BL O/967/22

TRADE MARKS ACT 1994 IN THE MATTER OF TRADE MARK APPLICATION NO. 3607439 BY WEBIZSOL LTD TO REGISTER THE TRADE MARK:

DECRAFTER

IN CLASS 28

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NUMBER 426713

BY VOLKSWAGEN AKTIENGESELLSCHAFT

Background and Pleadings

1. On 10 March 2021, WEBIZSOL LTD ("the applicant") applied to register in the UK the trade mark shown on the cover page of this decision, under number 3607439 ("the contested mark"). The contested mark was published in the Trade Marks Journal for opposition purposes on 11 June 2021, in respect of goods in Class 28.¹

2. On 09 September 2021, Volkswagen Aktiengesellschaft ("the opponent") filed a notice of opposition. The opposition is brought under section 5(2)(b) of the Trade Marks Act 1994 ("the Act") and is directed against all of the goods contained in the application.

3. The opponent relies upon the following comparable United Kingdom Trade Marks ("UKTM"):²

(i) No. 00801140945 for the trade mark "CRAFTER" which was applied for on 18 July 2012, and which was entered in the register on 5 November 2013, in respect of goods and services in Classes 4, 9, 12, 27, 28 and 37. For the purposes of these proceedings, the opponent relies upon the following goods in Classes 12 and 28:

- Class 12 Motorized land vehicles.
- Class 28 Scale model vehicles, scale model automobiles and toy automobiles; toy vehicles for children (included in this class).

(ii) No. 00902764819 for the trade mark "Crafter" which was applied for on 04 July 2002, and which was entered in the register on 11 September 2003, in respect of goods and services in Classes 12, 28 and 37. For the purposes of these proceedings, the opponent relies upon the following goods in Classes 12 and 28:

¹ These will be listed in the goods comparison

² On 1 January 2021, the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing EUTM. As a result of the opponent's EUTM numbers 1140945 and 002764819 being registered at the end of the Implementation Period, comparable UK trade marks were automatically created. The comparable UK marks are now recorded on the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original EUTM filing dates remain.

- Class 12 Vehicles for locomotion by land and parts therefor, including motor vehicles and parts therefor.
- Class 28 Games and playthings; gymnastic and sporting articles included in class 28, including model vehicles, in particular model cars.

4. The opponent claims that the marks are highly similar, and the goods are identical or similar, resulting in a likelihood of confusion and association.

5. The registration procedure for the earlier marks was completed more than five years prior to the filing date of the contested application. Therefore, they are subject to proof of use pursuant to section 6A of the Act. In its notice of opposition, the opponent made a statement of use in relation to all the goods relied upon.

6. The applicant filed a counterstatement denying a likelihood of confusion and association on the basis of a lack of similarity between the marks and the goods. The applicant requested proof of use of the opponent's earlier marks.

7. The opponent submitted evidence and submissions during the evidence round. The applicant submitted nothing beyond its counterstatement. Neither party requested an oral hearing nor filed written submissions in lieu. The applicant is represented by Stobbs, and the opponent by WP Thompson (a partnership).

EVIDENCE AND SUBMISSIONS

8. The opponent filed evidence in the form of the witness statement of Kim Agnetha Altemark, dated 11 May 2022 and its corresponding nine exhibits (VW1 – VW9). Mrs Altemark is a Legal Representative within the opponent company. The opponent also filed written submissions dated 13 May 2022.

9. I have considered the opponent's evidence and submissions and will refer to them, where necessary, during this decision.

DECISION

Relevance of EU law

10. 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.

Proof of use

11. I will begin by assessing whether there has been genuine use of the earlier marks. The relevant statutory provisions are as follows:

"6A (1) This section applies where

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a),

(b) or (ba) in relation to which the conditions set out in section 5(1), (2)

or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section "the relevant period" means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

(a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes –

(a) use of a trade mark includes use in a form (the "variant form") differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5)-(5A) [Repealed]

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services."

12. As the earlier marks are comparable marks, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:

"7.— (1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the relevant period referred to in section 6A(3)(a) (the "five-year period") has expired before IP completion day—

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day —

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM ; and

(b) the references in section 6A to the United Kingdom include the European Union".

