, and no translation has been filed, it should therefore not be taken into account. In my view, the exhibit itself is not good evidence. However, Mr Nasr presents the same table of annual figures in the body of his witness statement, which he states to be revenues from “*sales of products*” under the earlier mark. This information is in English and under a statement of truth by a director of the Opponent well placed to provide such information; it is also to some extent corroborated by the examples of invoices showing sales in the UK. I have no reason to doubt its legitimacy and I will duly factor the revenue information into my assessment of the claims below.

### **Exhibit CN8 – website statistics**

38. The Applicant criticised the clarity of the analytics statistics in **Exhibit CN8** and noted that the Opponent has not explained its relevance to the claim of genuine use or reputation of the Opponent’s Mark. The Applicant argued that it is for the Opponent to identify and structure its evidence sufficiently, but that the Opponent had not done so, such that this evidence should not be taken into account. As I stated earlier, the lack of context and sufficient explanation prevents my drawing any relevant conclusions from this exhibit.

## **PROOF OF USE**

### **Statutory provisions**

39. Section 6A of the Act deals with the requirements for proof of use in opposition proceedings:

#### ***Raising of relative grounds in opposition proceedings in case of non-use***

“(1) This section applies where

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

- (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period .
  
- (1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.
  
- (2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.
  
- (3) The use conditions are met if –
  - (a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
  - (b) the earlier trade mark has not been so used, but there are proper reasons for non- use.
  
- (4) For these purposes -
  - (a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and
  - (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
  
- (5) [...]
- (5A) [...]
  
- (6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for

the purposes of this section as if it were registered only in respect of those goods or services.”

40. Section 100 of the Act makes it clear that the burden of proof falls on the Opponent to show that it has used its mark.

### **Case law on genuine use**

41. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J (as he then was) summarised the law relating to genuine use as follows:

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundesvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

- (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].
- (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].
- (3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others



which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

- (4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. ....
- (5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].
- (6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including:
  - (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question;
  - (b) the nature of the goods or services;
  - (c) the characteristics of the market concerned;
  - (d) the scale and frequency of use of the mark;
  - (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them;
  - (f) the evidence that the proprietor is able to provide;
  - and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].
- (7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to

demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no de minimis rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

42. In making my determination as to whether the evidence presented shows the necessary genuine use, I also take account of judicial comment as to probative and evidential issues in such cases. In *Dosenbach-Ochsner*<sup>9</sup>, Geoffrey Hobbs Q.C., sitting as the Appointed Person stated that:

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

43. Along with the general case law requirements around genuine use that the mark is used in accordance with its essential origin function, and to create or preserve an outlet for those goods or services, I note that use must be shown to be “*in relation to*” particular goods and/or services under the registration relied on. Even where the sign is not physically affixed to the goods, there is use “*in relation to goods*” for these purposes where the sign is used in such a way that a link is established between the sign which constitutes the trade name of the owner of the mark and the goods marketed.<sup>10</sup>

### **The relevant period**

44. The relevant period in which genuine use must be shown is the five years ending on the relevant date – i.e. **14 March 2014 – 13 March 2019**.

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<sup>9</sup> *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL O/404/13

<sup>10</sup> See paragraphs 17 to 20 of the decision Daniel Alexander Q.C. as the Appointed Person in *Aegon UK Property Fund Limited v The Light Aparthotel LLP*, BL O/472/11

## MY DECISION ON GENUINE USE

45. The primary submission of the Applicant is that the evidence is not sufficient to establish genuine use in the UK at all in relevant period, and that the Opposition based on sections 5(2)(b) and 5(3) should be dismissed. I reject that submission. I have highlighted various notable shortcomings in the evidence; however, even discounting the exhibits which I have found to have no evidential value, when I consider the evidence in the round, in particular the invoice evidence, I am satisfied that the Opponent has used the earlier mark “in relation to” goods in the UK.
46. The Applicant submits in the alternative that the evidence filed shows use only in relation to a very limited sub-category of the goods for which the Opponent’s mark is registered. Thus, the Applicant submitted that, at best, the evidence of use extends to “*educational, training and simulation software*” not to the registered “*computer integrated software*” at large. The Applicant submitted that the opposition should be considered only on the basis of such a sub-category.
47. In *Euro Gida*, the Appointed Person stated: “*In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose, the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.*”<sup>11</sup> And in *Titanic Spa*, the summary by Mr Justice Carr of relevant legal principles included the following:

“v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected

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<sup>11</sup> *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs QC sitting as the Appointed Person.

to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."<sup>12</sup>

48. The Applicant's submissions referred to appeal tribunal case law findings in support of the proposition that evidence may be insufficient to show use in relation 'computer software' at large, but instead only to specific types of computer software which make up specific sub-categories of the same.<sup>13</sup> That seems to me a legitimate position – indeed it seems to me at least in line with the recognition by the Court of Justice of the European Union ("CJEU") of the category breadth of "*computer software*" such that exclusive rights should not be attributed too readily, without commercial justification.<sup>14</sup>
49. I find my task of framing a fair specification not entirely straightforward as I am not clear as to what is precisely signified by the registered goods as specified. The Opponent's evidence does not provide clarification as to what is meant by the term "*computer integrated software*" or how it may differ, for example, from "*software*" (simply). On an ordinary, literal interpretation the term implies to me that the software is integrated in or is integral to the computer – but this attempt at restatement scarcely clarifies my understanding. The Applicant's counterstatement, which includes a signed statement of truth by a named attorney, gives a definition of "*integrated software*", indicated to be sourced from Wikipedia/ComputerHope.com, as a "*software for personal computers which combines the most commonly used functions of many productivity software*

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<sup>12</sup> *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), at paragraph 47 of that judgment.

<sup>13</sup> Case R1832/2014-4 the EUIPO Fourth Board of Appeal

<sup>14</sup> Case C-371/18 Sky plc and others -v- SkyKick UK Ltd and another – and the subsequent UK High Court application thereof - *Sky v Skykick* [2020] EWHC 990 (Ch)

*programs into one application*". Given that it is the only explanation (which has not been challenged by the Opponent) I will proceed on an understanding that an integrated software is 'all-in-one software' type of product that combines more than one software programs into one software. In any event, to discern how the average consumer would characterise the goods on which the Opponent may fairly rely, I reflect on what may be gleaned from the evidence filed.

