

O/902/21

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003412885

BY KARAKURI LTD

FOR THE FOLLOWING TRADE MARKS:



AND



(SERIES OF 2)

IN CLASSES 7, 9 AND 42

AND IN THE MATTER OF OPPOSITION THERETO UNDER NO. 418342

BY A.I.O.

BACKGROUND AND PLEADINGS

1. On 10 July 2019, Karakuri Ltd (“the applicant”) applied to register the trade marks shown on the cover page of this decision in the UK. The application was published for opposition purposes on 9 August 2019 and registration is sought for the goods and services set out in paragraph **16** below.

2. On 8 November 2019, A.I.O. (“the opponent”) opposed the application based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opponent relies upon the following trade marks:

KARAKURI KAIZEN

EUTM no. 13656418¹

Filing date 20 January 2015; registration date 22 December 2016

(“the First Earlier Mark”)

The logo for 'karakuri' features the word in a lowercase, sans-serif font. The letters 'k', 'a', 'r', 'a', 'k', 'u', and 'r' are in a dark blue color, while the letter 'i' is in a yellow color.

EUTM no. 16165508

Filing date 14 December 2016; registration date 11 May 2017

(“the Second Earlier Mark”)

KARAKURI KAIZEN DOJO

EUTM no. 13656392

Filing date 20 January 2015; registration date 22 December 2016

(“the Third Earlier Mark”)

3. The opponent relies upon all of the goods for which the earlier marks are registered, which are set out in paragraph **16** below.

¹ Although the UK has left the EU and the transition period has now expired, EUTMs, and International Marks which have designated the EU for protection, are still relevant in these proceedings given the impact of the transitional provisions of The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019 – please see Tribunal Practice Notice 2/2020 for further information.

4. The opponent claims that there is a likelihood of confusion because the marks are similar, and the goods and services are identical or similar.

5. The applicant filed a counterstatement denying the claims made.

6. Only the applicant filed evidence. A hearing took place before me on 5 October 2021. The applicant was represented by Ms Carin Burchell of Branded!. Ms Burchell filed a skeleton argument in advance of the hearing. The opponent is represented by Williams Powell. Although the opponent elected not to attend the hearing, it did file written submissions in lieu.

EVIDENCE

7. The applicant's evidence in chief included the witness statement of Alan Frank Thomas Winfield dated 8 April 2021, accompanied by 1 exhibit. Mr Winfield describes himself as follows:

"I am Professor of Robot Ethics at the University of the West of England, Bristol; Visiting Professor, Department of Electronics, University of York; Member, British Standards Institute working group on Robot Ethics; Member, executive committee; IEEE Standards Association Global Initiative on Ethics of Autonomous and Intelligent Systems; Member, WEF Global AI Council; and I am on the Editorial Board of journals "Experimental and Theoretical Artificial Intelligence" and "AI and Ethics", and Associate Editor, "Frontiers in Evolutionary Robotics"."

Mr Winfield does not specify what his relationship is with the applicant (if any).

8. The applicant's evidence in chief also includes the witness statement of Barney Wragg dated 8 April 2021, accompanied by 3 exhibits. Mr Wragg is the Chief Executive Officer and Co-founder of the applicant.

9. The applicant also filed further evidence in the form of the second witness statement of Mr Wragg dated 22 June 2021, which is accompanied by 2 exhibits. On 5 July 2021,

the Registry gave a preliminary view to admit the applicant's further evidence and the parties were given until 12 July 2021 to contest the preliminary view. The opponent did not do so. Consequently, the applicant's further evidence was admitted into proceedings.

10. I do not propose to summarise the evidence and submissions here, however, I have taken it into consideration and will refer to it below where necessary.

DECISION

11. Section 5(2)(b) states as follows:

“5(2) A trade mark shall not be registered if because –

(a)...

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

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

12. Section 5A of the Act reads as follows:

“5A Where the grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

13. The trade marks upon which the opponent relies qualify as earlier trade marks because they were applied for at an earlier date than the applicant's marks pursuant to section 6 of the Act. The earlier marks had not completed their registration process more than 5 years prior to the filing date of the application in issue and, consequently,

they are not subject to proof of use pursuant to section 6A of the Act. Consequently, the opponent can rely upon all of the goods identified.