13. Section 100 of the Act is also relevant, which reads:

"If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

14. Consequently, the onus is upon the opponent to prove that genuine use of the registered trade marks was made within the relevant territory in the relevant period, and in respect of the goods as registered.

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

"114. The Court of Justice of the European Union (CJEU) has considered what amounts to "genuine use" of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer*, Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market* (*Trade Marks and Designs*) [2006] ECR I-4237, Case C-442/07 *Verein Radetsky - Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C- 495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Behher BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P Reber Holding & *Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs*) [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

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

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29]

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial raison d'être of the mark, which is to create or preserve an outlet for the goods or services that bear the mark:

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Ansul at [37]-[38]; Verein at [14]; Silberquelle at [18]; Centrotherm at [71]; Reber at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no de minimis rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

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

16. Pursuant to section 6A of the Act, the relevant period for assessing whether there has been genuine use of the earlier marks is 11 March 2016 to 10 March 2021.

17. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the UKTMs, in the course of trade, sufficient

to create or maintain a market for the goods at issue during the relevant five-year period. Given that the earlier marks are comparable marks, the relevant territory during the five-year period is the UK, though use in the EU before IP completion day may be sufficient. In making the assessment, I am required to consider all relevant factors, including:

- i) The scale and frequency of the use shown;
- ii) The nature of the use shown;
- iii) The goods for which use has been shown;
- iv) The nature of those goods and the market(s) for them; and
- v) The geographical extent of the use shown.

18. Before assessing the opponent's evidence of use, I remind myself of the comments of Mr Daniel Alexander QC, sitting as the Appointed Person, in *Awareness Limited v Plymouth City Council*, where he stated that:³

"22. The burden lies on the registered proprietor to prove use [...]. However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public."

³ Case BL O/230/13

19. I also note Mr Alexander's comments in *Guccio Gucci SPA v Gerry Weber International AG*.⁴ Although the case concerned revocation proceedings, the principle is the same for proof of use in opposition actions. He stated:

"The Registrar says that it is important that a party puts its best case up front – with the emphasis both on "best case" (properly backed up with credible exhibits, invoices, advertisements and so on) and "up front" (that is to say in the first round of evidence). Again, he is right. If a party does not do so, it runs a serious risk of having a potentially valuable trade mark right revoked, even where that mark may well have been widely used, simply as a result of a procedural error. [...] The rule is not just "use it or lose it" but (the less catchy, if more reliable) "use it – and file the best evidence first time round – or lose it"."

20. The comments of Mr Geoffrey Hobbs QC in *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, where he sat as the Appointed Person, are also relevant.⁵ He stated that:

"21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or

⁴ Case BL O/424/14

⁵ Case BL O/404/13

her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

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

21. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.⁶

22. In her witness statement Mrs Altemark gives evidence that the 'CRAFTER / Crafter' trade marks have been used consistently on the opponent's website from January 2017 and in brochures and price lists for products sold under the earlier marks since July 2016.

23. Mrs Altemark explains that the number of retailers, authorised repairers and body shops in the UK who are authorised to use, display and sell her company's vans are currently 94, of which 63 are retailers.

24. Whilst a breakdown of turnover and advertising figures has not been provided in relation to all the goods relied upon, Mrs Altemark attests that the number of scale/model/toy vehicles sold under the earlier trade marks in the EU (including the UK) in the years 2016-2019 are 995, for a value of €12,741 (£10,753 at current

⁶ New Yorker SHK Jeans GmbH & Co KG v OHIM, Case T-415/09

exchange rates), of which 524 sold in the UK for a value of €5,874 (£4,957 at current exchange rates). Mrs Altemark states that scale/model/toy vehicles are manufactured and sold under the earlier trade marks by licensees of her company, such as Herpa, Rietze and WSI. This is corroborated by the pages contained within exhibits VW3, VW4, VW5, VW6 and VW7.

25. The webpages from www.volkswagen-vans.co.uk, shown in Exhibit VW1, relate to online brochures and pricing for the opponent's motor vehicles including the "CRAFTER" van. These webpages are dated between 1 May 2013 – 18 February 2022. I bear in mind that this timeline includes evidence of use three years prior to the beginning of the relevant period and one year after the end of the relevant period.

26. Exhibit VW2 relates to brochures, price lists and press information for the Volkswagen "Crafter" van (motor vehicle). These have all been produced by, or on behalf of the opponent and are all dated within the relevant period. The prices are shown in pound sterling and euros.

