BL O/0204/25

IN THE MATTER OF THE TRADE MARKS ACT 1994

AND IN THE MATTER OF UK REGISTRATION NO. 3717765

IN THE NAME OF
KLÖCKNER PENTAPLAST EUROPE GMBH & CO. KG

FOR THE TRADE MARK:

kp FlexiLid

IN CLASSES 16 AND 17.

AND IN THE MATTER OF AN APPLICATION FOR A DECLARATION OF INVALIDITY UNDER NO. 504805

BY FLEXOPACK SOCIETE ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY

ON APPEAL FROM THE DECISION OF THE HEARING OFFICER SARAH WALLACE DATED 19 APRIL 2024

DECISION OF THE APPOINTED PERSON

Introduction

1. This is an appeal from the decision of the Hearing Officer in an application for a declaration of invalidity of the following trade mark ('the Trade Mark') owned by Klockner Pentaplast Europe GmbH & Co. KG ('the Proprietor')

kp FlexiLid

2. The Trade Mark has a priority date of 29 October 2021. It is registered in respect of the following goods:

Class 16: Plastic materials for packaging of food; flexible and rigid plastic films, flexible and rigid plastic films for packaging or wrapping; Packaging materials made of plastic; plastic film for packaging; foils made of plastics for packaging purposes; top lidding films.

Class 17: Extruded plastics and metallized plastics in the form of sheets, foils and films for use in manufacture; Plastics in extruded form for use in manufacture; plastic film other than for wrapping; flexible and rigid plastic films, other than for wrapping; flexible and rigid films for the manufacture of packaging material; top lidding films.

3. The application was brought under s47 of the Trade Marks Act 1994 by Flexopack Societe Anonyme Commercial and Industrial Plastics Company ('the Applicant'). It was founded on s5(2)(b) of the Act, relying on confusing similarity with the following mark:

FlexoLid

4. This mark is registered in respect of the following goods all in class 16:

Plastic films for food packaging for industrial and commercial use; Food wrapping plastic films for industrial and commercial use; Thermoplastic polymer films for industrial and commercial food packaging; Cling film plastics for food packaging.

5. Before turning to the case in issue I should refer to an earlier action in the Trade Marks Registry between the parties (O/0651/23) in which the Proprietor sought to revoke the Applicant's **FlexoLid** registration under s3(1)(b) and (c) of the Act on

the basis that it lacked any distinctive character because it was descriptive of the goods for which it was registered. The argument was, in essence, that the ordinary consumer would understand the word **FlexoLid** as describing packaging with a flexible lid. This action failed. The reasoning of the Hearing Officer in that case may be summarised as follows: the word was not descriptive because (i) the goods for which the mark was registered were all 'films' for packaging, and 'film' would not ordinarily be considered to be 'flexible', (ii) whilst the word 'flex' could be seen as shorthand for 'flexible' and 'lid' as meaning 'lid', the presence of the letter 'o' as a connecting vowel between them turned the first word to 'flexo' which would be viewed as being 'an indirect and somewhat unusual play on the word' and therefore merely allusive and not descriptive of a characteristic of the goods. I will return later in this Decision to the reasoning in a little more detail.

6. It was not suggested by either party before me that the findings or reasoning of the Hearing Officer in relation to the **FlexoLid** registration were binding on the Hearing Officer in the present application (eg as giving rise to an issue estoppel). However, the Applicant (Appellant) relied on some of those findings and the Proprietor stated during the Hearing that it did not suggest that any of the findings were wrong. It seems to me that it would obviously be unsatisfactory to the parties and the interests of justice if two decisions concerning the same mark between the same parties were made on the basis of contradictory findings or reasoning. The Hearing Officer in the present case (para 27 of her Decision) noted the existence of the earlier decision, stated that she did not consider she was bound by it, but would *'keep it in mind in the course of reaching my decision'*. As we shall see, she did in fact draw on the earlier decision in relation to one point in her reasoning.

7. The Decision of the Hearing Officer summarised the law on likelihood of confusion under s5(2)(b) in a conventional way in para 12. No issue is taken with this, nor indeed on any of her statements of the legal tests to be applied in the case.

8. She went on to compare the goods of the registrations. She found that all the goods for which the Trade Mark was registered in class 16 were identical to the Applicant's goods *'Plastic films for food packaging for industrial and commercial use; Food wrapping plastic films for industrial and commercial use'*. So far as the class 17 goods of the were concerned, these were only similar 'to a low degree' with the goods of the Applicant's mark (all of which are in class 16). The class 17 goods are essentially plastics in various forms for use in manufacture, as opposed to the class 16 goods of the Applicant's mark which are 'finished goods'.