14. 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 Act relied upon 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.

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

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

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

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

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other

components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

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

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

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

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

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

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

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

Comparison of goods and services

16. The competing goods and services are as follows:

Opponent's goods	Applicant's goods and services
<p data-bbox="193 248 794 286">The First and Third Earlier Marks</p> <p data-bbox="193 304 794 613"><u>Class 6</u> Transportable buildings of metal; Wire rope; Materials and parts of metal for the manufacturing of equipment designed to improve the ergonomics and efficiency of production lines and working conditions.</p> <p data-bbox="193 689 794 1106"><u>Class 7</u> Machine tools; Mechanical tools; Process control instruments [mechanical]; All the aforesaid goods being intended for equipment designed to improve the ergonomics and efficiency of production lines and working conditions.</p> <p data-bbox="193 1182 794 1657"><u>Class 17</u> Plastics in extruded form for use in manufacture; Tubes of rubber or plastic; Rubber stops; Rubber stops; Shock-absorbing buffers of rubber; All the aforesaid goods being intended for equipment designed to improve the ergonomics and efficiency of production lines and working conditions.</p> <p data-bbox="193 1733 794 1935"><u>Class 19</u> Non-metallic transportable buildings; Building materials (non-metallic) for the manufacturing of equipment designed to</p>	<p data-bbox="799 248 1393 293"><u>Class 7</u></p> <p data-bbox="799 304 1393 1106">Robots; robots [machines]; robotic handling apparatus; robotic cleaning machines; robotic mechanisms for transportation; robotic mechanisms for lifting; robotic mechanisms for use in processing food; robotic mechanisms for use in processing vegetables; robotic mechanisms for use in processing fruits; robotic mechanisms for use in processing cereals; food and beverage processing and preparation machines and apparatus; parts, fittings and accessories for the aforesaid goods; all the aforesaid being adapted for use in food preparation and catering.</p> <p data-bbox="799 1182 1393 1993"><u>Class 9</u> Computer software; Robotic Process Automation [RPA] software; artificial intelligence and machine learning software; artificial intelligence apparatus; computer software packages; scheduling software; software for the analysis of business data; computer software for database management; downloadable software applications; downloadable applications for mobile devices; downloadable computer software for the management of data; data collection apparatus; computer software for the collection of positioning</p>

improve the ergonomics and efficiency of production lines and working conditions.

Class 22

Thread, not of metal, for wrapping or binding; Cables, not of metal; Synthetic textile filaments; All the aforesaid goods being intended for equipment designed to improve the ergonomics and efficiency of production lines and working conditions.

The Second Earlier Mark

Class 6

Transportable buildings of metal; Wire rope; Materials and parts of metal for the manufacturing of equipment designed to improve the ergonomics and efficiency of production lines and working conditions.

Class 7

Machine tools; Mechanical tools; Process control instruments [mechanical]; All the aforesaid goods being intended for equipment designed to improve the ergonomics and efficiency of production lines and working conditions.

Class 17

Plastics in extruded form for use in manufacture; Flexible hose pipes of rubber and plastics materials; Stops of

data; computer hardware for the collection of positioning data; computer software for use on handheld mobile digital electronic devices and other consumer electronics; radio-frequency identification (RFID) tags; radio-frequency identification (RFID) readers; measuring, detecting and monitoring instruments, indicators and controllers; weight measuring instruments; temperature measuring instruments; parts, fittings and accessories for the aforesaid goods; all the aforesaid being in relation to the manipulation of food.

