

O/362/21

TRADE MARKS ACT 1994

IN THE MATTER OF
TRADE MARK APPLICATION NO. 3426896
BY SOLEI BG
TO REGISTER:

Кашангурские

AS A TRADE MARK
IN CLASS 14

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 418761
BY VOSTOK CHISTOPOLSKIJ CHASOVOJ ZAVOD, ZAO

Background and Pleadings

1. On 8 September 2019, SOLEI BG (“the applicant”) applied to register the trade mark shown below in the UK:



The application was accepted and published in the Trade Marks Journal on 13 September 2019 in respect of the following goods:

Class 14: *Watch bands; Watch boxes; Watch cases; Watches and clocks.*

2. Vostok Chistopolskij chasovoj zavod, ZAO (“the opponent”) filed a notice of opposition on 13 December 2019 on the basis of Sections 5(1) and 5(2)(a) of the Trade Marks Act 1994 (“the Act”).¹ The opponent relies on the trade mark shown below:²

EU016665986 (“the earlier mark”)



Filing date: 28 April 2017.

Date of entry in register: 26 December 2017.

Mark Description/ Limitation

¹ The opposition initially included other grounds, namely Sections 5(3), 5(4)(a), 5(4)(b) and 3(6). The opponent confirmed in submissions filed 7 December 2020 that it withdraws its claims under the grounds listed above, as raised within the notice of opposition.

² Although the UK has left the EU and the EUTM relied upon by the opponent now enjoys protection in the UK as a comparable trade mark, the EUTM remains the relevant right in these proceedings. That is because the opposition was filed before the end of the Implementation Period and, under the transitional provisions of the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019, I am obliged to decide the opposition on the basis of the right as it existed at the date on which opposition proceedings were launched.

The trademark is a word "Komandirskie" written in Cyrillic in a special script.
Relying on all of the goods for which the mark is registered, namely:
Class 14: *Horological and chronometric instruments; parts and fittings for the
aforementioned goods.*

3. The opponent submits that there is a likelihood of confusion because the marks are identical and the goods are identical or similar.

4. Although the applicant filed a Form TM8, it did not file a counterstatement and in the absence of any possible defence or denial of the claims made by the opponent, the application should be very simply and straightforwardly refused.³ However, if I was wrong about this, I will proceed to a full decision.

5. The opponent's mark qualifies as an earlier mark within the meaning of Section 6(1) of the Act because it has an earlier filing date than the contested application. The applicant requested in its Form TM8 that the opponent provides proof of use of its earlier mark. However, as the earlier mark completed its registration less than five years before the application date of the contested mark, it is not be subject to the proof of use provisions and the request made by the applicant is to be disregarded.

6. The opponent is represented by Mathys & Squire LLP and the applicant represents itself. Neither party filed evidence but the opponent filed written submissions. Although I do not intend to summarise the submissions here, I bear them in mind and will refer to them as necessary throughout the decision. No hearing was requested and neither party filed a submission in lieu. The decision is taken following a careful perusal of the papers.

7. Although the UK has left the EU, Section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

³ Skyclub, BL-O-044/21

Decision

Section 5(1) and 5(2)(a)

8. The opposition is based on Sections 5(1) and 5(2)(a) of the Act.

Section 5(1) of the Act is as follows:

“5 - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.”

9. Section 5(2)(a) of the Act is as follows:

“(2) A trade mark shall not be registered if because –

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



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

Identity of the marks

10. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, Case C-291/00, the Court of Justice of the European Union (“CJEU”) held that:

“54... a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer.”

11. The marks to be compared are as follows:

	
Earlier Mark	Applicant's mark

The marks consist of the same sequence of letters written in the same font. They are self-evidently identical.

Section 5(2) – case law

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

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impression created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings to mind the earlier mark, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of the goods

13. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph

23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

14. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

15. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court (“GC”) stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

16. The application covers *Watch bands; Watch boxes; Watch cases; Watches and clocks* in class 14. The earlier mark covers *Horological and chronometric instruments; parts and fittings for the aforementioned goods* in class 14.

17. The opponent submits that the goods at issue are identical or highly similar. In particular, the opponent submits that if watch boxes and watch cases were not found to be identical, they are at least highly similar or complementary.