9. Turning to the average consumer, the Hearing Officer noted that the parties had agreed that the average consumer was a 'business user'. However, she considered that the average consumer could either be a business user or a member of the public (since the class 16 goods covered things like cling film). As I shall explain below it seems to me that this was correct in respect of the class 16 goods, but clearly not correct in respect of the class 17 goods. However, the Hearing Officer did not draw any distinction between the classes in this way.

10. The Hearing Officer then considered the distinctive character of the Applicant's mark **FlexoLid**. She considered that it would be seen as an invented word but that the average consumer would recognise the elements 'flexo' (alluding to the nature of the goods) and 'lid' (alluding to the intended purpose of the goods). She therefore held that it possessed 'somewhere between a low and medium level of distinctive character'.

11. As to the Trade Mark, the Hearing Officer found that the average consumer would understand the word **FlexiLid** to be allusive to flexible lids and give no descriptive meaning to the letters **kp**. However the letters **kp** were *'relatively banal and not particularly distinctive'*. As such, she held that the letters **kp** would *'play a lesser role despite being situated at the beginning of the mark. As such the overall impression lies predominantly within the word '**Flexile**''*.

12. Having made those findings on the distinctive character of the two Marks, she concluded that the marks were visually *'similar to somewhere between a medium and high degree'* and aurally similar *'to, at least, a medium degree'*. Conceptually (the letters **kp** being said to be *'conceptually neutral'*) the marks were *'highly similar, if not identical'*.

13. The Hearing Officer turned to the likelihood of confusion in the light of those findings at paragraph 42. As we have seen, she had already downgraded the significance of the letters **kp** as being not particularly distinctive. She followed this up in paragraph 42 by finding that the element **FlexiLid** was the *'dominant and distinctive'* element of the Trade Mark. As a result, despite the fact that the level of distinctiveness of the Applicant's mark **FlexoLid** was only 'somewhere between low and medium', there was a likelihood of confusion.

14. I should say that, although noting the *'interdependency principle'*, the Hearing Officer drew no distinction between the likelihood of confusion in respect of the goods in class 16 (held to be identical between the two marks) and class 17 (held to be similar only 'to a low degree').

15. In paragraph 43 (headed 'Final remarks') the Hearing Officer went on to consider whether she would have come to a different decision if she had thought that the letters **kp** played *'an equal role within the overall impression'*. In that case, she considered that the letters **kp** would be seen as a different and distinct mark from **FlexiLid**, forming the *'house mark'* of which **FlexiLid** was a sub-brand. The differences between **FlexoLid** and **FlexiLid** would be overlooked by the average consumer, and therefore the consumer would therefore see the two marks as the same (save for the presence or absence of the house brand). In which case, there would be a likelihood of indirect confusion.

Principles to be applied on appeal

16. I have been reminded of the principles to be applied when considering an appeal (especially from a specialist tribunal) on an evaluative question such as likelihood of confusion. These principles have been set out in many cases in recent years. I have been taken (inter alia) to the decisions on the role of the Appellate Tribunal in Reef Trade Mark [2003] RPC 5, Actavis v ICOS [2019] UKSC 1671 (at [78]-[81], Stitch Editing v TikTok [2023] EWHC 1167 (at [6]), TT Education v Pie Corbett [2017] ETMR 26.

17. In essence, the position is that such a decision ought not to be overturned unless the Appellate Tribunal is satisfied that there has been a 'distinct and material error of principle' in the approach taken by the Hearing Officer. This may be an error of law or, as stated in Re Sprintroom [2019] EWCA 932 *'a gap in logic, a lack of consistency, or a failure to take account of some material factor, which undermines the cogency of the conclusion'*.

This Appeal

18. The Proprietor (the Appellant in this appeal) has identified a number of alleged errors in the Hearing Officer's reasoning. As I set out below, I am satisfied that these are sufficient to undermine the cogency of the Hearing Officer's conclusions to such an extent that the Decision cannot stand.

(i) Distinctiveness of **FlexoLid**

19. The first point concerns the distinctiveness of the mark **FlexoLid**. The Hearing Officer stated in paragraph 29 as follows:

'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. Dictionary words which do not allude to the goods or services will be somewhere in

between. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion, since the more distinctive the earlier mark, the greater the likelihood of confusion may be.'

