BL O/0289/23

#### TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK3611323 BY Guangzhou Yueyuegui Intelligent Technology Co., Ltd TO REGISTER THE TRADE MARK:

# Skycase

IN CLASSES 9 & 18

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 425748 BY Sky Limited

## **Background and pleadings**

1. On 17 March 2021, Guangzhou Yueyuegui Intelligent Technology Co., Ltd ("the applicant") applied to register the trade mark shown on the cover page of this decision in the UK. The application was published for opposition purposes on 14 May 2021. Registration is sought for the following goods:

Class 9: Cases for smartphones; Covers for smartphones; Covers for tablet computers; Covers for personal digital assistants; Sleeves for laptops; Bags adapted for laptops; Protective films adapted for smartphones; Selfie sticks.

Class 18: Tool bags, empty; Boxes of leather or leatherboard; Cases of leather or leatherboard; Leather shoulder belts; Backpacks; Clothing for pets; Pocket wallets; Handbags; Cosmetic bags sold empty; Shoulder bags; Bags; Toiletry bags sold empty; Travelling sets [leatherware].

2. The application was opposed by Sky Limited ("the opponent") on 26 July 2021. The opposition is based upon section 5(2)(b) of the Trade Marks Act 1994 ("the Act") against all of the applicant's goods.

3. The opponent relies on the following trade marks:

UK3353626 ('the first earlier registration')

SKY

Filing date: 13 November 2018 Registration date: 1 March 2019

Relying on the following goods:

Class 18: Carry bags; rucksacks; musette bags; wet bags; race bags

UK3188194 ('the second earlier registration')



Filing date: 28 September 2016 Registration date: 10 March 2017

UK3248378 ('the third earlier registration')

## SKY SOUNDBOX

Filing date: 4 August 2017 Registration date: 8 March 2019

UK3277201 ('the fourth earlier registration')



Filing date: 14 December 2017 Registration date: 6 April 2018

#### UK3262215 ('the fifth earlier registration')



Filing date: 9 October 2017 Registration date: 2 March 2018

4. The second, third, fourth and fifth earlier registrations are all relying upon the following goods:

Class 9: Bags adapted for laptops; cases especially made for photographic apparatus and instruments; cases fitted with dissecting instruments [microscopy]; eyeglass cases; sleeves for laptops; spectacle cases; leather cases for holding mobile phones; cases, containers, protective coverings and parts and fittings therefor, all for use with MP3 players, music storage devices, media storage devices and other audio, visual and computer devices; cases for eyewear; cases for sunglasses; sports bags for protective helmets; carrying cases for radios

5. The opponent claims that 'SKY' is a memorable and important aspect of the mark applied for and it is wholly incorporated in the application. It argues that the marks are highly similar and the goods are identical or closely similar.

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

7. The applicant is represented by Axis Professionals Ltd and the opponent is represented by CMS Cameron McKenna Nabarro Olswang LLP.

8. The applicant filed evidence. Neither party requested a hearing but the opponent provided submissions in lieu. This decision is therefore taken following careful consideration of the papers.

9. 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

10. The applicant's evidence consists of a witness statement dated 17 October 2022 by Juanjuan Liu, who is the director of the applicant company, together with one accompanying exhibit. The main purpose of the evidence is to show some of the applicant's goods that are on the market. The evidence is of little assistance in this case as I must make my comparisons based upon the specifications as applied for.

#### **Decision**

## Section 5(2)(b)

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

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

(a)...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

12. 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 or international trade mark (UK) 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.

..."

13. In these proceedings, the opponent is relying upon the trade marks shown in paragraph 2, above, all of which qualify as earlier trade marks under the above provisions. The earlier marks had not completed their registration process more than 5 years before the filing date of the application in suit and as such, are not subject to proof of use, as per section 6A of the Act. The opponent can, as a consequence, rely upon all of the goods it has identified.

## Case law

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 Office for Harmonisation in the Internal Market (Trade Marks and Designs) (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 the marks

15. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural, and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated 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."

16. 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.

