

O/932/22

TRADE MARKS ACT 1994

**IN THE MATTER OF
TRADE MARK APPLICATION NO. 3648128
BY LABORATOIRES SVR
TO REGISTER:**

[HYALU] BIOTIC

**AS A TRADE MARK
IN CLASS 3**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 427352
BY SOFAR SWISS SA**

Background and pleadings

1. On 16 July 2020, LABORATOIRES SVR ("the applicant") applied to register the trade mark shown on the cover page of this decision in the EU. Pursuant to Article 59 of the Withdrawal Agreement between the United Kingdom and the European Union, the applicant filed an application for a comparable mark in the UK on 27 May 2021. As the application for the comparable mark in the UK was made within nine months of the end of the transition period, the applicant is entitled to rely on the filing date of its EU mark as the priority date for its comparable UK mark. Therefore, the priority date for the applicant's mark is 16 July 2020. The application was accepted and published in the Trade Marks Journal on 6 August 2021 in respect of the goods set out below:

Class 3: Cosmetics

2. On 6 October 2021, SOFAR SWISS SA ("the opponent") filed a notice of opposition on the basis of section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). The opposition is directed at all the goods in the application. The opponent relies on the following trade mark:

YALU

UK registration no UK003643768

Filing date 19 May 2021; registration date 8 October 2021.

Relying on some of the goods, namely:

Class 3: Soaps; perfumery; essential oils; hair care lotions; anti-aging gel; anti-aging lotions; anti-aging moisturizers for cosmetic purposes; cosmetics containing hyaluronic acid; anti-aging creams; anti-wrinkle creams; face creams [non-medicated]; cold cream for non-medical use; cosmetics for the treatment of wrinkles; anti-wrinkle cosmetic preparations for the face for topical use; cosmetic creams; skin whitening creams; eaux de toilette; scented water; aloe vera preparations for cosmetic purposes; food flavorings [essential oils]; astringents for cosmetic purposes; balms other than for medical use; cosmetics; cosmetics for eyelashes; cosmetics for eyebrows; massage gels other than for medical use; cosmetics, namely gels; moisturizing gels [cosmetics];

face gels; cosmetic gels for the eye contour; moisturizing creams, lotions and gels; greases for cosmetic purposes; petroleum jelly for cosmetic purposes; almond milk for cosmetic purposes; cleansing milks; lotions for cosmetic purposes; beauty masks; toiletry oils; oils for perfumery; oils for cosmetic purposes; pomades for cosmetic purposes; cosmetic preparations for skin tanning; cosmetic preparations for baths; cosmetic preparations for slimming purposes; cosmetic preparations for skin care; perfumery; make-up preparations; toiletries; tissues impregnated with cosmetic lotions; cosmetics for the skin; non-medicated skin creams.

2. The opponent submits that there is a likelihood of confusion because the applicant's mark is similar to its own mark and the respective goods are identical or similar.

3. The applicant filed a defence and counterstatement denying the claims made. In particular, the applicant submits that HYALU is short for hyaluronic acid which is used within cosmetics and as the 'H' at the beginning of its mark will be pronounced the marks are aurally dissimilar.

4. The applicant is represented by Dolleymores; the opponent is represented by Hoffman Eitle PartmbB. Both parties filed evidence. No hearing was requested and neither party filed submissions in lieu of a hearing. This decision is taken following a careful perusal of the papers.

5. 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 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.

Evidence

6. The opponent's evidence came in the form of the witness statement of Debra Louise Lewis dated 8 March 2022 and was accompanied by 3 exhibits. Ms Lewis is a registered trade mark attorney at Hoffman Eitle. As set out above, both parties filed

evidence in these proceedings. The applicant's evidence came in the form of the witness statement of Christopher Lewis dated 9 May 2022 accompanied by 2 exhibits. Mr Lewis is a trade mark attorney and partner at Saunders & Dolleymores, he has held the position of partner for 4 years.

7. I do not intend to summarise the evidence in full at this stage. However, I have taken them all into consideration in reaching my decision and will refer to them below, where necessary.