20. She also noted that this was not a case where any distinctive character had been enhanced by use.

21. In paragraph 31 she held that **Flexo** alluded to the nature of the goods and that **Lid** was allusive of the intended use. She then found that the mark *'possesses somewhere between a low and medium level of distinctive character'*.

22. The Appellant points out that there is an apparent inconsistency here. Having stated in para 29 that marks which are suggestive or allusive of characteristics of the goods have a *'very low'* degree of inherent distinctive character, she then finds (without any explanation) that this allusive mark has a *'low to medium'* degree of distinctive character.

23. I agree that this is an inconsistency, though without more I do not consider that it would be enough to undermine the Decision. However, it seems to me that the bigger problem is the failure by the Hearing Officer to grapple with the key question – what is it that gives this mark its distinctive character? I made this point in Kurt Geiger v A-List O/075/13:

38. The Hearing Officer cited Sabel v Puma at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in Sabel. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an

aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.

24. As the Appellant points out, this key question is one which was looked at in some detail in the earlier decision between the parties (O/0651/23) on whether the mark **FlexoLid** was invalid on absolute grounds as being devoid of distinctive character. The Hearing Officer in that case (Mr Cooper) found that it was not devoid of distinctive character, but his reasoning is important.

'26. Firstly, in considering 'Flexo', I do not consider that it will be considered as a shorthand term for the word 'flexible' in the same way that 'flex' or 'flexi' may be. On this point, I accept that certain words such as 'speedometer' or 'typographical', for example, may be shortened to 'speedo' or 'typo', respectively, but I see no basis to find that 'flexible', which contains no 'o', would be ordinarily shortened to 'Flexo'. Further, I have no evidence before me to demonstrate examples of any such shortening of 'flexible' by average consumers and neither is there anything pointing to ordinary dictionary words without a letter 'o' being commonly shortened in a similar way. Without any evidence in support of these points, I am not willing to infer as such. Secondly, even though I do not consider 'Flexo' to be a shortening of 'Flexible', I do accept that there will be some a connection being made between the two words. However, despite such a connection being made, it will not be direct. Instead, I am of the view that the presence of the letter 'o' will mean that 'Flexo' will be viewed as an indirect and somewhat unusual play on the word and, therefore, it will not be seen as descriptive of a characteristic of the goods (insofar as they can be said to be 'flexible').

27.As for the word 'Lid', I am of the view that will be understood as put forward by the applicant in its evidence, namely that it is a cover for a container that can be lifted up or removed. This word is, clearly, descriptive of a characteristic of the goods (insofar as they can be said to cover 'lids').

28.I am of the view that when the contested mark is viewed as a whole, it will not be viewed as having its own singular meaning. Instead, it will be understood as a combination of its individual elements, the meanings of which will be in line with those discussed above. While I note my findings in respect of the word 'Lid', I am of the view that given what I have said above regarding 'Flexo', the contested mark is, as a whole, only allusive to flexible lids, not descriptive of them. As such, it is not objectionable under section 3(1)(c) of the Act.'

25. It will be noted from this that the key to distinctiveness of the word **FlexoLid** was considered to lie in the presence of the letter '**O**' in what would otherwise have been a descriptive mark (at least for goods which might comprise or relate to lids). Since this is the very element of **FlexoLid** which is not present in the Trade Mark, it was obviously important for the Hearing Officer to address this question. I do not say that it necessarily needed to be addressed in paragraphs 29-31 of her Decision. However, it was not addressed at any point in the Decision. Indeed, as we shall see, everything in the rest of the Decision suggests that she did not attach any significance to the letter '**O**' in the Applicant's mark or its absence from the Trade Mark.

26. In my view this was an important and material error of principle. The parties were entitled to expect some consistency in approach with that taken by Mr Cooper in the earlier Decision. If a different approach were to be taken, they were entitled to have reasons why that course had been taken.

(ii) The average consumer

27. As I have said, the Hearing Officer disagreed with the position taken by the parties that the average consumer of the goods of the Trade Mark was a business user, holding that it was *'either a business user or the general public'*. This seems to me to have been a correct finding in relation to the class 16 goods. However, I cannot see that it could be justified in relation to the class 17 goods which are

plainly industrial products. The Hearing Officer erred in not making that distinction. In some cases, it might not matter very much, but in the present case it may well have done. If the average consumer is different, then a different evaluation should be made for each class of goods. Although the Hearing Officer characterised the level of attention paid by both the general public and business users as being *'a medium level'*, the nature of the purchasing process and the degree of interest and care which could be expected to be taken by a business over a purchase of a component of an industrial product is quite different from that of a customer picking an item off a supermarket shelf.