18. *Watches and clocks* in the applicant’s specification fall within *Horological and chronometric instruments* in the opponent’s specification and so are identical (*Meric*). The broad term *parts and fittings for the aforementioned goods* in the opponent’s goods encompasses *watch bands* in the applicant’s specification and is identical on the principle outlined in *Meric*. *Watch boxes* and *Watch cases* in the applicant’s specification and *Horological and chronometric instruments; parts and fittings for the aforementioned goods* in the opponent’s specification are different in nature, intended purpose, method of use and are not in competition. However, there is some complementarity between the goods because the purpose of the applicant’s goods is to provide an attractive and/or secure place to display or store the opponent’s goods (which include watches) and watches are often sold with such cases. Therefore, I conclude that there is a medium degree of similarity.

Average Consumer and the nature of the purchasing act

19. As the law above indicates, it is necessary for me to determine who the average customer is for the parties’ goods. I must then determine the manner in which the goods are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading)*

Limited, U Wear Limited, J Fox Limited, [2014] EWHC 439 (Ch), Birss J described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

20. The goods at issue are directed at members of the general public. The goods are likely to be self-selected from websites, advertisements and shops so visual considerations are likely to dominate the selection process. That said, as such goods may also be the subject of, for example, word-of-mouth recommendations or oral requests, aural considerations must not be forgotten.

21. The purchasing process is likely to vary dependent on the cost of the goods provided and will range from medium (for more affordable options) to above medium (for more expensive options).

Distinctive character of the earlier mark

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

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant Section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

23. 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 a high inherent distinctive character, such as invented words which have no allusive qualities.

24. The opponent has not pleaded that its mark has acquired enhanced distinctive character through use and has not filed evidence to support such a claim. I have, therefore, only the inherent position to consider.

25. The earlier mark consists of the word “Komandirskie” in Cyrillic, which the opponent submits translates from Russian to English as “commander”. The specification of the earlier mark does not suggest that the goods target solely the Russian-speaking public and, as I have already found, the goods are available to the UK general public who has no knowledge of the Russian language. Therefore, the average consumer is likely to perceive the earlier mark as an invented term or a foreign word. For those consumers who are unaware of the meaning of the mark, I consider that it has a high degree of inherent distinctive character. But even for those consumers who understand the mark as meaning ‘commander’, the word is neither descriptive nor allusive for the goods for which the earlier mark is registered. In respect of these consumers, I find that the earlier mark has a medium level of inherent distinctive character.

Likelihood of confusion

26. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle, i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services or vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's trade mark, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be mindful to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

27. I have found the marks to be identical. I have identified the average consumer to be the public at large who will select the goods primarily by visual means (although I do not discount an aural component). I have concluded that a varying degree of attention will be paid during the purchasing process from medium to above medium. I have found the earlier mark to be inherently distinctive to a medium degree (for those consumers who understand the meaning of the mark in Russian) or to a high degree (for those consumers who perceive the mark as an invented word or a word of foreign origin). I have found the goods to vary from similar to a medium degree to identical.

28. Taking all of the above factors into account I consider that there is a likelihood of confusion. Given that the competing marks are identical, the goods are either identical or similar to a medium degree, and the earlier mark is distinctive to, at least, a medium degree, I consider that the average consumer will directly confuse the marks when identical goods are involved. As regards the goods which are similar to a medium degree, even if consumers are not directly confused, they will assume

that the opponent has extended its brand to some new similar product. I consider there to be a likelihood of both direct and indirect confusion.

OUTCOME

29. The opposition succeeds under Section 5(1) in relation to the goods which I found to be identical and under Section 5(2)(a) in relation to the goods which I found to be similar.

Costs

30. The opponent has been successful and it is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Note 2/2016. In the circumstances, I award the opponent the sum of £300 as a contribution towards its costs. The sum is calculated as follows:

Preparing a statement and considering the applicant's statement:	£200
Official fee:	£100
Total	£300

31. I therefore order SOLEI BG to pay Vostok Chistopolskij chasovoj zavod, ZAO the sum of £300. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 13th day of May 2021

A Klass

For the Registrar,
the Comptroller - General