50. The Witness statement contains no clear narrative of the precise nature of the products offered under the earlier mark in the UK. On the one hand, it is not made clear how the goods have been provided or promoted; nor is the make-up of the actual customer base in the UK made clear – for example, as between educational and professional users, and whether any professional users are UK businesses or not. On the other hand, the invoice evidence (for example at **Exhibit CN4**) shows income derived from items identified in terms such as (i) "*Automation Studio Fluid Power Pak E v6 1*", (quantity 20), (ii) "*Automation Studio P6 Fluid Power Pack*" and (iii) "*Automation Studio annual maintenance PRO for S/N 65607 N2*". **Exhibit CN1** refers to the educational edition and to the professional edition of the software under the earlier mark, and to what is comprised with the annual maintenance offering. I therefore accept that the invoices are evidence in relation to relevant goods.
51. The evidence includes various references that characterise those goods from the Opponent's perspective. Thus, **Exhibit CN1** describes the educational edition as software for technical teaching and training in design, animation, simulation and system analysis and as an "*all-in-one mechatronics teaching and learning software solution from basic concepts to multi-technology systems*" and a tool for "*teaching, training and learning automation, electrical and fluid power engineering technologies*." It describes the professional edition as flexible "*design and simulation software*" for "*increased engineering productivity*". **Exhibit CN5** the Opponent's profile blurb refers to its development of "*system design and simulation software originally meant for education and training for fluid power systems but now used throughout the industry for system design engineering maintenance service and training*". And **Exhibit CN9** refers to "*drag and drop CAD and simulation software for Fluid Power and Automation Technologies*".
52. Whereas the Applicant submitted that, at best, the evidence of use extends to "*educational, training and simulation software*", the Opponent argued in its final

submissions, on the basis that **Exhibit CN9** refers to “a software suite for engineering, maintenance and training”, that the Opponent has established evidence of use in relation to the “full computer integrated software suite”. It seems to me that that broad submission by the Opponent rests on self-assertions about its product that are couched in promotional terms, which may tend to exaggeration. In my view, “software for engineering” seems a wide phrase that could include, for example, software that operates machinery. In the absence of a more coherent and compelling explanation of the nature of the goods, I consider the evidence sufficient to frame the following fair specification: **“software for the purposes of education, training, simulation, system design and analysis all in the fields of fluid power and automation technologies.”** It is on that basis that I will consider the claims.

## **DECISION OF CLAIMS**

### **The section 5(2)(b) grounds**

53. Section 5(2)(b) of the Act, 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”.

54. Determination of a section 5(2)(b) claim must be made in light of the following principles, which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P. The principles are:

(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 the goods**

#### *The contested goods of the Applicant*

55. The opposition is directed against the following goods in Class 9:

*Computer software for motion control; computer software for use in the industrial automation machines; motion control machines for use in automation of industrial manufacturing process; computer hardware for motion control; computer hardware and computer software for chip cards for motion control; robots for control of industrial automation of manufacturing process; electronic machines and apparatus for control of industrial automation of manufacturing process; apparatus for processing images for robots; computer software for image processing; computer software for electrical controlling devices; connectors [electricity]; amplifiers for electrical controlling devices; power amplifiers; interface boards for computers; processors [central processing units]; numerical control machines for computer; interface boards for electronic machines and apparatus; computer software for use in automation of industrial manufacturing process; programmable controllers; sensors [measurement apparatus], other than for medical use; switches; relays, electric; intercommunication apparatus; inverters [electricity]; position control machines for use in automation of industrial manufacturing process; electrical power monitors; electrical power supplies; testing apparatus for use in the industrial automation machines; uninterruptible electrical power supplies; lasers, not for medical purposes; connectors for printed circuit boards; data storage devices for computer; digital display devices; plugboards; electric sockets; back lights for liquid crystal displays; measuring apparatus for body composition; thermometers; solar cells; capacitors; numerical control machines; remote control apparatus; robots for laboratory use; encoders; electronic power controllers; voltage regulators; control panels [electricity]; light dimmers [regulators], electric; photo current switches; basic switches; detection switches; door switches; limit switches; safety switches; push button switches; thumbwheel switches; microswitches; measuring machines, not for medical use; in-line electric cable connectors; connectors for measuring machines; measuring machines for identifying power network; measuring machines for identifying data errors, excessive bandwidth*



*consumption and circuit problems; detectors; detectors for electrical power outage; detectors for electric current; motion detectors for detecting human movement; water leak detectors; sensors for microscope photographs; sensors for microelectromechanical systems [MEMS]; flow sensors; pressure sensors; thermal sensors; photovoltaic sensors; image sensors not for medical use; proximity sensors; vibration sensors; inclination sensors; liquid leakage sensors; displacement sensors; length measuring sensors; ultrasonic wave sensors; sensors for measuring light incidence from outside of car; fiber sensors not for medical use; body temperature sensors not for medical use; fiber optics; parking meters; testing apparatus not for medical purposes; testing apparatus for testing printed circuit boards; apparatus for the input and output of data for use in wireless automatic identification machines; electronic tags for wireless automatic identification; fiber optic cables; counters; computer software and computer hardware for use in the industrial automation machines; electronic components for industrial automation machines; computer software, recorded; computer software for programmable logic controller; computer software for health control; computer operating programs; computer programs for processing digital images; monitoring apparatus for industrial automation machines; analysis apparatus for industrial automation machines; electrical control devices for energy management; programmable logic controllers; amplifiers; electronic control systems for industrial robots; electronic control systems for industrial machinery; microprocessors for motion control; computer software for use in the industrial automation industry; microcontrollers; computer peripherals and accessories; electrical control devices; digital cameras; bar code readers; bar code scanners; apparatus for processing images; scanners [data processing equipment]; print quality inspection systems; machine vision systems [automatic testing apparatus]; measuring and testing machines; power distribution or control machines and apparatus; rotary converters; phase modifiers; electric or magnetic meters and testers; conductors, electric; electrical communication machines and instruments; electronic machines, apparatus and their parts; magnetic cores; resistance wires; electrodes.*