27. The webpages shown in Exhibits VW3, relate to online brochures for the opponent's model vehicles including the "CRAFTER" van. These webpages are dated between 20 May 2019 – 11 April 2021.

28. In exhibit VW4 Mrs Altemark has provided details from an online shopping site (www.amazon.co.uk) featuring the opponent's "Crafter" brand being used in relation to toy/model "Crafter" vans. Whilst the pages are dated 25/04/2022 and 26/04/2022, which is outside the relevant period, it is likely that these dates reflect the date the details were actually retrieved for evidential purposes as the webpages demonstrate that the years the toy/model vans were available were 2017, 2019 and 2020.

29. 13 invoices relating to the sale of "CRAFTER" goods dated between 23/03/2017 and 22/07/2022, are provided in exhibit VW5. I bear in mind that the invoice dated 22/07/2022, falls outside the relevant period. Some of the invoice details appear to be written in German, however whilst I have not been provided with translated copies, I am able to decipher the goods listed on the invoices. The prices of the goods are in euros.

30. In exhibit VW6 Mrs Altemark has provided two screenshots from an online shopping site (www.ebay.co.uk) featuring the opponent's "Crafter" brand being used in relation to toy/model black "Crafter" vans. Whilst the screenshots are dated 06/04/2022 and 26/04/2022, which is outside the relevant period, details within the screenshot demonstrate that the year of manufacture of the toy/model vans was 2021.

31. Exhibits VW7 and VW8 relate to model vehicle catalogues produced by Rietze and Volkswagen, which demonstrate use of the opponent's "CRAFTER" brand in relation to model/toy vans. The catalogues are dated 12/2020 and 01/02/2021, which are within the relevant period. The text is in German, however whilst I have not been provided with translated copies, I am able to decipher the goods listed in the catalogues.

32. In addition, exhibit VW9 relates to 6 invoices for the shipping of, amongst other things, "CRAFTER" model vehicles (vans) to the opponent's UK subsidiary Volkswagen Group UK Ltd. The prices are shown in euros. The invoices are dated between 07/03/2017 and 09/10/2018.

33. I am reminded that as the earlier marks are comparable marks the opponent is entitled to show use in the EU prior to IP completion day. I bear in mind that use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM, even where there are no special factors, such as the market for the goods/services being limited to that area of the Union.⁷

34. Whilst the stated turnover, relating to the sale of the model/toy vans, is not overwhelming, I remind myself that use does not have to be quantitively significant to be genuine. Furthermore, whilst some of the opponent's evidence is dated outside the relevant period, it is apparent that the opponent has used the marks "CRAFTER / Crafter" in relation to vans, being motor vehicles, and vans being toy/model versions of the motor vehicles, during the relevant period, and that these goods have been available to purchase in the UK as the evidence sufficiently demonstrates sales of

⁷ TVR Automotive Ltd v OHIM T-398/13

the opponent's relevant goods to various customers situated throughout the UK within the relevant period. As such, I am satisfied that the opponent has attempted to create and maintain a market for the goods at issue in the UK, under the marks. Accordingly, I am satisfied that the opponent has demonstrated genuine use of its marks in the UK during the relevant period.

Fair specification

35. I must now consider whether, or the extent to which, the evidence shows use of the earlier marks in relation to the goods relied upon. *In Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs QC as the Appointed Person summed up the law as being:

"In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

36. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows (at [47]):

"iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

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

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

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

- 37. The opponent relies upon the following goods:
 - (i) No. 00801140945 "CRAFTER"
 - Class 12 Motorized land vehicles.
 - Class 28 Scale model vehicles, scale model automobiles and toy automobiles; toy vehicles for children (included in this class).

(ii) No. 00902764819 - "Crafter"

- Class 12 Vehicles for locomotion by land and parts therefor, including motor vehicles and parts therefor.
- Class 28 Games and playthings; gymnastic and sporting articles included in class 28, including model vehicles, in particular model cars.