17. I will focus my comparison initially on the opponent's first and second earlier registrations as they are the closest marks to the contested mark and the second

earlier mark has an identical specification to the third, fourth and fifth earlier registrations. I will deal with the opponent's other marks later in my decision, if needed.

18. The re	spective trade	e marks are	shown below:	
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Earlier Marks	Contested Mark		
The first earlier registration			
SKY	SKYCASE		
The second earlier registration			
Sky			

19. The first earlier registration is a word mark containing one word and therefore the overall impression likes in the word itself. The second earlier registration is a lightly stylised mark of one word and I believe that the word is the dominant and distinctive component. The stylisation will play a role but it will be a smaller role than the word.

20. The contested mark is a word mark containing two words 'SKY' and 'CASE' conjoined. I believe the overall impression lies in the juxtaposition of the words however, the term 'CASE' I find to be descriptive/allusive of the goods applied for and therefore, 'SKY' will play a more distinctive and dominant role in the mark.

21. Visually, the first earlier registration simply comprises three letters- 'SKY'. These letters are found identically at the beginning of the contested mark. The contested mark has a further four letters immediately following 'SKY' which are not replicated in

the first earlier registration. I therefore find them to be visually similar to a medium degree.

22. For the second earlier registration, this again contains the three letters 'SKY' which are replicated in the contested mark. However, these letters are slightly stylised in a rounded font and presented in a glass-like/transparent colouring with grey edging. I therefore find this mark to be visually similar to the contested mark to no more than a medium degree.

23. Next, I turn to the aural comparison of the marks. The first and second earlier registrations will be pronounced in the same way and that will be the ordinary everyday pronunciation of the word 'SKY' which is one syllable. The contested mark will be two syllables, the first syllable will have identical pronunciation to the earlier registrations with the addition of 'CASE' (also given its ordinary pronunciation) immediately thereafter. I therefore find the marks to be aurally similar to a medium degree.

24. I note the applicant has provided submissions on the conceptual meaning behind their mark. They claim that their mark can be divided into two words: 'SKY' and 'CASE' and that 'SKY' means 'broad, confident, fashionable, comfortable' and 'CASE' means 'protective'. I also consider the following comments from Philip Harris, as the Appointed Person in *Retail Royalty Company v Harringtons Clothing Limited* O/593/20:

"75. In contrast conceptual meaning is, in simple terms, something akin to recognition in dictionaries (beyond a mere trademark acknowledgement) or a level of immediately perceptible notoriety/independent meaning, outside the confines of a purely trade mark context, of which judicial notice can be taken..."

25. In my mind, and in keeping with the above case law, I believe the average consumer will see the contested it as a portmanteau of the words 'SKY' and 'CASE' and give those their ordinary dictionary meanings. I believe in this instance that 'CASE' is descriptive of the class 9 and 18 goods that are within the applicant's specification. The dictionary definition of sky is not as detailed by the applicant above but rather 'the space around the Earth which you can see when you stand outside and look

upwards'.<sup>1</sup> This definition will also apply to both the earlier registrations, although they will obviously lack the addition of the word 'CASE'. I therefore find the marks to be conceptually similar to at least a medium (but not the highest) degree.

## **Distinctive Character of the Earlier Marks**

26. 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 WindsurfingChiemsee 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)."

27. The opponent made no claim and put forward no evidence relating to an enhanced level of distinctiveness of their earlier registrations.

<sup>&</sup>lt;sup>1</sup> https://www.collinsdictionary.com/dictionary/english/sky

28. The earlier registrations are comprised of one word 'SKY' which is an ordinary dictionary word. The mark is not descriptive of the applicant's goods and I consider that it would be fairly unusual for this word to be used in association with the goods registered by the opponent. However, the word is not invented which would usually provide the highest degree of distinctive character. I therefore find that the earlier registrations have a medium degree of inherent distinctive character.

### **Comparison of Goods**

29. 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."