*The goods on which the Opponent can rely*

56. In light of my findings as to genuine use, I am to assess the extent to which the above contested goods may be considered similar to the goods in the fair specification, namely: *software for the purposes of education, training, simulation, system design and analysis, all in the fields of fluid power and automation technologies*

## Applicable law

57. Section 60A(1)(a) of the Act makes clear that goods are not to be regarded as being similar to each other only on the ground that they appear in the same class under the Nice Classification. Rather, in considering the extent to which there may be similarity between goods, I take account of the guidance from relevant case law. Thus, in *Canon* the Court of Justice of the European Union (“**the CJEU**”) stated that:

*“In assessing the similarity of the goods ... all the relevant factors relating to those goods .. 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”*.<sup>15</sup>

58. In *Boston Scientific*, the General Court described goods as “complementary” in circumstances where “... *there is a close connection between [the goods], 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*”.<sup>16</sup> I also take note that in *Kurt Hesse v OHIM*, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods.<sup>17</sup>

59. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case<sup>18</sup> for assessing similarity were:

(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;

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<sup>15</sup> Case C-39/97, at paragraph 23.

<sup>16</sup> *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

<sup>17</sup> Case C-50/15 P

<sup>18</sup> *British Sugar PLC v James Robertson & Sons Ltd* [1996] R.P.C. 281

(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.

60. Moreover, it is established case law that where goods designated by an earlier mark are included in a more general category designated by a trade mark application - or vice versa - such goods may be considered identical.<sup>19</sup>

#### *The Applicant's software goods*

61. The Opponent's position is that "*computer integrated software*" (as specified in class 9 by the earlier registration) is "*identical to the eleven types of computer software goods specified in class 9 in the Application*". Clearly, however, my comparison is not proceeding on the basis of "computer integrated software"; still, I will begin by comparing the Opponent's software goods under its fair specification against goods specified in the contested application that are also types of software. It seems to me that the following terms within the application meet such a description:

- i. computer software for motion control;*
- ii. computer software for use in the industrial automation machines;*
- iii. computer software for chip cards for motion control;*
- iv. computer software for image processing;*
- v. computer software for electrical controlling devices;*
- vi. computer software for use in automation of industrial manufacturing process;*
- vii. computer software, recorded;*
- viii. computer software for programmable logic controller;*
- ix. computer software for health control;*
- x. computer operating programs;*
- xi. computer programs for processing digital images;*
- xii. computer software for use in the industrial automation industry.*

62. I am not satisfied that the Opponent's "*software for the purposes of education, training, simulation, system design and analysis, all in the fields of fluid power and automation*

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<sup>19</sup> See paragraph 29 of the ruling of the General Court in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, EU:T:2006:247.

*technologies*” is identical to each and all of the above software goods applied for. However, it seems to me that on the inclusion principle expressed in Gérard Meric, the following broad categories of goods are **identical**: “*computer software, recorded;*” and “*computer software for use in the industrial automation industry*”. It also seems to me that the simulation component in the fair specification covers “*computer programs for processing digital images*” and “*computer software for image processing*” such that those goods too are **identical**. (Alternatively, these latter goods are highly similar.)

63. I find the other terms - namely: “*computer software for motion control / for use in the industrial automation machines / for chip cards for motion control / for electrical controlling devices / for use in automation of industrial manufacturing process / for programmable logic controller / for health control*” and “*computer operating programs*” - do not fall squarely within the scope fair specification (or vice versa). However, I do find those goods to be similar to the goods under the fair specification. The goods are all software, so share the basic physical nature and operate in tandem with computer hardware, so share the same basic method of use. Those goods may also overlap in user to the extent that they share a common field of industrial technology – although I note that the application’s reference to “health care” has no obvious point of similarity in this regard. Moreover, I note that the Applicant, in its submissions filed during the evidence rounds, set out its position on the comparison of the parties’ respective software goods, as follows: “*Education, training and simulation software is dissimilar to the type of software for which the Application seeks protection. In particular, the Applicant’s software is for use with industrial automation machines, motion control apparatus, electrical controlling devices and logic controllers, computer software for industrial use and manufacturing processes and computer software for health control. The purpose of these sub-categories are completely different. On the one hand the purpose of the Opponent’s software is for education, training and simulation (which are by nature virtual and merely theoretical rather than for the control of physical processes). On the other hand, the Applicant’s software is for use in industry, for controlling hardware, machines and manufacturing processes (which are not virtual or merely theoretical). The different sub-categories of software are aimed at different consumers and will be traded through different channels.*”
64. In relation to the Applicant’s software goods under current consideration (those in the paragraph above), I find that their purposes or uses strike me as generally more functional – to operate machinery – than the goods cast under the fair specification, so I find no

notable similarity on this criterion of purpose/use; and, on the same basis, these goods are not competitive in that they do not stand as alternatives to one other. It is not clear (and I have no evidence on the point, despite the Applicant having put the Opponent to strict proof as to the claimed similarity) that those who produce *computer software for motion control / for use in the industrial automation machines / for chip cards for motion control / for electrical controlling devices / for use in automation of industrial manufacturing process / for programmable logic controller / for health control*" and "computer operating programs" also typically produce "software for the purposes of education, training, simulation, system design and analysis all in the fields of fluid power and automation technologies", even if the respective goods were important to one another (and the evidence does not explain why that would be so), I am not willing to conclude that they are complementary in the sense described in case law. Again, I have no clear evidence on how these specialised software goods are sold or marketed, so despite a possible overlap in users I cannot conclude that they share channels of trade. Overall, I find these software goods similar to **a degree between low and medium**.