38. The use shown by the opponent overwhelmingly relates to *motor vehicles, all being vans* in Class 12, and *scale model vehicles and toy vehicles for children, all being vans*, in Class 28. There is no evidence of use of the marks in relation to any other land vehicle in Class 12, or games and playthings and gymnastic and sporting articles in Class 28. Accordingly, the goods would be fairly described by the average consumer as *motor vehicles, all being vans*, in Class 12, and *scale model vehicles and toy vehicles for children, all being vans*, in Class 28, which would be perceived as identifiable sub-categories of the broader terms relied upon.

39. Accordingly, a fair specification for the earlier marks is:

- Class 12 Motor vehicles, all being vans.
- Class 28 Scale model vehicles and toy vehicles for children, all being vans.

Section 5(2)(b)

40. Sections 5(2)(b) and 5A of the Act read as follows:

"5(2) A trade mark shall not be registered if because-

[...]

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

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

[...]

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."

41. I am guided by the following principles which are gleaned from the decisions of the Court of Justice of the European Union ("CJEU") 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 great degree of similarity between the marks, and vice versa;

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

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

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

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

Comparison of goods

42. Section 60A of the Act provides:

"(1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the "Nice Classification" means the system of classification under the Nice Agreement Concerning the International

Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1975."

43. In comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*. where the CJEU stated at paragraph 23 of its judgment:

"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."

44. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited ("Treat")* [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

45. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch) at [12], where Floyd J (as he was then) stated that:

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR) [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

46. In *Gérard Meric v OHIM*, the GC confirmed that even if goods are not worded identically, they can still be considered identical if one term falls within the scope of another (or vice versa):⁸

"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 fur 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."

47. For the purposes of considering the issue of similarity of goods or services, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons (see *Separode Trade Mark* (BL O/399/10), Mr Geoffrey Hobbs QC, sitting as the Appointed Person, and *BVBA Management, Training en Consultancy v. Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs 30 to 38).

48. In light of my findings above, the competing goods are as follows:

Opponent's goods	Applicant's goods
Class 12 Motor vehicles, all being vans. Class 28 Scale model vehicles and toy vehicles for children, all being vans.	Class 28 Games, toys and playthings; video game apparatus; gymnastic and sporting articles; decorations for Christmas trees; hoops for exercise; hoops for rhythmic
	sportive gymnastics and hula hoops.

Games, toys and playthings

49. The contested goods are broad terms relating to objects that can be played with for fun, enjoyment and pleasure. Accordingly, I find that the contested terms encompass the term *scale model vehicles and toy vehicles for children; all being vans,* contained in the opponent's goods and therefore these goods are considered identical in line with the principle set out in *Meric.*

⁸ Case T-133/05

Video game apparatus

50. Generally speaking, the contested goods are the equipment used for playing video games, which are electronic games played using a computer or other electronic device. Therefore, whilst the purpose and user of the goods overlap in that they fall within the broad category of toys and games, the nature of the goods is very different. Furthermore, the goods are not complementary nor are they in competition. However, it is acknowledged that these goods may overlap in trade channels and may be found within the same area of a retail store. Accordingly, I find that the goods at issue are similar to a low degree.

Gymnastic and sporting articles; hoops for exercise; hoops for rhythmic sportive gymnastics and hula hoops

51. Broadly speaking, the above contested goods relate to articles used for gymnastics, sport and exercise. As such, I find that these goods have nothing relevant in common with any of the opponent's goods and therefore share no obvious similarity, differing in their nature, method of use, intended purpose and trade channels. In addition, the above contested goods will not be in competition with any of the opponent's goods are dissimilar to all of the opponent's goods in Classes 12 and 28.

Decorations for Christmas trees

52. I find that the above contested goods are dissimilar to all the opponent's goods in Classes 12 and 28. The contested goods will include a variety of garlands, tinsels, baubles, and figurines, etc., for hanging on Christmas trees. They have an exclusively decorative and aesthetic purpose. Therefore, the goods at issue share no obvious similarity, differing in their nature, methods of use, and intended purpose. Furthermore, these goods will be sold through different distribution channels and will be manufactured by different undertakings.

53. With regard to the goods that I have found to be dissimilar, whilst I note that the opponent attests to similarity between these goods, in accordance with *YouView* I have considered the ordinary and core meaning of the terms and consider that

finding similarity between these goods would involve a straining of the meaning of those terms.

The average consumer and the nature of the purchasing act

54. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question (see *Lloyd Schuhfabrik Meyer*, Case C-342/97.