Class 42

Software development, programming and implementation; computer hardware development; computer project management services; engineering services relating to robotics; programming of software for database management; providing temporary use of non-downloadable computer software; providing temporary use of non-downloadable computer software for shipment processing over computer networks, intranets and the internet; providing temporary use of on-line non-downloadable operating software for computer networks and servers; providing artificial intelligence computer programs on data networks;

<p>rubber; Rubber stoppers; Shock-absorbing buffers of rubber; All the aforesaid goods being intended for equipment designed to improve the ergonomics and efficiency of production lines and working conditions.</p>	<p>development and design of mobile applications; computer software engineering; advice, consultancy and information in relation to the aforesaid; all the aforesaid being in relation to the manipulation of food.</p>
<p><u>Class 19</u> Non-metallic transportable buildings; Building materials (non-metallic) for the manufacturing of equipment designed to improve the ergonomics and efficiency of production lines and working conditions.</p>	
<p><u>Class 22</u> Thread, not of metal, for wrapping or binding; Cables, not of metal; Synthetic textile filaments; All the aforesaid goods being intended for equipment designed to improve the ergonomics and efficiency of production lines and working conditions.</p>	

17. In the *Treat* case, [1996] R.P.C. 281, Jacob J. (as he then was) identified the following factors for assessing similarity:

- (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.

18. The applicant has filed evidence which addresses the types of goods actually offered by the parties. For the avoidance of doubt, it is the goods and services covered by the parties' respective specifications which is relevant for my assessment. I also note that the witness evidence expresses opinions about the similarity of the goods and services. Those giving witness evidence in these proceedings will, inevitably, not be average consumers as they are involved in the respective businesses and these proceedings. Consequently, their opinions on similarity of goods and services does not assist the applicant.

Class 7

19. In relation to the applicant's class 7 goods, the opponent states:

"10. Class 7 of the Application covers a range of robots and robotic devices as set out above. The Opponent's Earlier Marks are protected for the goods in Class 7 as shown above. In particular, attention is drawn to the underlined components of the specification: Machine tools; Mechanical tools; Process control instruments [mechanical]; All of the aforesaid goods being intended for equipment designed to improve the ergonomics and efficiency of production lines and working conditions. The average consumer of these goods, and those applied for in Class 7 by the Applicant, are likely to be purchasers of production line equipment. It is common for industrial equipment manufacturers to operate across a variety of sectors, for example many manufacturers of high-value specialist medical equipment, also manufacture equipment used within other

industries as well as the general consumer space. Due to the nature of cross-application of technology; for example the first witness statement of Barney Wragg states that his personal background and experience with Artificial Intelligence, computers and computing and digital technology has crossed from the music industry and involvement with Apple iPod into food production application. The same is true of the average consumer of the goods covered by both the Opponent's Earlier Marks, and those applied for by the Applicant. They are likely to have varied backgrounds and experience of manufacturers across sectors. As such, the goods have the same Users, and the goods are likely to have the same Uses, and be found in the same Trade Channels. In particular, process control instruments intended for equipment designed to improve the efficiency of production lines, are likely to be considered identical with, or at least highly similar to, the goods applied for in Class 7 of the Application. Machine tools and Mechanical tools are likely to be considered highly similar to the goods applied for in Class 7 given the same Trade Channels, namely production line equipment, and therefore the same Users. Further, the Opponent's Earlier Marks cover goods in Classes 6, 17, 19 and 22 which also will be found within the same Trade Channels as the Class 7 goods such that there is at least a medium level of similarity."

Robots; robots [machines]; robotic handling apparatus; robotic cleaning machines; food and beverage processing and preparation machines and apparatus [...] all the aforesaid being adapted for use in food preparation and catering.

20. These goods are all types of automated machines.² At the hearing, Ms Burchell pointed to the evidence filed by her client that these are all "intelligent service robots". However, there is nothing in the specification that limits these terms in that way. In my view, the greatest point of overlap with the opponent's specification is "mechanical tools... all of the aforesaid goods being intended for equipment designed to improve the ergonomics and efficiency of production lines and working conditions". A tool is "any instrument or simple piece of equipment that you hold in your hands and use to

² <https://www.collinsdictionary.com/dictionary/english/robotic> and <https://www.collinsdictionary.com/dictionary/english/robot>

do a particular kind of work”.³ Consequently, these goods will be different in nature and method of use as the applicant’s goods are machines which can be left to complete a task as a result of automation, whereas the opponent’s goods require some form of input and handling (notwithstanding the fact that they are mechanised). However, they may share the same purpose as both could be used to fulfill a particular function on a production line. I note that Ms Burchell submitted that the opponent’s goods relate to tools used only by mechanical engineers, but I do not consider that to necessarily be the case. I have no evidence before me to suggest that there is any overlap in trade channels and, given the difference in nature outlined above, I see no reason to conclude that there would be. There will, of course, be competition between the goods as a business may choose to purchase a robotic machine to complete a function or to employ an individual, using a tool, to do the same role. I recognise that there will inevitably be overlap in user. I do not consider there to be any complementarity.⁴ Taking all of this into account, I consider the goods to be similar to a medium degree.