#### *The Applicant's other goods*

65. In relation to the other contested goods, the witness for the Opponent gave his view that the types of software listed under the Application are to be used directly in connection with the various hardware also applied for, such as: computer hardware for motion control; position control machines for use in automation of industrial manufacturing process; programmable controllers; data storage devices for computer; and sensors. I accept that is likely so. The witness then submitted that the software under the earlier mark is also designed to be used with "hardware". I accept that is the case - but only to the extent that software is by its nature unusable without "hardware" of some sort. However, the witness then submits that the goods have the same nature, purpose, method of use, the same distribution channels and target the same consumers. The Opponent filed no evidence or elaboration to support this latter submission – and this is despite the Applicant's counterstatement (at paragraphs 18 - 20) having made several specific points of denial of the similarity of the goods. And during the evidence rounds the Applicant submitted that "*training, education and simulation software is specifically not designed to be used with hardware, but instead is designed for a virtual and theoretical training process. Therefore, all types of hardware which form part of the Contested Goods (including but not limited to: sensors, detectors, motion control*

*machines, switches, electrical cable connectors, etc.) are dissimilar to the Opponent's goods as they are of a different nature, have a different intended purpose and method of use as well as different distribution channels."*

66. In my view, the Applicant's other goods (i.e. those that are not software) are not "notably similar" (as the Opponent argued). Indeed, I find many of the remaining applied-for goods to be **dissimilar** to the Opponent's software goods under the fair specification – for instance, *fiber optic cables; parking meters, digital cameras; bar code readers; bar code scanners; amplifiers; magnetic cores; resistance wires; electrodes*. Some of the applied-for goods are specified in terms whose meanings were not clear to me, such as "*phase modifiers*" and "*microcontrollers*"; in the absence of evidence and submissions to clarify, I consider such goods dissimilar. Other goods were expressed in more readily understandable terms; and of such terms, I consider none achieves a greater level of similarity to the fair specification goods than, for example, "*measuring and testing machines*". In my view, similarity there arises on the basis that simulation software in this field may be used for testing purposes – however, even on that conception such software is only a potential aspect of a testing machine, and, the degree of similarity is, at best, **between low and medium**.

### **My approach**

67. Where there is no similarity at all between goods, there is no likelihood of confusion to be considered; but if there is some level of similarity, then the likelihood of confusion has to be considered.<sup>20</sup> I have found above that some of the (software) goods may be considered identical; other goods are dissimilar; and other goods are similar to varying degrees. Since some similarity of goods is essential to a claim under section 5(2)(b) of the Act, the opposition based on this ground must fail in relation to goods that I have found to be dissimilar. However, since some of the goods are not entirely clear to me, I do not consider it necessary to formulate a full list identifying those goods I find dissimilar, as opposed to similar to some degree. Instead, I will proceed with my analysis based on the goods that I have found to be identical (or highly similar), since they will represent the Opponent's strongest basis for this ground. Once I have dealt with my conclusions on that basis, I will reflect on the position in relation to the goods that are not identical.

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<sup>20</sup> See Lady Justice Arden at paragraph 49 *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA,. See too *Waterford Wedgwood plc v OHIM* – C-398/07 P (CJEU); and *Intel Corp v Sihra* [2004] ETMR 44 Patten J at [12]

## The average consumer and the purchasing process

68. In *Hearst Holdings Inc*,<sup>21</sup> Birss J explained that “... *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 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 word “average” denotes that the person is typical*”.
69. Based on my approach described above, the goods under consideration are the Opponent’s “*software for the purposes of education, training, simulation, system design and analysis, all in the fields of fluid power and automation technologies*” and the Applicant’s “*computer software, recorded; computer software for use in the industrial automation industry; computer programs for processing digital images*” and “*computer software for image processing*”.
70. The Applicant’s goods “*computer software, recorded*” seemingly cover the entire gamut of software. (Since those goods are described as “recorded”, they will typically be sold on a disc of some sort or comparable format, as opposed to downloaded, although since whatever is downloaded is taken from one place and recorded to another, I do not consider the difference either clear or important.) Such software goods vary considerably in price according to their precise nature and purpose. The average consumer for such goods will include both the general public at large and businesses. In all instances the purchasing process will involve an assessment of the extent to which the offered software will meet the needs of the consumer both in achieving their desired IT goal and compatibility with their relevant computer hardware. The level of attention paid in the process of purchasing *computer software, recorded* will vary from at least **average/medium to very high**, again according to the nature and purpose.
71. The Applicant’s goods “***computer programs for processing digital images***” and “***computer software for image processing***” are narrower in that they are specified as being for a particular purpose, but even so, the average consumer for such goods will include **both the general public at large and businesses** and those goods will range considerably in price according to their precise nature and degree of sophistication and the level of attention paid in the process of purchasing will again vary from at least

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21 *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), at paragraph 60.

**average/medium to very high.** In my view, in the purchasing process for any of the goods at issue, given the commercial consequences, a business user will typically exercise a higher degree of attention than the public.

72. In relation to the relevant goods at large, the Opponent claimed in its statement of grounds that the average consumer group is likely to comprise “relatively sizable businesses”. I agree. However, the Opponent then argued that “*given the amount of work involved in running a business of this nature*” the degree of attention would be “*no more than average.*” I am not persuaded by that line of argument. I note the argument submitted by the Applicant that the goods at issue are specialised goods aimed at business customers with specific knowledge and expertise, who, as a group, will pay a higher level of attention than the general consumer,<sup>22</sup> and that because the goods are “*highly specialised and will not be purchased on a regular basis, the level of attention will be considerably higher than average.*” Having considered the parties’ submissions, I find that the **Opponent’s goods as framed under the fair specification** will be aimed at providers of education, training and businesses operating in the field of fluid power and automation technologies, and that a **high level of attention** will be paid in the purchasing process. This conclusion also appears to me in line with what may be gleaned from the evidence both as to how much such software may cost and the particularity of the selection of products.

73. The average consumer will encounter the marks on some of the goods themselves – such as printed on the software discs and/or the accompanying packaging and information. The average consumer will encounter the marks in advertising or promotional materials, whether in print or online. Consequently, visual considerations are likely to dominate the selection process, but I do not discount that there may also be an aural component to the purchases, given the potential for oral recommendations.