30. In the judgment of the Court of Justice of the European Union ("the CJEU") in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

"In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary". 31. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

32. In *Gérard Meric v OHIM* ('Meric'), Case T-133/05, the General Court ("the GC") stated that:

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

33. For the purposes of considering the issue of similarity of goods, 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) and BVBA Management, Training en Consultancy v. Benelux-Merkenbureau [2007] ETMR 35 at paragraphs 30 to 38).

34. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the GC stated that "complementary" means:

"...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking".

Earlier goods	Contested goods			
The second earlier registration:	Class 9: Cases for smartphones; Covers			
	for smartphones; Covers for tablet			
Class 9: Bags adapted for laptops; cases	computers; Covers for personal digital			
especially made for photographic	assistants; Sleeves for laptops; Bags			
apparatus and instruments; cases fitted	adapted for laptops; Protective films			
with dissecting instruments	adapted for smartphones; Selfie sticks.			
[microscopy]; eyeglass cases; sleeves				
for laptops; spectacle cases; leather				
cases for holding mobile phones; cases,				
containers, protective coverings and				
parts and fittings therefor, all for use with				
MP3 players, music storage devices,				
media storage devices and other audio,				
visual and computer devices; cases for				
eyewear; cases for sunglasses; sports				
bags for protective helmets; carrying				
cases for radios				
The first earlier registration:	Class 18: Tool bags, empty; Boxes of			
	leather or leatherboard; Cases of leather			
	or leatherboard; Leather shoulder belts;			

Class	18:	Carry	bags;	rucksacks;	Backpacks;	Clothing	for pets; F	Pocket
musette bags; wet bags; race bags			wallets; Handbags; Cosmetic bags sold					
					empty; Sho	ulder bag	s; Bags; T	oiletry
					bags sold	empty;	Travelling	sets
					[leatherware	].		

35. I find that the following goods are found identically in the opponent's second earlier registration and the applicant's specification: bags adapted for laptops; sleeves for laptops.

## Cases for smartphones

36. I consider that the above goods from the applicant's specification are a wider category incorporating the opponent's 'leather cases for holding mobile phones' and therefore I find them to be identical under the *Meric* principles.

Covers for smartphones; Covers for tablet computers; Covers for personal digital assistants; Protective films adapted for smartphones

37. I find that the above applicant's services all fall within the wider category of the opponent's 'cases, containers, protective coverings and parts and fittings therefor, all for use with MP3 players, music storage devices, media storage devices and other audio, visual and computer devices' as I believe the devices referred to in the opponent's goods would include smartphones and tablet computers. Therefore, using the *Meric* principles, I consider them to be identical. In the event that I am wrong I consider that there would be an overlap in nature, use, user and trade channels and I therefore find them to be highly similar.

#### Selfie sticks

38. I believe there to be a very small overlap in nature between the applicant's 'selfie sticks' and the opponent's 'leather cases for holding mobile phones' as each good will be designed to hold a mobile phone within it; however, the materials and shape may

differ and the selfie sticks usually have an extendable pole to hold the phone away from the consumer. The use will differ as one is for protective purposes and the other is for taking photographs. The end user will overlap as they will be smartphone users. There will also be an overlap in trade channels as both goods are likely to be found together in mobile phone accessories shops or sections. They are not complementary, nor are they in competition. I therefore find them to be similar to a low degree.

### Tool bags, empty; Handbags; Cosmetic bags sold empty; Toiletry bags sold empty;

39. With regard to the applicant's goods above, I consider that these are all bags for carrying and transporting things so I find that they will share nature, purpose and user with the opponent's 'rucksacks'. In addition, such goods will also likely share the same distribution channels. I therefore find them to be similar to a medium degree.

#### Shoulder bags

40. I believe that the opponent's 'musette bags' are a type of shoulder bag which are traditionally used in cycling events. I therefore find that they fall within the wider category of the applicant's 'shoulder bags' and therefore, applying the *Meric* principles I find them to be identical.

#### Boxes of leather or leatherboard

41. I consider that the above goods from the applicant's specification will differ in purpose with the opponent's 'rucksacks' as the boxes are likely to be for storage whereas the rucksacks are for carrying and transporting things. They will not share users, nature or trade channels. I do not believe them to be complementary nor in competition either. I therefore find them to be dissimilar.