21. I note that the opponent has identified “process control instruments [mechanical]” as its best case in relation to the applicant’s class 7 goods. However, in my view, these goods will be tools or devices used to control a particular process or aspects of that process (such as temperature or pressure). These are likely to be parts of the applicant’s goods rather than the finished robotic machine itself. Consequently, I do not consider that this improves the opponent’s position.

Robotic mechanisms for transportation; robotic mechanisms for lifting; robotic mechanisms for use in processing food; robotic mechanisms for use in processing vegetables; robotic mechanisms for use in processing fruits; robotic mechanisms for use in processing cereals [...] all the aforesaid being adapted for use in food preparation and catering.

22. Again, I consider the opponent’s best case lies with “mechanical tools... all of the aforesaid goods being intended for equipment designed to improve the ergonomics

³ <https://www.collinsdictionary.com/dictionary/english/tool>

⁴ *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

and efficiency of production lines and working conditions”. Mechanisms are a part of a machine or piece of equipment which perform a particular function.⁵ Whilst these may be closer in nature to the opponent’s goods, I still consider there to be a significant difference due to the automated nature of robotic goods when compared with tools (which require human involvement, even if they are mechanical). For the same reasons, there will remain a difference in method of use. Again, I see no reason to conclude that there will be any overlap in trade channels or that there will be complementarity. However, I recognise that the same overlap in purpose and user will exist and that there will remain competition between the goods for the same reason set out above. Consequently, I consider these goods to be similar to a medium degree.

Parts, fittings and accessories for the aforesaid goods [...] all the aforesaid being adapted for use in food preparation and catering.

23. As I have found similarity between the applicant’s class 7 goods and the opponent’s class 7 goods, I consider that the same similarity will also apply to parts and fittings for those goods. Consequently, I consider these goods to be similar to a medium degree.

24. With regard to my above findings, I have borne in mind that the applicant’s goods are for use specifically in relation to food preparation and catering and the opponent’s goods are limited to use on production lines. However, as food preparation could involve the use of production lines (such as in the preparing of foods prior to packaging and distribution), I do not consider that this impacts upon my findings as set out above.

Class 9

25. In relation to the applicant’s class 9 goods, the opponent states:

“Class 9 of the Application covers a range of goods in the computer software, Artificial Intelligence, and Robotic automation sphere. These goods are complementary to the goods protected by the Opponent’s Earlier Marks in

⁵ <https://www.collinsdictionary.com/dictionary/english/mechanism>

Class 7. They will be found in the same Trade Channels, purchased by the same Users, and applied to the same Uses as those goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the GC stated that “complementary” means: “...there is a close connection between them, in the sense that one is indispensable or important for the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”. This is the case here. As such there is a high level of similarity.

Further, the Opponent’s Earlier Marks cover goods in Classes 6, 17, 19 and 22 which also will be found within the same Trade Channels as the Class 9 goods such that there is at least a medium level of similarity.”

26. Clearly, the applicant’s class 9 goods would differ in nature, method of use and purpose to the applicant’s class 7 goods. I have no evidence before me that the opponent’s goods in class 7 are goods that would involve the use of computer software to function and I see no reason to conclude that they would. Consequently, I do not consider that the goods in class 9 of the application and class 7 of the earlier marks can be complementary, as they are not important or indispensable for each other. Further, I see no reason to conclude that there would be any overlap in trade channels. I recognise that there may be overlap in user at a very general level, but I do not consider that to be sufficient for a finding of similarity. Consequently, I consider the goods to be dissimilar. If I am wrong in this finding, then the goods will be similar to only a low degree.