28. This distinction would have added to the already significant distinction between the categories of goods in classes 16 and 17 to which I refer below. It was a material error of principle.

(iii) Classes of goods and the interdependency principle

29. As I have pointed out, the Trade Mark is for goods in two classes. So far as the class 16 goods are concerned, they were considered to be identical to the goods of the earlier mark (also registered in class 16). However, when considering the class 17 goods of the Trade Mark, the Hearing Officer made a series of clear findings about the distinction between them and the class 16 goods of the earlier mark. For example, in relation to the category of *'extruded plastics'* or *'plastics in extruded form for use in manufacture*', the Hearing Officer said this (para 20 of her Decision):

'the trade channels and users differ…I do not consider the goods to be complementary as extruded plastics are not important or essential to the finished goods in class 16 in such a manner that consumers will reasonably believe that the responsibility for producing the competing goods lies with the same undertaking…'

30. In the circumstances, and on the basis of the well-known 'interdependency principle' (ie the greater the distinction between the goods, the closer two marks can be without causing confusion), the question of likelihood of confusion needed to be considered separately in respect of the class 16 and class 17 goods. Whilst the Hearing Officer did refer in passing to the interdependency principle in para 42 of her Decision, there is nothing to suggest that she did consider the likelihood of confusion separately. She simply finds at the end of paragraph 42 (and again in 43) that there is a likelihood of confusion *'even for goods that possess a low level of similarity'*.

31. Of course it is not necessary for a Hearing Officer to record all her thought processes when writing a Decision. However, where there is an apparent inconsistency between an earlier finding and a later conclusion, some explanation needs to be given. In the present case, the finding in para 20 which I have quoted above (consumers would not reasonably believe that responsibility for producing the goods in class 17 lies with the same undertaking as those in class 16) plainly makes origin confusion considerably less likely, even if it does not exclude it altogether. Indeed, it would appear on the face of it inconsistent with the finding in paragraph 43 that the average consumer would understand **kp FlexiLid** to be a brand extension or sub-brand deriving from the same undertaking as **FlexoLid**.

32. I consider that the Hearing Officer did not properly take into account the distinction between the class 16 and class 17 goods when considering the likelihood of confusion and that this was another error of principle undermining the Decision.

(iv) The 'overall impression' of the Trade Mark

33. A key part of the Hearing Officer's analysis on the likelihood of confusion was her assessment of the distinctive character or overall impression of the Trade Mark **kp FlexiLid**. She deals with this in para 36 of her Decision.

34. First of all she considers the descriptive nature of the word **FlexiLid**. She does that by considering the two elements of the word separately.

35. So far as **Flexi** is concerned, she says this:

*'I have considered the **FlexoLid** case referred to above and I agree with the previous decision reached that 'although plastic films are malleable, and can very easily conform to any shape and are commonly used to wrap around various forms of foodstuffs I do not consider that this equates to such goods being in line with the ordinary meaning of 'flexible' ie something that is able to bend or be bent easily without breaking'. Consequently the element 'Flexi' is not directly descriptive of the goods, but will be understood as alluding to the nature of the goods.'*

36. This is not a legitimate use of the earlier Decision. The Hearing Officer in the earlier Decision was considering whether **Flexo** could be said to be descriptive (as meaning 'flexible') given the nature of the products covered by the specification of goods of the **FlexoLid** mark. He found (perhaps surprisingly) that those particular goods were not 'flexible'. However, the question in the present case concerns the goods for which the Trade Mark (**kp FlexiLid**) is registered. They are not the same. Indeed, the specification of goods for which the Trade Mark is registered specifically uses the term 'flexible' on more than one occasion: *'flexible and rigid plastic films, flexible and rigid plastic films for packaging…'* (class 16) and *'flexible and rigid plastic films, other than for wrapping; flexible and rigid films for the manufacture of packaging material'* (class 17). The conclusion of the Hearing Officer in the earlier Decision that 'films' did not cover 'flexible' products cannot apply to the present case because the word 'flexible' is specifically used to describe such films. At the very least it would only apply to some of the products.

37. The finding of the Hearing Officer in the present case, using Mr Cooper's reasoning, that *'consequently the element 'Flexi' is not directly descriptive of the goods, but will be understood as alluding to the nature of the goods'* is therefore undermined by an error of principle.