#### Cases of leather or leatherboard

42. I believe the above goods from the applicant's specification refers to things like suitcases and briefcases made from leather or leatherboard, I find that there is a shared purpose with the opponent's 'rucksacks' as both are for transporting and carrying goods. There could be an overlap in user and a slight overlap in nature as they could be made from the same materials. They could also share distribution channels. I therefore find them to be similar to a medium degree.

#### Leather shoulder belts

43. As per the Nice Classification notes, these goods are used in the sense of a strap that can be used over the shoulder for suspending different types of articles at the side. I therefore consider it to mean shoulder straps for bags. I have noted above that the opponent's 'musettes' are a type of shoulder bag and I find that there would be an overlap in user between these two goods- a consumer might look to have interchangeable straps on their bag or replace a worn strap. The overlap in nature is obviously in the strap itself whereas the musette is the whole bag product. There could be shared trade channels. I also believe they could be in competition as someone could be choosing between a new strap for an older bag or choosing a whole new bag instead. I therefore find these goods to be similar to a low degree.

#### Backpacks

44. I find that the applicant's 'backpacks' can also be described as 'rucksacks' as found within the opponent's specification and therefore I find them to be identical.

#### Clothing for pets

45. There is no obvious similarity to any of the opponent's goods and in the absence of specific submissions to the contrary, I find no similarity for the applicant's 'clothing for pets'.

#### Pocket wallets

46. I consider that the above goods from the applicant's specification are used to transport small items such as money and cards. I consider there is therefore a slight overlap in purpose with the opponent's 'rucksacks' as these are also used to transport items- albeit much larger items. There could also be an overlap in user. The nature

differs other than they could be made from similar materials. I believe there could be a small overlap in trade channels- they might be located in the same stores but not necessarily in the same sections. I do not believe they are complementary nor are they in competition. I therefore find these goods to be similar to between a low and medium degree.

## Bags

47. I find that the above goods from the applicant's specification is a wider category incorporating the opponent's class 9 goods and therefore, I find them to be identical under the *Meric* principles.

### Travelling sets [leatherware]

48. Given I have not been provided with any evidence to the contrary, I consider travelling sets to mean sets of luggage bags in differing sizes. Therefore, the above applicant's goods are for transporting things so I find that they will share nature, purpose and user with the opponent's 'rucksacks'. In addition, such goods will also likely share the same distribution channels. I therefore find them to be similar to a medium degree.

49. In *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, Lady Justice Arden stated that:

"49...... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity."

50. Therefore, as I have found no similarity for the applicant's: Boxes of leather or leatherboard; and clothing for pets in class 18, the opposition fails in relation to them.

51. The opposition will continue in respect of the applicant's class 9 goods and 'Tool bags, empty; Cases of leather or leatherboard; Leather shoulder belts; Backpacks; Pocket wallets; Handbags; Cosmetic bags sold empty; Shoulder bags; Bags; Toiletry bags sold empty; Travelling sets [leatherware]' in class 18.

### Average Consumer and the purchasing act

52. 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: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

53. 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. (as he then was) 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 word "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

54. The average consumer of the goods in classes of 9 and 18 will predominantly be a member of the general public.

55. The selection of such goods is largely a visual process, as the average consumer will wish to physically handle the goods to ensure the correct size has been selected, whilst simultaneously appraising the overall aesthetic impact and other features of the goods. If the consumer is buying online then I also note they will see the marks on the websites. I do not, however, ignore the potential for the marks to be spoken, for example, by sales assistants in a retail establishment or when making a purchase from

a catalogue, over the telephone. However, in the latter circumstances, the consumer will have had an opportunity to view the goods, perhaps electronically via an online catalogue or website, or on paper in the traditional sense of catalogue shopping. Therefore, when considering the aural impact of the marks, the visual impression of these goods will already have played a part in the consumer's mind.

56. Although the prices of individual items will vary greatly, I consider that the average consumer will pay a medium degree of attention during the purchase of the remaining goods.