27. I have considered the other goods for which the earlier marks are registered, but I can see no other point of similarity which would put the opponent in any stronger position.

Class 42

28. In relation to the applicant’s class 42 services, the opponent states:

“The services applied for in Class 42, in particular “engineering services relating to robotics” will be found in the same Trade Channels as the goods in Class 7

of the Opponents' Earlier Marks. It is natural that engineering and maintenance are sold to the same Users in the same Trade Channels as the goods for which engineering and maintenance services relate. The average consumer of machine tools, and process control instruments [mechanical] intended for equipment designed to improve the ergonomics and efficiency of production lines and working conditions, will naturally require services such as "Software development, programming and implementation, computer hardware development; computer project management services" to complement the products. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the GC stated that "complementary" means: "... there is close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that consumers may think that the responsibility for those goods lies with the same undertaking". This is the case here. It follows that there exists at least a medium degree of similarity between the Class 42 services covered by the Application, and the Class 7 goods covered by the Opponent's Earlier Marks.

Further, the Opponent's Earlier Marks cover goods in Classes 6, 17, 19 and 22 which also will be found within the same Trade Channels as the Class 7 and 9 goods as explained above, it therefore follows that the same Trade Channels exist for Class 42 services as well such that there is at least a medium level of similarity."

Class 42

29. The applicant's class 42 services will clearly differ in nature to the opponent's goods, with one being services and the other being goods. They will also inevitably differ in purpose and method of use for the same reason. I recognise that there may be overlap in user at a general level as businesses that use the applicant's goods may also use the opponent's services. With regard to overlap in trade channels, I have already found there to be no overlap between computer/software goods and the applicant's goods. Consequently, I see no reason to conclude that services relating to computer/software goods would overlap in trade channels with the opponent's goods. There is no complementarity as I do not consider the goods to be important or indispensable for each other, nor do I consider that the average consumer would view

them as originating from the same undertaking. The goods and services are not in competition. Taking all of this into account, I consider the goods and services to be dissimilar. If I am wrong in this finding, then they will be similar to only a low degree.

30. If I am correct in my primary finding in relation to the applicant's class 9 and 42 goods and services, then there can be no likelihood of confusion in relation to those goods and services. This is because a degree of similarity between the goods and service is necessary for a likelihood of confusion to arise. However, I will go on to consider the position in the event that I am wrong in this finding and there is, in fact, a low degree of similarity between the goods and services.

The average consumer and the nature of the purchasing act

31. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then determine the manner in which the goods and services 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.”

32. I consider that the average consumer for the goods and services is most likely to be a business user. However, I recognise that the average consumer may also include members of the general public (for example, in relation to goods used for food preparation), although this is far less likely to be the norm. I recognise that the goods and services are likely to be specialised/technical in nature and many will attract a high

price point. Consequently, I consider that the level of attention paid will be at least medium but in many cases will be higher.

33. The purchasing process for the goods and services will be predominantly visual, with purchases made following perusal of signage on physical premises, websites or advertisements. However, I do not discount an aural component to the purchase given that orders may be placed by telephone or word-of-mouth recommendations may be involved.



Comparison of trade marks

34. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union (“CJEU”) stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

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

36. The respective trade marks are shown below:

Opponent's trade marks	Applicant's trade marks
<p data-bbox="336 309 655 398">KARAKURI KAIZEN (the First Earlier Mark)</p> <p data-bbox="360 488 624 551">karakuri</p> <p data-bbox="312 589 679 622">(the Second Earlier Mark)</p> <p data-bbox="301 696 691 786">KARAKURI KAIZEN DOJO (the Third Earlier Mark)</p>	<div data-bbox="858 286 1342 405">  </div> <div data-bbox="1018 477 1174 629">  </div> <div data-bbox="943 647 1251 719"> <p data-bbox="943 647 1251 719">Karakuri</p> </div> <p data-bbox="1010 770 1187 804">(Series of 2)</p>

Overall Impression

37. The overall impression of the First Earlier Mark lies in the words KARAKURI KAIZEN, with neither word dominating. The word KARAKURI plays the greater role in the overall impression of the Second Earlier Mark, with the stylisation and use of colour playing a lesser role. The overall impression of the Third Earlier Mark lies in the words KARAKURI KAIZEN DOJO, with all of the words contributing equally. Given that the eye is naturally drawn to the elements of a mark that can be read, I consider the word KARAKURI to play a greater role in the overall impression of the applicant's marks, with the device playing a slightly lesser role.