Preliminary issue

8. The applicant provided evidence that consists of existing trade marks on the UK register that contain the word 'HYALU' and are either registered or expired marks for goods in class 3.¹ While not expressly pleaded, I am of the view that such evidence was filed to indicate that the opponent's mark is of weak distinctive character due to the presence of several similar marks on the trade mark register. In *Zero Industry Srl v OHIM*, Case T-400/06, the General Court ("GC") addressed evidence in relation to the state of the register, and stated that:

"73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word 'zero', it should be pointed out that the Opposition Division found, in that regard, that '... there are no indications as to how many of such trade marks are effectively used in the market'. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word 'zero' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T-135/04 GfK v OHIM - BUS(Online Bus) [2005] ECR II-4865, paragraph 68, and Case T-29/04 Castellblanch v OHIM - Champagne Roederer (CRISTAL CASTELLBLANCH) [2005] ECR II-5309, paragraph 71)."

¹ Exhibit 1 of the witness statement of Christopher Lewis

9. It is my view that the mere fact that there are multiple marks containing the word 'HYALU' on the register is not relevant to my assessment. Whilst the applicant has provided some evidence of use of a 'HYALU' mark in the marketplace in the form of screenshots from online cosmetic stores selling cosmetics bearing the mark 'HYALU'; it is not clear that this evidence pertains to the marks referenced on the register. Further, even if the evidence did pertain to the aforementioned marks, there is nothing to indicate that these goods were sold. Therefore, the evidence of the register does not assist the applicant. I will say no more about this evidence.

Section 5(2)(b): legislation and case law

10. Section 5(2)(b) of the Act reads as follows:

“(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 or association with the earlier trade mark.”

11. Section 5A of the Act is as follows:

“5A Where 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.”

12. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“(6)(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

13. Given its priority date, the opponent’s mark qualifies as an earlier trade mark under the above provisions. The opponent’s mark had not completed its registration process more than five years before the priority date of the application at issue. The conditions of use do not, therefore, apply to the mark and the opponent can rely on all the goods for which its mark is registered.

14. 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

15. The opponent's specification for the goods to be compared are set out in the **paragraph 2** to this decision. The applicant's goods can be found at **paragraph 1** to this decision.

16. In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* case T-133/05, the General Court (GC) stated:

"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 the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark".

17. The opponent's specification consists of a range of goods that can be encompassed by the term "*cosmetics*" that appears in the applicant's specification. Consequently, I find the following goods to be identical on the principle outlined in *Meric*:

"soaps", "perfumery", "essential oils", "hair care lotions", "anti-aging gel", "anti-aging lotions", "anti-aging moisturizers for cosmetic purposes", "cosmetics containing hyaluronic acid", "anti-aging creams", "anti-wrinkle creams", "face creams [non-medicated]", "cold cream for non-medical use", "cosmetics for the treatment of wrinkles", "anti-wrinkle cosmetic preparations for the face for topical use", "cosmetic creams", "skin whitening creams", "eaux de toilette", "scented water", "aloe vera preparations for cosmetic purposes", "food flavorings [essential oils]", "astringents for cosmetic purposes", "balms other than for medical use", "cosmetics for eyelashes", "cosmetics for eyebrows", "massage gels other than for medical use", "cosmetics, namely gels", "moisturizing gels [cosmetics]", "face gels", "cosmetic gels for the eye contour", "moisturizing creams, lotions and gels", "greases for cosmetic purposes", "petroleum jelly for cosmetic purposes", "almond milk for cosmetic purposes", "cleansing milks", "lotions for cosmetic purposes", "beauty masks", "toiletry oils", "oils for perfumery", "oils for cosmetic purposes", "pomades for cosmetic purposes",

“cosmetic preparations for skin tanning”, “cosmetic preparations for baths”, “cosmetic preparations for slimming purposes”, “cosmetic preparations for skin care”, “perfumery”, “make-up preparations”, “toiletries”, “tissues impregnated with cosmetic lotions”, “cosmetics for the skin”, “non-medicated skin creams”.

18. “Cosmetics” appears in both parties’ specification and are identical.

19. The opponent’s specification consists of a range of goods that can be encompassed by the term “cosmetics” that appears in the applicant’s specification, I find that these goods are identical on the principle outlined in *Meric*. However, as I note that the term “cosmetics” appears in both parties’ specification, I find the goods to be identical.

The average consumer and the nature of the purchasing act

20. As the law above indicates, it is necessary for me to determine who the average consumer is for the parties’ goods. I must then determine the manner in which the goods are likely to be purchased 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.”