55. 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."

56. The average consumer for the goods will be a member of the general public who will likely pay a medium degree of attention as a number of factors will be taken into account such as the target age group for the product, etc. These purchases are likely to vary from fairly frequent to infrequent, depending on the nature of the goods being purchased. The goods will most likely be obtained by self-selection from the shelves of a retail outlet or from an online or catalogue equivalent. Consequently, visual considerations are likely to dominate the selection process. However, I do not discount that there may be an aural component to the purchase of the goods, given that advice may be sought from a sales assistant.

Comparison of the marks

57. It is clear from *Sabel BV v. Puma AG* 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 them, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo SA v OHIM*, that:

"34. [...] 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."

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

59. The trade marks to be compared are as follows:

Opponent's marks	Applicant's mark
i) UK00801140945	
CRAFTER	DECRAFTER
ii) UK00902764819	
Crafter	

Overall impression

60. The opponent's marks consist of the word CRAFTER / Crafter, in different cases. As registration of a word only mark covers use in any standard typeface, I do not consider that the differences between the marks will make any impact upon my assessment. Consequently, the same assessment will apply to each. The overall impression of the applicant's mark lies in the word CRAFTER.

61. The applicant's mark consists of the word DECRAFTER. There are no other elements to contribute to the overall impression which lies in the word itself.

62. With regard to the similarity of the marks, in its counterstatement the applicant states the following:

"The Applicant denies that the Applicant's mark is visually, aurally or conceptually similar to the Opponent's trade marks, whether as alleged by the Opponent or at all"

Visual comparison

63. The opponent submits the following:9

"The earlier mark [sic] is wholly included within the applied-for trade mark, visually the marks are therefore highly similar."

64. Visually, the opponent's marks are contained in the last seven letters of the contested mark. The point of difference between them is in the first two letters of the contested mark, namely 'DE-', which are absent from the opponent's marks. I bear in mind that the beginnings of marks tend to make more of an impact than the ends.¹⁰ Consequently, I consider the marks to be visually similar to a medium degree.

Aural comparison

65. The opponent submits the following:¹¹

"Aurally, the only difference between the marks is a single syllable (DE-). The trade marks are therefore aurally highly similar."

66. Aurally, the opponent's marks comprise two syllables, and will be articulated in the ordinary English language pronunciation of 'CRAFTER', namely CRAFT-ER.

⁹ Written submissions.

¹⁰ El Corte Inglés, SA v OHIM, Cases T-183/02 and T-184/02

¹¹ Written submissions.

Whereas the applicant's mark comprises three syllables and is likely to be pronounced DE-CRAFT-ER. Overall, considering the consumer's attention is usually directed to the beginnings of marks, I find the competing marks aurally similar to a medium degree.

Conceptual comparison

67. The opponent submits the following:¹²

"Conceptually, the marks are highly similar, as they both refer to the concept of crafting. It is likely that the average consumer would perceive the appliedfor mark as derived from the earlier mark."

68. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer. This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R 29. The assessment must, therefore, be made from the point of view of the average consumer.

69. The opponent's marks consist solely of the word CRAFTER / Crafter, which will be given its ordinary dictionary meaning, namely 'a person who does craftwork'.¹³ This has no obvious connection to the goods in the opponent's specification. I acknowledge that the opponent's mark is wholly contained in the contested mark however this does not result in a conceptual overlap. On seeing the contested mark DECRAFTER, consumers will perceive it as one word and will not seek to break the word into DE and CRAFTER, therefore they will not see CRAFTER as an individual element with a shared concept to the earlier mark. Consumers will see DECRAFTER as an individual or obvious connection to the applied for goods. Accordingly, I find that the marks are conceptually dissimilar.

Distinctive character of the earlier trade marks

70. The distinctive character of a trade mark can be measured only, first, by reference to the goods or services in respect of which registration is sought and,

¹² Written submissions.

¹³ www.collinsdictionary.com/dictionary/english/crafter

second, by reference to the way it is perceived by the relevant public. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, 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)."

71. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

72. I will begin by assessing the inherent distinctive character of the earlier marks. As previously mentioned, the earlier marks consist of an ordinary dictionary word which has no obvious meaning in relation to the opponent's goods at issue. Consequently, I consider the marks to be inherently distinctive to a medium degree.