38. Although the arrangement of the device and word in the applicant's marks differ, I do not consider that this will make any impact on the overall comparison. Consequently, the same comparison will apply to both.

Visual Comparison

39. The applicant's marks and the First Earlier Mark overlap to the extent that they both contain the word KARAKURI, which appears identically in both. They differ in the presence of the word KAIZEN in the First Earlier Mark, which has no counterpart in

the applicant's marks and the device in the applicant's marks, which has no counterpart in the First Earlier Mark. Taking all of this into account, I consider there to be a medium degree of visual similarity between the marks.

40. The applicant's marks and the Second Earlier Mark overlap to the extent that the dominant element of both is the word KARAKURI. They differ in the use of colour/stylisation in the Second Earlier Mark and the device in the applicant's marks. Taking all of this into account, I consider there to be between a medium and high degree of visual similarity between the marks.

41. The same comparison applies to the Third Earlier Mark as applied to the First Earlier Mark, with the additional difference of the word DOJO which has no counterpart in the applicant's marks. Taking all of this into account, I consider there to be a low degree of visual similarity between the marks.

Aural Comparison

42. The only element of the applicant's marks that will be pronounced is the word KARAKURI. In any event, however this word is pronounced, it will be pronounced identically in the First Earlier Mark. The point of aural difference between the two will be the addition of the word KAIZEN in the First Earlier Mark. Taking all of this into account, I consider the marks to be aurally similar to between a medium and high degree.

43. The only element of both the applicant's marks and the Second Earlier Mark that will be articulated is the word KARAKURI. Consequently, I consider the marks to be aurally identical.

44. The same comparison applies to the Third Earlier Mark as applied to the First Earlier Mark, with the additional difference of the word DOJO. Taking all of this into account, I consider the marks to be aurally similar to between a low and medium degree.

Conceptual Comparison

45. At the hearing, Ms Burchell submitted that the word KARAKURI is descriptive. I have set out my full reasoning as to why I do not consider KARAKURI to be descriptive below. The word KARAKURI has no meaning in English and is likely to be viewed as a foreign language or invented word.

46. The word KAIZEN means “a philosophy of continuous improvement of working practices that underlies total quality management and just-in-time business techniques”.⁶ However, I do not consider it likely that this meaning will be known by a significant proportion of average consumers. In my view, it is likely that this word will also be viewed as invented or originating from a foreign language, which will be attributed no particular meaning. The word “dojo” refers to a “room or hall for the practice of martial arts”.⁷ In my view, it is more likely that the average consumer will recognise this word and attribute it the meaning referred to, but equally likely that there will be a significant proportion of average consumers who view this as an invented or foreign language word with no particular meaning.

47. The applicant submits that the device represents a “ricebowl and chopsticks”. However, I do not consider that any meaning will be conveyed by the device in the applicant’s marks. The applicant also submits that the blue and yellow elements of the Second Earlier Mark will “suggest the arm (the blue element) and the leg (the yellow element) in the seated person working on the ergonomic production line”. However, in my view, this would involve a level of analysis and dissection by the average consumer which is simply not feasible and not in line with the case law.

48. Taking all of this into account, if no meaning is attributed to any of the words then the marks will be conceptually neutral. If a meaning is attributed to the word KAIZEN and/or DOJO then the First and Third Earlier Marks may be conceptually different to the applicant’s marks. However, even in those circumstances, the common word KARAKURI will remain conceptually neutral.

⁶ <https://www.collinsdictionary.com/dictionary/english/kaizen>

⁷ <https://www.collinsdictionary.com/dictionary/english/dojo>

Distinctive character of the earlier trade marks

49. 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).”

50. 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 and services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctive character of a mark can be enhanced by virtue of the use made of it.