### **Comparison of the marks**

74. It is clear from *Sabel* 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 in *Bimbo* that: “*.....it is necessary to ascertain,*

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<sup>22</sup> The Applicant cited: 12/01/2006, T-147/03, Quantum, EU:T:2006:10, paragraph 62  
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*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.”<sup>23</sup>*

75. It would therefore be wrong to dissect the trade marks artificially, but it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features that are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are shown below:

|                                |                             |
|--------------------------------|-----------------------------|
| <b>The earlier trade mark:</b> | AUTOMATION STUDIO           |
| <b>The Applicant’s mark:</b>   | <b><i>i</i>-Automation!</b> |

76. Before I give my findings, I note that the parties both made submissions as to the overall impressions and comparison of the marks and as to the distinctiveness and dominance (or otherwise) of components of each of the marks.

*Overall impression of the earlier mark*

77. The Applicant submitted that the average consumer would not place particular emphasis on either AUTOMATION or STUDIO, because neither element is dominant; rather the relevant public will remember the Opponent’s mark as a whole and not artificially separate it into individual parts.
78. The Opponent “denies that the relevant public will remember its earlier mark as a whole and not artificially separate it into individual parts”; it also “denies that the word “AUTOMATION” has a low level of distinctiveness in relation to software.” The Opponent submits that “the word “STUDIO” in the earlier mark is descriptive and not distinctive, and the word “AUTOMATION”, which appears at the beginning of the mark and is its longest and most prominent word, is the primary distinctive element of the mark and dominates the mark on a visual, aural and conceptual basis.”

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<sup>23</sup> *Bimbo SA v OHIM, Case C-591/12P* (at paragraph 34)  
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79. My findings are that the overall impression of the earlier word mark of the Opponent derives from the two words AUTOMATION and STUDIO. The average consumer will be familiar with both those common words in English; the word AUTOMATION has a direct connection to the goods under the fair specification, such that its distinctiveness is not great; the word STUDIO has a less direct connection to the goods, although it does have an allusive concept (as I will consider below). In my view, I find that in the overall impression of the earlier mark the two words couple to work as a unit.

*Overall impression of the Applicant's mark*

80. The Opponent submitted that *"the use of 'i' or 'i-' as a prefix to a trade mark is widespread and commonplace, particularly in relation to software."* However, the Opponent filed no evidence in support of that submission; I am aware of Apple products such as the iPhone and iPad, but it does not strike me as a notorious fact that the letter 'i' is commonplace as a prefix to a trade mark for software. I therefore reject the submission. The Opponent also submitted that *"the colour red and the use of italicisation are similarly widespread and commonplace features used in trade marks."* It filed no evidence to bolster that submission. It also submitted that *"the generic exclamation mark which appears at the end of the Application is a commonplace and indistinctive feature and does nothing to contribute to the distinctiveness of the mark."* Again, no evidence was filed to bolster that submission. It was the Opponent's overall position that the letter "i", notwithstanding its presentation in red and italics *"adds nothing by way of distinctiveness"*, and that *"the only distinctive feature of the Application is the word 'AUTOMATION' which dominates the mark to the Application."*

81. For its part, the Applicant submitted that "AUTOMATION" has a lower level of distinctiveness in relation to the relevant goods - software for automated processes", such that *"the overall impression of the Applicant's Mark is dominated by the inclusion of the distinctive red 'i-' element, the distinct stylisation and the distinctive exclamation mark '!' at the end of the mark."* In support of that argument, the Applicant stated as follows:

*"The Applicant draws the Tribunal's attention to the decision of the EUIPO's Fourth Board of Appeal in Case R 524/2020-4 of 29 June 2020 regarding the Applicant's EU designation of International Registration No. 1485249 (i-Automation! stylized). The EUIPO had refused protection of the Applicant's Mark based on lack of distinctive character, pursuant to Article 7(1)(b) and 7(2) EUTMR. In particular, because the relevant*

*public would not perceive any particular indication of commercial origin in the sign beyond the promotional information conveyed, which merely serves to highlight positive aspects of the goods in question, namely that they are electronically controlled systems/devices which reduces manpower. This clearly relates to the meaning of the word “automation” and its descriptive meaning in relation to the relevant goods. The Board of Appeal overturned the refusal based on the distinctiveness of the “i” element of the Opponent’s Mark (which it held has no meaning in relation to the relevant goods).”*

82. The Applicant denied that the “i”, dash and “!” are “commonplace features”, arguing to the contrary that they are “*the distinctive and dominant elements of the Applicant’s Mark bearing in mind the low level of distinctiveness of the “automation” element. Due to the position and the use of the colour red in the “i”, this element also catches the eye first and thus is easily memorized by the relevant public.*”
83. My findings in relation to the Applicant’s mark are that although it is not a word-only mark, the stylisation is very light such that the font contributes almost nothing distinctive to the overall impression. The red colouring and slanting italicisation of the opening letter, together with the dash and the slanting of the exclamation mark are not negligible, but make only a modest contribution to the overall impression, and I find that the mark will strike the average consumer as a unit dominated by the letter and word combination “i-automation”.

#### *Visual similarity*

84. The most striking visual difference between the marks is that earlier mark comprises a ten-letter word followed by a six- letter word, whereas the Applicant's mark comprises a single letter, followed by a ten-letter word. Although that ten-letter word is common to both marks, creating a point of visual similarity, the word itself is of low distinctiveness in relation to the goods at issue. Moreover, the Applicant's mark is not followed by the six-letter word, but is instead preceded by the single letter “i”, which does not feature in the earlier mark. The letter “i” gains a degree of emphasis by starting the mark and by being presented in red, and italicised (and possibly in bold); it is also separated from the word “Automation” by a dash, which elements are presented in black. The marks are thus visually different in their verbal units and the earlier mark is notably longer. The Applicant submits that the closing exclamation mark has a mirroring effect with the opening letter “i”, and I find that the closing exclamation mark adds a further, albeit modest, visual

difference. In my view, taking account of the overall impressions and the distinctive and dominant components, **the marks are visually similar to a degree that is between low and medium.**