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73. Turning now to consider whether the distinctiveness of the earlier mark has been enhanced through use, I refer to the opponent's evidence of use, summarised above. Though there is evidence of catalogues and brochures having been produced, it is not clear exactly how many were circulated and to whom. Furthermore, as stated at paragraph 23, above, I have not been provided with the amount spent on marketing, annually or in total. I also bear in mind that the total UK turnover between 2016-2019 for the model/toy vans was £4,957, which, for the model/toy market in the UK, is quite insignificant. Accordingly, taking everything into account, the evidence does not persuade me that the distinctiveness of the earlier mark has been enhanced through use.

Likelihood of confusion

74. 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 and 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 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.

75. I have found the marks to be aurally and visually similar to a medium degree and conceptually dissimilar. I have found the earlier mark to have a medium degree of inherent distinctive character. I have identified the average consumer to a member of the general public who will purchase the goods predominantly by visual means, though I do not discount an aural element to the purchase. I have concluded that a

medium degree of attention will be paid during the purchasing process. Furthermore, I found the similarity between the goods at issue to range from dissimilar to identical.

76. Whilst there are some aural and visual similarities between the marks, the conceptual differences counteract those similarities.¹⁴ In any case, I find that the differences between the marks - conceptual, aural and visual - will be sufficient to avoid consumers mistakenly recalling or misremembering them as each other, even when used on identical goods. I am of the view that the additional letters 'DE-' present at the start of the applicant's mark would not be overlooked or disregarded by consumers upon a visual inspection of the marks, which is of heightened importance given that I have found the purchasing process to be predominantly visual in nature. The impact of this is that when perceiving the respective marks in a retail store, online store or in a catalogue, etc., it is unlikely that consumers will mistake them for each other. Moreover, even in circumstances where the goods are purchased aurally, for example, over the telephone, it is unlikely that consumers would mistake the marks for one another when hearing them uttered aloud or making orders verbally. Accordingly, taking all these factors into account, even for consumers paying a medium degree of attention, they still would not misremember the additional letters in the applicant's mark and directly mistake one mark for the other. Therefore, even when factoring in the principles of imperfect recollection and interdependency, I do not consider there to be a likelihood of direct confusion. Having recognised the differences between the marks, I see no reason for the average consumer to conclude that they originate from the same or economically linked undertakings.

77. Having found no likelihood of direct confusion, I now go on to consider indirect confusion.

78. In *L.A. Sugar Limited v By Back Beat Inc,* Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are

¹⁴ The Picasso Estate v OHIM, Case C-361/04 P

very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually 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 is different from the earlier mark is different from the terms, is something along the following lines: "The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark."

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

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ("26 RED TESCO" would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as "LITE", "EXPRESS", "WORLDWIDE", "MINI" etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ("FAT FACE" to "BRAT FACE" for example)."

79. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion.

80. It is not sufficient that a mark merely calls to mind another mark: *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17. This is mere association not indirect confusion. I acknowledge that a finding of indirect confusion should not be made merely because the two marks share a common element.

81. Consumers will recognise that there is something in common between the marks but also that their beginnings differ. The case law above is clear that there must be a proper basis for a finding of indirect confusion; the opponent has not suggested a basis for such a finding or any scenario in which consumers would assume the undertakings are linked. The addition of 'DE' to the start of the ordinary word 'CRAFTER' creates an invented word and, in my view, I can see no logical reason for an undertaking to extend their mark or rebrand it in this manner. It is more likely that consumers would put the presence of the common element 'CRAFTER' down to coincidence rather than economic connection. Accordingly, there is no likelihood of indirect confusion.

CONCLUSION

82. The opposition has been unsuccessful, and the application will proceed to registration.

COSTS

83. The applicant has been successful and is entitled to a contribution towards its costs in line with the scale set out in Tribunal Practice Notice 2/2016. In the circumstances I award the applicant the sum of £500 calculated as follows:

Considering the other side's statement	£200
and preparing a counterstatement	
Considering the other side's evidence and	£300
submissions	
TOTAL	£500

84. I therefore order Volkswagen Aktiengesellschaft to pay WEBIZSOL LTD the sum of £500. 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 final determination of the appeal proceedings.

Dated this 7th day of November 2022

Sam Congreve For the Registrar