51. The opponent has not pleaded that its marks have acquired enhanced distinctive character through use, nor has it filed any evidence to support such a finding. Consequently, I have only the inherent position to consider.

52. The applicant submits that:

“The word KARAKURI which appears in both the Mark Applied For and the Earlier Trade Marks is totally descriptive – of “mechanisms” and “robotics” as the result of its meaning of “mechanism” or “automata” being derived from the word for “puppet” in Japanese. As such, no one trade mark owner would be able to monopolise the word KARAKURI sole (on the basis of registered rights alone) for mechanisms or robotics or anything that could be described as such. Accordingly, the meaning of the mark in each case must be considered in the context of any other features – be they words or pictorial devices. [...]”

53. The word KARAKURI does not appear in the Collins English Dictionary. Whether or not this word has some origin in Japanese, I consider it unlikely that such origins would be known by the UK average consumer. In this regard, the applicant has filed evidence relating to comments made by the opponent in EUIPO proceedings as to the meaning of the word in Japanese.⁸

“The opposed trademark and the contested sign are both composed by the only word “KARAKURI”, which signifies, in Japanese, “mechanism; machinery; contrivance; device.”

Whilst this is clearly an acknowledgement on the part of the opponent that the word has a meaning in Japanese, this does not automatically mean that such a meaning would be known by the UK average consumer.

54. In my view, the word KARAKURI in all three earlier marks would be viewed as an invented/foreign language word with no particular meaning; I consider the word to be highly distinctive. The words KAIZEN and DOJO in the First and Third Earlier Marks may also be viewed as invented/foreign language words with no particular meaning or may be attributed a meaning as outlined above. I note that the Second Earlier Mark also contains colour/stylisation, which will contribute to its distinctiveness to a minimal

⁸ Exhibits BW4

degree. Taking all of this into account, I consider all three earlier marks to be inherently distinctive to a high degree.

Likelihood of confusion

54. 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 and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier marks, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive 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.

55. In light of my findings above, the opponent's best case lies with the Second Earlier Mark, as I have found this to share the greatest degree of similarity with the applicant's marks. I will, therefore, consider the opposition on the basis of this mark only in the first instance. I have found the marks to be visually similar to between a medium and high degree, aurally identical and conceptually neutral. I have found the Second Earlier Mark to be inherently distinctive to a high degree. I have found the average consumer to be predominantly business users (although I do not discount that there could also be members of the general public included), who will purchase the goods and services predominantly by visual means (although I do not discount an aural component). I have found that at least a medium degree of attention will be paid during the purchasing process, although I recognise that for many of the goods and services the level of attention paid will be higher. As explained above, I will carry out my

assessment on the basis that the goods and services vary from being similar to a low degree to similar to a medium degree.

56. In my view, it is possible that the average consumer will simply recall the word KARAKURI and will overlook the differences in stylisation/colour and devices when encountering the marks on the goods that are similar to at least a medium degree. In those circumstances, I consider that the marks may be mistakenly recalled or misremembered as each other and there is a likelihood of direct confusion.

57. However, for the sake of completeness, I will also consider indirect confusion. At the hearing, Ms Burchell submitted that if the marks are recognised as different marks then there can be no likelihood of confusion. However, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., sitting as the Appointed Person, explained that:

“16. [...] Indirect confusion, on the other hand, only arises where the consumer has actually recognized 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.”

58. Even where the average consumer recalls the differences in stylisation/colour and devices, I consider it likely that the common use of the highly distinctive word KARAKURI on goods that are similar to at least a medium degree would lead the average consumer to conclude that these are marks being used by the same or economically linked undertakings. Consequently, I consider there to be a likelihood of indirect confusion.

59. However, where the goods and services are similar to only a low degree, I consider that the differences between the goods and services will be sufficient to offset the

similarity of the marks. Consequently, I do not consider there to be a likelihood of direct or indirect confusion for those goods and services that are similar to only a low degree.

60. As the similarity between the applicant's marks and the First and Third Earlier Marks was less than that for the Second Earlier Mark, they will not put the opponent in any stronger position and I decline to consider them any further.