21. In respect of the goods at issue, I find that the average consumer will be members of the general public. The goods at issue will be available via physical retail or pharmaceutical outlets or by browsing online. In physical retail premises, the goods at issue will be displayed on shelves or racks, where they will be self-selected by the

consumers. A similar process will apply to websites and catalogues, where the consumers will select the goods having viewed an image displayed on a webpage or in a catalogue. The selection of the goods will be primarily visual, although I do not discount an aural component in the form of word-of-mouth recommendations or discussions with the sales assistants.

22. The goods will range in price with some goods being more expensive than others but are, for the most part, likely to be fairly inexpensive. As for the frequency at which the goods will be purchased, I am of the view that they will be purchased on a regular basis, however, I recognise that some goods will be purchased less frequently. I note that there will be some variation across the goods and the average consumer who purchases them as some consumers will take greater care when selecting their goods than others. However, it is my view that the average consumer will still consider a number of factors during the purchasing process. For example, when selecting the goods, the average consumer may consider the ingredients used in the products, including the chemical composition, the suitability of the products for the skin type and condition of the individual, price and even scent. It is my view that the average consumer is likely to pay a medium degree of attention when selecting the goods.

Comparison of the marks

23. The respective trade marks are shown below:

[HYALU] BIOTIC	YALU
The applicant's mark	The opponent's mark

24. 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 trade marks must be assessed by reference to all the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated, at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

25. 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.

Overall impression

26. The applicant's mark is a word mark that consists of the text '[HYALU] BIOTIC' in capital letters. I find that the word 'HYALU' plays a greater role in the overall impression of the mark. For reasons I will come to discuss when assessing the conceptual comparison, I am of the view that the text 'BIOTIC' plays a lesser role in the overall impression of the mark and the square brackets play a minimal role. The opponent's mark is a word mark that consists of the text 'YALU'. There are no other elements that contribute to the overall impression of the mark.

Visual similarity

27. Visually, the marks coincide in the use of the four letters Y-A-L-U in both marks. These letters form the earlier mark in its entirety. The marks differ visually in that the applicant's mark includes the additional letter 'H' at the beginning of the mark encapsulated by square brackets in addition to the word 'BIOTIC' at the end of the mark. Bearing all of the above in mind, I find the marks to be visually similar to a medium degree.

Aural similarity

28. The opponent submits that when it is included at the beginning of a word, the letter 'h' is commonly pronounced as a silent letter by English speakers in several regions across the UK and that in these regions HYALU and YALU will be pronounced identically. The applicant disagrees that the 'h' at the beginning of the mark will not be pronounced and is of the view that the marks are aurally dissimilar. The opponent references Exhibit 4, which has not been filed, but there is a reference in its submission to a hyperlink. As stated in the UKIPO guidance for filing witness statements, if the opponent wished to rely on something on a website it was required to provide a copy of it on an exhibit, which the opponent has failed to do. Merely providing a link within a witness statement is insufficient as the Hearing Officer will not undertake any further research and the content of the website will not be considered. Despite this, I will still address the point for completeness. Whilst I accept that there are regional accents within the UK that will cause the speaker to drop the 'h' at the beginning of some words, I note the case of *Industria de Diseno Textil, s.s. (Inditex SA) v Hilary-Anne Christie* BL O/040/20. In this case Mr Daniel Alexander KC stated:

“33. As to this point, it can be important for a tribunal to take account of variations in pronunciation regional and otherwise, especially for consumer goods which are likely to be sold nationwide and where the class of likely customers includes people around the country. However, it is also important to bear in mind the nature of these variations. In some cases, this is as a result of terms being correctly pronounced in a range of ways in that all parts of the mark in question are articulated but with phonetic difference. In other cases, the reason for difference in pronunciation is because (for example) an “H” is dropped or there is elision of syllables – and therefore the whole of the mark is not reproduced. While it would be wrong to approach a case on the basis of hierarchy of accents, or to assume that the average consumer must be a user of received pronunciation, it is appropriate to address a question of similarity of marks on the basis that the average consumer would be expected to pronounce the whole of the mark in aural use and to do so in the most natural way, even if in some real cases, that might not happen. It would unbalance the legal test of similarity if it were approached on the footing that the typical consumer was not expected to use the mark as a whole or was expected to use it in a manner contrary to its normal use. 34. Moreover, it would lead to a situation in which the real source of any likelihood of confusion was not similarity of the marks

but failure on the part of some consumers to use the mark fully or properly. There are questions of degree in different cases but just as the tribunal must compare marks as a whole, from the perspective of the average Page 14 of 20 consumer, so should it expect marks to be expressed and heard as a whole in the typical case.”