*Aural similarity*

85. Commenting on the Applicant's mark, the Opponent submits that the monosyllabic letter "i" is *"insignificant"*. It submits that the four-syllable word AU-TO-MA-TION, which follows the "i" dominates the aural element of the mark and that *"from a phonetic perspective, this word sounds like it appears at the beginning of the mark in the same manner as the earlier mark"*. The Opponent submits that *"the letter "i" would hardly be heard and would blend into the pronunciation of "AUTOMATION"*. Therefore, the relevant public would only hear the word *"AUTOMATION" in the Application.*" In relation to its own earlier mark, the Opponent submits that the four-syllable word AU-TO-MA-TION is *"distinctive"* and *"aurally dominates the less distinctive and shorter three-syllable word STU-DI-O."* I largely disagree with these submissions.
86. From its perspective, the Applicant submits that *"aurally, when spoken, the Applicant's Mark and the Opponent's Mark consist of five and seven syllables respectively. Therefore, the Opponent's Mark is noticeably longer. The additional syllable at the beginning of the Applicant's mark "i" leads to a significant aural difference, especially as the beginning of the mark will be noticed and more easily remembered by the relevant public. It is reiterated that the inclusion of "i-" at the beginning of the Applicant's Mark puts an entirely different aural emphasis on the Applicant's Mark, the pronunciation of the letter "i" being clearly set apart not only visually, but also aurally from the second element, AUTOMATION."* I largely agree with these submissions.
87. Taking account of the overall impressions of the marks, including the way that (to a greater or lesser degree) their respective verbal elements couple in each case to form units, I find them to be **aurally similar to a degree that is between low and medium.**

*Conceptual similarity*

88. The Opponent submits that the marks are conceptually identical. For its part, the Applicant points out that the Opponent's mark includes the element STUDIO - which it submits alludes to a room where artists work or where films or music is produced - whereas the Applicant's mark includes no corresponding conceptual element. I have

given my view that each of the respective marks operates more or less as a unit; whereas what is meant by the word phrase “i-automation” in the Applicant’s mark may not be immediately or precisely clear to the average consumer, the conceptual implication of the word phrase in the Opponent’s earlier mark is readily understandable as implying a workspace concerned with or focusing on automation matters. I note that the Opponent’s statement of grounds refers to the concept of “automation” as connoting “computers, technology and electronics.” Taking account of the different conceptual message attaching to the earlier mark as a whole, and noting my finding that the shared word “automation” in the marks is of low distinctiveness in relation to the goods issue, I consider the **conceptual similarity** between the marks to be **low**.

### **Distinctiveness of the earlier mark**

89. The distinctive character of the earlier mark must be assessed, as, potentially, the more distinctive the earlier mark, either inherently or through use, the greater the likelihood of confusion.<sup>24</sup> In *Lloyd Schuhfabrik*, 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)”.

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<sup>24</sup> *Sabel* at [24]

90. 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 or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctive character of a mark may be enhanced by virtue of the use that has been made of it.
91. The earlier mark involves two common and ordinary words. “Automation” may be considered to be descriptive in relation to the purpose of the goods on which the Opponent is able to rely. “Studio” may have some allusive aspect, but its connection to the goods is less direct. Although each word is an ordinary English word, the particular combination of the two is not common. In my view, the distinctiveness of the earlier mark on an inherent basis is a **little lower than medium**. The Opponent’s evidence of use indicates relevant income under the mark of around 130,000 – 220,000 pounds annually. These amounts are not insignificant, but the evidence is not clear as to the numbers (or nature) of the UK customers, gives no information on market share and there is no significant evidence of advertising or promotion of the mark. I find the evidence of use in the UK is not sufficient to have materially enhanced its distinctiveness among the average consumer.

### **Conclusion as to likelihood of confusion**

92. In my global assessment of likelihood of confusion, I take account of my findings set out in the foregoing sections of this decision and of the case law principles outlined in paragraph 54 above. Central points from my analysis above may be summarised broadly as follows:
- The Opponent is able to rely on goods based on the following fair specification: *software for the purposes of education, training, simulation, system design and analysis all in the fields of fluid power and automation technologies;*
  - Many of the Applicant’s goods lack the required similarity or complementarity such that success under section 5(2)(b) in respect of those may be ruled out. However, I found that some of the goods were similar in varying degrees. Notably, I found “*computer software, recorded;*” and “*computer software for use in the industrial automation industry*” to be identical, and “*computer programs for processing digital images*” and “*computer software for image processing*” to be either identical or highly

similar. My analysis of the section 5(2)(b) claim has focused on those goods, which I consider the Opponent's best case;

- The average consumer of the Opponent's goods as framed under the fair specification will be providers of education, training and businesses operating in the field of fluid power and automation technologies, and that a high level of attention will be paid in the purchasing process;
- The average consumer of the Applicant's goods in focus will include both the general public at large and businesses, where the level of attention paid in the purchasing process will range from at least average/medium to very high;
- The distinctiveness of the earlier mark, even taking account of the evidence of use, is a little lower than medium;
- The marks are visually and aurally similar to a degree that is between low and medium, and even if the common element warrants a low degree of conceptual similarity, there is a significant conceptual difference between the marks, based on the earlier mark being perceived as a unit with readily graspable significance.

93. The question is whether there is a likelihood of confusion amongst a significant proportion of the relevant public;<sup>25</sup> occasional confusion by a small minority is not sufficient to find a likelihood of confusion. The relative weight of the factors is not laid down by law, but is a matter of judgment for the tribunal on the particular facts of each case.<sup>26</sup> The legal test 'likely to cause confusion amongst the average consumer' is inherently imprecise, not least because the average consumer is not a real person; it involves a prediction as to how the public might react to the presence of two trade marks in ordinary use in trade and it is often very difficult to make such prediction with confidence.<sup>27</sup> Confusion can be direct or indirect. Whereas direct confusion involves the average consumer mistaking one trade mark for the other, indirect confusion is where the average consumer realises that the trade marks are not the same but puts the similarity that exists between the trade marks/goods down to the responsible undertakings being the same or related.