CONCLUSION

61. The opposition is partially successful in relation to the following goods for which the application is refused:

Class 7 Robots; robots [machines]; robotic handling apparatus; robotic cleaning machines; robotic mechanisms for transportation; robotic mechanisms for lifting; robotic mechanisms for use in processing food; robotic mechanisms for use in processing vegetables; robotic mechanisms for use in processing fruits; robotic mechanisms for use in processing cereals; food and beverage processing and preparation machines and apparatus; parts, fittings and accessories for the aforesaid goods; all the aforesaid being adapted for use in food preparation and catering.

62. The opposition is unsuccessful in relation to the following goods and services for which the application may proceed to registration:

Class 9 Computer software; Robotic Process Automation [RPA] software; artificial intelligence and machine learning software; artificial intelligence apparatus; computer software packages; scheduling software; software for the analysis of business data; computer software for database management; downloadable software applications; downloadable applications for mobile devices; downloadable computer software for the management of data; data collection apparatus; computer software for the collection of positioning data; computer hardware for the collection of positioning data; computer software for use on handheld mobile digital electronic devices and other consumer electronics; radio-frequency

identification (RFID) tags; radio-frequency identification (RFID) readers; measuring, detecting and monitoring instruments, indicators and controllers; weight measuring instruments; temperature measuring instruments; parts, fittings and accessories for the aforesaid goods; all the aforesaid being in relation to the manipulation of food.

Class 42 Software development, programming and implementation; computer hardware development; computer project management services; engineering services relating to robotics; programming of software for database management; providing temporary use of non-downloadable computer software; providing temporary use of non-downloadable computer software for shipment processing over computer networks, intranets and the internet; providing temporary use of on-line non-downloadable operating software for computer networks and servers; providing artificial intelligence computer programs on data networks; development and design of mobile applications; computer software engineering; advice, consultancy and information in relation to the aforesaid; all the aforesaid being in relation to the manipulation of food.

COSTS

63. As the applicant has enjoyed the greater degree of success it is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In this regard, I note the opponent's submission that:

“The Opponent additionally requests that the Tribunal give consideration to awarding off-scale costs to the Opponent in these proceedings, should the outcome be in the Opponent's favour; or a zero, or below-scale award of costs to the Applicant, should the outcome be in the Applicant's favour. The Applicant has, on two occasions during the course of these proceedings, requested and been allowed to submit late-filed evidence. In the first instance, a Case Management Conference was set to discuss the late-filing of evidence and the issue was raised then of additional costs to the Opponent as a consequence of the late-filed evidence and additional procedural burden. As stated by the

Applicant in their letter of 23 June 2021 which accompanied by their second request for late-filing of evidence to be admitted to the proceedings, the Opponent “can be compensated by an award or adjustment of costs”, such compensation being available in consequence of the admission of the late-filed evidence. The Opponent agrees, and requests that consideration is given when assessing the award of costs in these proceedings.”

64. I note that the applicant’s evidence in chief was not filed by the original deadline and that it was subsequently admitted following the filing of a Form TM9 and attendance at a Case Management Conference (“CMC”). The applicant did also request to file further evidence as noted above, which was admitted into proceedings. I note that the opponent did not request a CMC to challenge the admission of that evidence, even though it was given an opportunity to do so.

65. As it is the applicant that has enjoyed the greater degree of success, I do not consider it necessary to consider the off-scale costs request made by the opponent. As to the request that a reduction be made to the applicant’s costs, I have borne the opponent’s submissions in mind. However, it seems to me that the key issue with regard to the applicant recovering its costs in relation to the filing of evidence is the fact that nothing in the evidence filed has assisted the applicant in these proceedings. Consequently, I decline to make an award of costs in respect of the applicant’s evidence for that reason. I have, of course, also factored in an appropriate reduction to take account of the only partial success.

66. In the circumstances, I award the applicant the sum of **£775**, calculated as follows:

Preparing a statement and considering the opponent’s statement	£175
Preparing for and attendance at the hearing	£600
Total	£775

67. I therefore order A.I.O. to pay Karakuri Ltd the sum of £775. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 14th day of December 2021

E VENABLES

For the Registrar