29. It is my view that in this case, it would not be typical for the ‘h’ to be dropped by the consumer when pronouncing the mark [HYALU] BIOTIC, and for the reasons set out by Mr Alexander KC above, it is my view that to proceed with the comparison on this basis that the ‘h’ would not be pronounced would not be the correct approach. I, therefore, do not find it necessary to conduct an aural comparison based on a situation where the consumer has dropped the ‘h’ from the applicant’s mark.

30. Aurally, in my view, the opponent’s mark will be pronounced as a two-syllable word, articulated as YAH-LOO. In respect of the applicant’s mark, it is my view that a significant proportion of the average consumer will refer to the pronunciation of the applicant’s mark as HYAH-LOO BI-OHT-TICK. Noting the similarities in pronunciation, with both marks sharing the articulation of YAH-LOO, I find that there will be a medium degree of aural similarity between the marks. Alternatively, I also consider that a separate but still significant proportion of the average consumer will pronounce the opponent’s mark as HI-AH-LOO BI-OHT-TICK. In these circumstances, for the consumers that articulate the applicant’s mark this way, it is my view that there will be a low degree of aural similarity between the marks.

Conceptual similarity

31. The opponent submits that the ‘HYALU’ element in the applicant’s mark does not have a meaning in English. The applicant denies this and submits that its mark is short for hyaluronic acid, which is used in cosmetics. It is not my view that the average consumer would make a link between the ‘HYALU’ element and hyaluronic acid. It is my view that the word ‘BIOTIC’ will convey a concept of relating to a living organism. In the context of the goods, this will likely convey the message that the goods are more natural, for example, containing fewer chemical components or live cultures/microorganisms. For these consumers, the conceptual concept conveyed will be a concept of more natural goods. In my view, the opponent’s mark will be viewed

as a made up or invented word that does not convey any obvious conceptual meaning. As a concept (albeit a weak one in relation to the goods at issue) is present in the applicant's mark and not present in the opponent's mark, I find the marks to be conceptually dissimilar.

The distinctive character of the opponent's mark

32. 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-0000, paragraph 49).

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

33. Registered trade marks possess varying degrees of inherent distinctive character through use, ranging from the very low, because they are suggestive or

allusive of a characteristic of the goods, to those with a high inherent distinctive character, such as invented words which have no allusive qualities.

34. 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.

35. The applicant has not commented on the distinctive character of the opponent's mark. However, the opponent submits that its mark is a word that does not have an English meaning and is not a commonly used foreign word. The opponent submits that its mark will be viewed as an invented word with no allusive qualities; which, consequently, should enjoy a high degree of inherent distinctive character.

36. I agree with the opponent's submissions. The opponent's mark consists of the word 'YALU'. In my view, 'YALU' will be seen as an invented term or unfamiliar word of another language with no allusive or descriptive qualities. It is my view that the mark enjoys a high degree of inherent distinctive character.

Likelihood of confusion

37. 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 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 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 of the goods and the nature of the purchasing process. In doing so, I must be mindful of 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.

38. I have found the marks to be visually and aurally similar to a medium degree (or to a low degree when the word 'HYALU' in the applicant's mark is pronounced 'HI-AH-LOO'). I have found the marks to be conceptually dissimilar. I have identified the average consumer to be members of the general public who will select the goods primarily via visual means (although I do not discount an aural component). I have found that the degree of attention paid during the purchasing process will be a medium degree. I have found that the opponent's mark enjoys a high degree of inherent distinctive character. In making my decision, I have borne in mind that it is the distinctiveness of the common element that is key.² I have found the goods to be identical.

39. In my assessment of the likelihood of confusion, I am guided by the case of *Interflora Inc v Marks and Spencer Plc*,³ wherein Kitchen LJ stated that a court must have regard to the impact of the opponent's mark on the proportion of consumers to whom the trade mark is particularly distinctive. I am also guided by the case of *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation*,⁴ wherein Kitchen LJ concluded that if a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court, then it may properly find infringement. While these cases were infringement cases, the principles apply equally to oppositions under section 5(2) of the Act. As a result of the cases cited above, I will focus my assessment of the likelihood of confusion on the significant proportion of consumers who see '[HYALU]' as being pronounced HYAH-LOO. I do not consider this to be a controversial approach. It follows that if there is a likelihood of confusion amongst this significant proportion of consumers, it is sufficient for the opposition against the applicant's mark to succeed.