## Likelihood of Confusion

57. There are two ways in which confusion between trade marks may arise. Firstly, direct confusion i.e., where one mark is mistaken for the other. The second is indirect confusion which is where the consumer appreciates that the marks are different, but the similarities between the marks lead the consumer to believe that the respective goods or services originate from the same or a related source.

58. In *L.A. Sugar Limited v 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 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, 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. 59. I have reached the following conclusions above regarding the marks:

- For the first earlier registration the overall impression lies in the word itself. For the second earlier registration, I consider the word element to be the dominant component and that the stylisation will play a much lesser role. For the contested mark, I have found that the 'SKY' section of the mark will be more dominant than 'CASE' due to the latter being descriptive of the goods in the applicant's specification.
- The first earlier registration is visually similar to the contested mark to a medium degree. The second earlier registration is visually similar to the contested mark to no more than a medium degree.
- The first and second earlier registrations are aurally similar to the opponent's mark to a medium degree.
- I have found the concepts for both earlier registrations to be similar to the concept of the contested mark to a medium degree.
- The first and second earlier registration are inherently distinctive to a medium degree.
- The goods still in play are either identical to the opponent's goods or similar to between a high and low degree.
- The average consumer will be paying a medium degree of attention.

60. I have found the element 'CASE' in the contested marks to be descriptive of the goods and therefore it plays a slightly lesser role in the mark however, I do not believe it will be completely overlooked by the average consumer. I am therefore not convinced that the average consumer would mistake one of these marks for the other in this instance. The addition of 'CASE' will not go unnoticed by the average consumer. Therefore, I do not find there to be a likelihood of direct confusion.

61. I shall therefore consider whether there is a likelihood of indirect confusion. Mr Iain Purvis Q.C. said further in *L.A. Sugar Limited v Back Beat Inc*:

"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)."

62. These examples are not exhaustive but provide helpful focus, as was confirmed by Arnold LJ in *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207:

"This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be and exhaustive definition."<sup>2</sup>

63. In my mind, it is clear that the contested mark would fall under the second category, the addition of a non-distinctive element expected of a brand extension. The word 'CASE' is descriptive of the goods offered and therefore would be the type of wording expected in a sub brand or brand extension of the primary 'SKY' brand of the applicant. I therefore find there would be indirect confusion between the marks. I find the same would occur even for the second earlier registration where that mark is slightly stylised as the dominant and distinctive component of that mark is still the word 'SKY' together with the possibility that the average consumer may imperfectly recall the stylisation of the mark.

<sup>&</sup>lt;sup>2</sup> Paragraph 12

#### Conclusion

64. The opposition under section 5(2)(b) is successful in relation to all of the class 9 goods and the following goods from class 18: Tool bags, empty; Cases of leather or leatherboard; Leather shoulder belts; Backpacks; Pocket wallets; Handbags; Cosmetic bags sold empty; Shoulder bags; Bags; Toiletry bags sold empty; Travelling sets [leatherware].

65. The opposition is unsuccessful in relation to the following goods from class 18: Boxes of leather or leatherboard and clothing for pets.

66. The third, fourth and fifth earlier registrations are no closer to the contested registration than the first and second earlier registrations which have been the subject of my initial comparison and therefore do not provide the opponent with any stronger case. The opponent has referred in its submissions to owning a family of marks however, evidence showing the marks are all on the market is required when putting forward this argument and the opponent has not provided any in this matter.

#### Costs

67. The opponent has largely been successful and is entitled to a contribution towards its costs. Awards of costs in proceedings are based upon the scale set out in Tribunal Practice Notice (TPN) 2/2016. After due consideration, I believe that an award of costs to the opponent is appropriate as follows:

Official fee	£100
Preparing the notice of opposition and considering the Counter Statement	£250
Considering the applicant's evidence	£100
Preparing written submissions in lieu of a hearing	£300

## TOTAL

68. I therefore order Guangzhou Yueyuegui Intelligent Technology Co., Ltd to pay Sky Limited the sum of £750. 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 20<sup>th</sup> day of March 2023

L Nicholas For the Registrar