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<sup>25</sup> Kitchin L.J. in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41 at §34

<sup>26</sup> See paragraph 33 of the decision of Iain Purvis QC sitting as the Appointed Person in Case No. O-079-17, (*Rochester Trade Mark*).

<sup>27</sup> Again see comments of Iain Purvis as the Appointed Person, *ibid.*

94. In my view, determination of whether likelihood of confusion arises in the present case requires consideration in particular of the overall impressions of the marks, the distinctiveness of the earlier mark and the low distinctiveness in this context of the word “automation” that is the component shared by the marks. The Applicant submitted that *“where a mark or part of a mark lacks distinctiveness, other traders are free to use similar descriptive elements as part of their own trade marks, and comparatively small differences will suffice to distinguish them and avert confusion.”*<sup>28</sup> In my view, even to the extent that the goods of the parties may be regarded as identical, the differences between the marks – the non-shared aspects discussed previously - rule out the possibility that the average consumer would mistake them: since the level of attention paid will be at least medium and even allowing for the effect of imperfect recollection, there is no likelihood of direct confusion on the part of the average consumer (who is, after all, deemed reasonably well informed, circumspect and observant).

95. I turn therefore to consider whether there is a risk of indirect confusion. Iain Purvis QC, sitting as the Appointed Person, considered indirect confusion (and the difference between direct confusion) in *L.A. Sugar Limited v By Back Beat Inc*,<sup>29</sup> stating as follows:

*“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.*

*17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:*

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<sup>28</sup> (see *Office Cleaning Services Limited v Westminster Window & General Cleaners Limited* [1946] 63 RPC 39).

<sup>29</sup> Case BL-O/375/10



- (a) *where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case)*
- (b) *where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).*
- (c) *where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”*

96. None of those (example) instances applies in this case. The Opponent put forward no cogent rationale on which to base a finding indirect confusion; I have rejected the Opponent’s submission that the word ‘automation’ is the distinctive and dominant element in the marks, and I see no reason to find indirect confusion merely because of the shared presence of the word ‘automation’. I must take account of the common element in the context of the later mark.<sup>30</sup> The overall perception of the marks in the minds of the relevant public is paramount in the assessment of the visual, aural, and conceptual similarities between the marks; the perception of the marks by the average consumer of the goods or services in question plays a decisive role in the global assessment of any likelihood of confusion. The applied-for mark is different in its structure and composition such that it looks and sounds quite different and conveys a different message from the earlier mark. The applied-for mark will not be indirectly confused with the earlier mark(s), even where I have found a high level of similarity or even identity between the goods. The prospect of confusion is still more remote in respect of those goods where the level of similarity is lower. **The opposition based on section 5(2)(b) fails.**

### **The section 5(3) ground**

97. Section 5(3) of the Act provides that a trade mark that is identical or similar to an earlier trade mark shall not be registered to the extent that the earlier trade mark had (at the relevant date) a reputation in the United Kingdom and the use of the later mark without

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<sup>30</sup> As highlighted by James Mellor QC Case BL O-547-17 *Eden Chocolat be more chocstanza (word & device) v Heirler Cenovis GmbH* (27 October 2017) (at paragraph 81.4).

due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark. Section 5(3A) states that those provisions apply “irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

98. The relevant case law for section 5(3) can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel Corporation*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oréal v Bellure*, Case C-487/07 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

- (a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24*.
- (b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors, paragraph 26*.
- (c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Salomon, paragraph 29* and *Intel, paragraph 63*.
- (d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark’s reputation and distinctiveness; *Intel, paragraph 42*.
- (e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.
- (f) Detriment to the distinctive character of the earlier mark occurs when the mark’s ability to identify the goods/services for which it is registered is weakened as a result

of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel*, paragraphs 76 and 77.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oréal v Bellure NV*, paragraph 40.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oréal v Bellure*).

99. My analysis must be confined to the goods on which the Opponent can rely. Although I have framed a fair specification of goods based on the evidence as to genuine use, I am not satisfied that the evidence is sufficient to establish that the earlier mark was known by a significant part of the relevant public in the UK at the relevant date. There is no indication of the size of the relevant market, although it strikes me that it must be quite sizable – covering providers of education, training and businesses operating in the field of fluid power and automation technologies. Bearing in mind the level of annual sales income under the mark (£130,000 – £220,000 as per Exhibit CN7) and the sums apparent from the evidence of individual invoices invoice (typically in the thousands), the numbers

of customers in any given year appear very modest and the market share must be very small. I acknowledge the claims that the mark has been used since 1996 and that the evidence includes invoices from 1999, but the evidence is not clear as to the levels of sales throughout the intervening period.

100. The Opponent claims to have built up a “substantial reputation” throughout the UK and Mr Nasr refers to a “high degree of renown”, but those assertions are not substantiated. There is no evidence of promotional expenditure directed at the UK, and there is no evidence of reputation, for example in the form of third party reviews or industry awards. In the absence of evidence of an actionable reputation in the UK, **the opposition under section 5(3) inevitably fails**. Moreover, even if I were to find the evidence sufficient to satisfy the necessary knowledge threshold to establish a reputation (which I do not), such reputation could only be very modest indeed, such that, taken with the low distinctiveness of the common element ‘automation’, the similarity between the marks is not sufficient to lead the relevant public when confronted with ***i*-Automation!** to make a link with “AUTOMTION STUDIO”. Since the mark would not be called to mind, the ground would again fail.

#### **The section 5(4)(a) grounds**

101. Section 5(4) of the Act states:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) [.....]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

102. It is well established<sup>31</sup> that passing off depends upon the existence of (i) goodwill (ii) misrepresentation and (iii) damage. Thus in the *Jif Lemon* case<sup>32</sup>, Lord Oliver set out the requirements for establishing a successful passing off right as follows:

“First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’ (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services.

Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to the belief that the goods or services offered by him are the goods or services of the plaintiff.

Thirdly, he must demonstrate that he suffers or, in a *quia timet* action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.”