40. In considering the likelihood of confusion, I take into account the guidance provided in *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), where Arnold J. considered the impact of the CJEU's judgment in *Bimbo*, Case C-591/12P, on the court's earlier judgment in *Medion v Thomson*. The judge said:

² *Kurt Geiger v A-List Corporate Limited*, BL O/075/13

³ [2015] EWCA Civ 1403

⁴ [2016] EWCA Civ 41

“18 The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points. 22 19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark. 20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER). 21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

41. Applying *Medion* in the present case, I find that ‘HYALU’ in the applicant's mark plays an independent distinctive role in the mark. I also note that I have found ‘HYALU’ in the applicant’s mark plays a greater role in the mark. It is my view that the average consumer, whilst appreciating the nature of the applicant's mark as a whole, will also perceive the word ‘HYALU’ as an element that enjoys independent significance in the mark. Bearing this in mind, it is my view that the average consumer is likely to consider the applicant’s mark as being ‘HYALU’.

42. In relation to direct confusion, I note that the parties' marks share the letters 'YALU', the applicant's mark has an 'H' preceding the shared element. Whilst I note that the average consumer is more likely to pay attention to the beginning of the mark,⁵ it is my view that the 'H' in the applicant's mark may be overlooked despite its placement. I also note that similar beginnings of a mark are not necessarily important or decisive.⁶ It is my view that the 'H' at the beginning of the applicant's mark will be pronounced with a softer 'h' sound, which will result in the average consumer imperfectly recalling the word 'HYALU' as 'YALU'. It is my view that the differences between the marks are not too great for the consumer to recall or notice these. For example, it is my view that the average consumer selecting a cosmetic face cream that they had seen advertised on an online platform from a store will remember the 'YALU' element of the mark due to its memorable composition and may mistakenly select a product from 'HYALU' when they intended to select a 'YALU' product, or vice versa. The likelihood of mistaken recollection is particularly likely given the distinctiveness of the earlier mark and the identity of the goods. Taking all the above into account, it is my view that a significant proportion of the average consumer would directly confuse the marks. I consider there to be a likelihood of direct confusion.

43. It now falls to me to consider whether there is a likelihood of indirect confusion. Indirect confusion involves the recognition by the average consumer of the differences between the marks. Mr Purvis KC in the *L.A Sugar Limited* case sets out that there are three main categories of indirect confusion and that indirect confusion 'tends' to fall in one of them.⁷ Given my findings above in relation to direct confusion, it is my view that the differences between the 'HYALU' and 'YALU' elements will be overlooked. In this present case, even if the presence of the square brackets and 'BIOTIC' are recognised by the average consumer, the memorable composition of the shared element 'YALU' will be identified. The shared 'YALU' element is memorable to the point that the average consumer would not consider its shared use across both marks to be coincidental. As a result, I am of the view that the differences between the marks will be seen by the average consumer as being indicative of an alternative mark from the

⁵ *El Corte Ingles, SA v OHIM*, Cases T-183/02 and T-184/02

⁶ *CureVac GmbH v OHIM*, T-80/08

⁷ Paragraphs 16 & 17 of *L.A Sugar Limited v By Black Beat Inc*, Case BL-O/375/10

same or economically linked undertaking.⁸ It is my view that the average consumer will see the differences between the marks as a brand extension. For example, 'BIOTIC' will indicate a brand extension that focusses on goods of a more natural composition containing fewer chemical components or live cultures/microorganisms. Consequently, I consider there to be a likelihood of indirect confusion for the goods.

CONCLUSION

44. The opposition has succeeded for all of the goods. The application will not proceed to registration.

COSTS

45. The opponent has been successful and is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the opponent the sum of £800 as a contribution towards its costs. The sum is calculated as follows:

Preparing a statement, considering the other side's statement	£200
Preparing evidence and considering the applicant's evidence	£500
Official fee	£100

46. I, therefore, order LABORATOIRES SVR to pay SOFAR SWISS SA The sum of £800 as a contribution towards its costs. 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 27th day of October 2022

A Klass

For the registrar

⁸ Paragraphs 16 &17 of *L.A. Sugar v By Back beat Inc*, Case BL-O/375/10