103. All three elements (goodwill, misrepresentation and damage) are required to succeed in a passing off claim, so an opposition based on section 5(4)(a) grounds invoking passing off will necessarily fail in the absence of any one of those elements. The question of passing off is to be assessed at the date of the application for registration. The first matter for consideration is therefore whether the evidence shows that the Opponent had generated goodwill by 13 March 2019. Case law<sup>33</sup> has described goodwill as “... *a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.*”

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<sup>31</sup> See, for example, summary by Melissa Clarke, sitting as a deputy Judge of the High Court in *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC

<sup>32</sup> *Reckitt & Coleman Products Ltd v Borden* [1990] RPC 341 HL

<sup>33</sup> *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL)

104. Case law highlights the need for a degree of cogency in the evidence of reputation (goodwill in the UK) and its extent.<sup>34</sup> In *Smart Planet Technologies, Inc. v Rajinda Sharm* [BL O/304/20], Thomas Mitcheson QC, as the Appointed Person, emphasised that:

*“.. a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon.”*

105. The Opponent claims in its statement of grounds that it has, since October 1996, and throughout the UK, sold a high quantity of goods under the sign regularly since that date, giving the Opponent “substantial goodwill.” The evidence does not very clearly substantiate that claim. I have commented that the evidence is not full clear on the nature of the goods sold or who are the customers; the evidence is not clear on numbers of goods sold and there is no clear evidence of promotion in the UK. In my view the evidence of use in the UK is small and may be insufficient to give rise to actionable goodwill. However, even if there is actionable goodwill, it would not lead to misrepresentation to consumers. Any such goodwill would be small, and, in line with my earlier findings as the similarity between the marks, the differences between ***i-Automation!*** and the sign AUTOMATION STUDIO are such that there would be no mistaken inference that even identical goods are from the same source or are connected, there will be no deception.<sup>35</sup>

106. There is a possible difference between the position under trade mark law and the position under passing off law. In *Marks and Spencer PLC v Interflora*<sup>36</sup>, Lewinson L.J. cast doubt on whether the test for misrepresentation for passing off purposes came to the same thing as the test for a likelihood of confusion under trade mark law. He pointed out that it is sufficient for passing off purposes that “a substantial number” of the relevant public are deceived, which might not mean that the average consumer is confused. As both tests are intended to be normative measures intended to exclude those who are unusually careful or careless (per Jacob L.J. in *Reed Executive Plc v Reed Business*

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<sup>34</sup> See for example Pumfrey J at paragraph 27 of *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC)

<sup>35</sup> Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) provides guidance on relevant law in this area at paragraphs 184 to 188. See in particular paragraph 184.

<sup>36</sup> [2012] EWCA (Civ) 1501

*Information Ltd*<sup>37</sup>, it is doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes.

107. I therefore reject the Opponent's claim that use of the Applicant's mark would amount to a misrepresentation to the public. As such I find that when the Applicant applied for its contested mark, its use would not have been liable to have been prevented by the law of passing off; consequently, **the opposition under section 5(4)(a) also fails.**

108. **OVERALL OUTCOME:** The opposition against the applied-for goods in Class 9 has **failed on all three grounds**, and subject to any appeal against this decision, the application may proceed to registration for all of the goods applied for, including those in Class 7, which were not opposed (and which are set out in the Annex at the end of this decision).

## **COSTS**

109. The Applicant is entitled to a contribution towards its costs in defending these proceedings, in line with the scale published in the annex to Tribunal practice notice (2/2016).

|  |              |
|--|--------------|
| Reviewing the statement of grounds and preparing a counterstatement: | £400         |
| Considering and responding to the other side's evidence:             | £800         |
| <b>Total</b>   | <b>£1200</b> |

110. I order Famic Technologies Inc to pay OMRON Corporation the sum of £1200 (one thousand two hundred pounds). This sum is to be paid within 21 days of the end of the period allowed for appeal or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings (subject to any order of the appellate tribunal).

**Dated this 17th day of February 2021**

**Matthew Williams**

**For the Registrar**

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<sup>37</sup> [2004] RPC 40)

## **Annex – List of the Applicant’s goods in Class 7 (not opposed)**

Industrial robots; robotic arms for industrial purposes; robots for carrying items for industrial purposes, self-propelled; parts and fittings of robots for carrying; robots and robotic arms for sorting, carrying, supplying, as components of assembly work; product grippers, graspers and end effectors for industrial robots; robots and robotic arms for metalworking; robots and robotic arms for loading-unloading; loading-unloading machines and apparatus; robots and robotic arms as chemical processing machines and apparatus; robots and robotic arms as textile machines; robots and robotic arms for food or beverage processing; robots and robotic arms for lumbering, woodworking, or veneer or plywood making; robots and robotic arms for pulp making, papermaking or paper-working; robots and robotic arms for printing or bookbinding; robots and robotic arms for sewing; robots and robotic arms for shoe making; robots and' robotic arms for leather tanning; robots and robotic arms for tobacco processing; robots and robotic arms for glassware manufacturing; robots and robotic arms for painting; robots and robotic arms for packaging or wrapping; robots and robotic arms for plastic processing; robots and robotic arms for manufacturing electronic components; robots and robotic arms for semiconductor manufacturing; robots and robotic arms for manufacturing rubber goods; robots and robotic arms for food mixing for commercial use; robots and robotic arms for food peeling for commercial use; robots and robotic arms for food cutting, chopping and slicing for commercial use; loading-unloading machines and apparatus for component parts; parts feeder (apparatus that feeds the working material into machines); mobile transporting machines and apparatus; metalworking machines and tools; construction machines and apparatus; chemical processing machines and apparatus; machines for making textile articles; food or beverage processing machines and apparatus; lumbering, woodworking, or veneer or plywood making machines and apparatus; pulp making, papermaking or paper-working machines and apparatus; printing or bookbinding machines and apparatus; sewing machines; shoe making machines; leather tanning machines; tobacco processing machines; glassware manufacturing machines and apparatus; painting machines and apparatus; packaging or wrapping machines and apparatus; plastic processing machines and apparatus; machines for manufacturing semiconductors; machines and apparatus for manufacturing rubber goods; food mixing machines for commercial use; food peeling machines for commercial use; food chopping machines for commercial use.