38. I also consider that the Hearing Officer's finding that the '**Lid**' element is merely 'allusive' to the potential intended use of the goods is hard to justify. She appears to have been making a distinction between elements which are 'descriptive' and words which are 'allusive' (the latter being capable of conveying distinctive character), and considered that '**Lid**' fell into the latter category. In the context of goods which may have lids or be used to produce lids, I do not think that this is a reasonable finding. It is also inconsistent with Mr Cooper's finding in the earlier Decision which was that the term '**Lid**' was descriptive of such goods (the only distinctive character being provided by the term Flexo). See the earlier Decision at paragraphs 27-28.

39. The Hearing Officer then turns to the letters **kp**. She notes that these letters are not descriptive or allusive of the goods. However, the combination of the two letters is said to be *'relatively banal'* and *'not particularly distinctive'*. As such she finds that they play a 'lesser role' in the context of the Trade Mark despite being situated at the beginning of the Mark. She concludes that *'the overall impression lies predominantly within the word '**FlexiLid**'.* Later on of course she goes on to find that the word **FlexiLid** is the *'dominant and distinctive'* element of the mark.

40. I consider that this is not the correct view of the overall impression given by the Trade Mark. As I have already said, the Hearing Officer had already overstated the distinctive nature of the word **FlexiLid**. Especially in the context of products which could comprise or be used to make flexible lids, the word **FlexiLid** has little or no distinctiveness at all. It is entirely descriptive. I note Mr Cooper's remarks in the earlier case: first that the term Lid is entirely descriptive of such products (see para 27 of that Decision) and second (in para 26) that the terms

'flex or flexi' were shorthand terms for 'flexible' (unlike *'flexo'*). In those circumstances, the two letters **kp** (even if the mere combination of two letters could be regarded as somewhat 'banal') provide the only distinctive element of the mark. The overall impression of the mark is that it is referring to products which comprise flexible lids or can be used in the manufacture of flexible lids, from an organisation or company called '**kp**'. The 'origin message' here lies in the letters '**kp**' not the descriptive or quasi-descriptive term '**FlexiLid'**.

(v) Comparison of the marks

41. This (to my mind) erroneous view of the distinctive nature of the two marks, follows though in the Hearing Officer's comparison of the marks and her view on the likelihood of confusion.

42. Throughout the analysis of the similarities of the marks, the Hearing Officer does not take any account of (or at least place any significance on) the absence of the distinctive 'O' of the mark **FlexoLid** in the Trade Mark. For the reasons I have given above, this was an error of principle which undermined her view.

43. On conceptual similarity, the Hearing Officer finds that:

'The highly similar word with the respective marks. Ie 'FlexiLid'/'FlexoLid' delivers an equally similar message, ie they convey flexibility and that the possible intended use of the goods is to create a lid for something. As for the letters 'kp' found at the beginning of the proprietor's mark, they are conceptually neutral as although they may be seen as an acronym, they have no obvious meaning in respect of the goods at issue. Therefore, overall, the competing marks are conceptually highly similar, if not identical.'

44. Later on in paragraph 42 she finds that this *'shared conceptual meaning'* is what is likely to cause consumer confusion.

45. This analysis is (with respect to the Hearing Officer) a muddled and misleading approach to take to the question of conceptual similarity. First of all, if the shared concept of two marks is simply descriptive of the goods or their intended purpose, then it is of no significance in terms of origin confusion. The concept of a mark is only significant in terms of origin confusion where it has some distinctive character. Secondly (and relatedly), when considering the concept of a mark, it is necessary to have in mind the purpose of a trade mark, that is to say a sign which indicates the origin of the goods.

46. Looked at this way, what is the 'concept' of the mark **FlexoLid**? Reflecting Mr Cooper's earlier decision, this is a word which takes two descriptive elements ('flex' and 'lid') but introduces an 'O' to create the word 'flexo', said to be *'an indirect and somewhat unusual play on the word'*. This is what gives the word its character and enables it to indicate origin.

47. On the other hand the concept of **kp FlexiLid** seems to me to be a made up word **kp** followed by an entirely descriptive portmanteau word **FlexiLid** meaning flexible lids. The only thing in this mark which enables it to indicate origin (at least across the whole scope of the specification of goods) is the word **kp**. Its concept is something like '**flexible lid products from kp'**.

48. In the circumstances, the conclusion of the Hearing Officer that the concepts are *'highly similar, if not identical'* is in my view wrong.

(vi) Likelihood of confusion

49. The errors which I have identified clearly undermine the Hearing Officer's ultimate decision on likelihood of confusion. In my view had she approached the matter correctly she would not have found that there was a relevant likelihood of confusion between the marks such as to justify the application for invalidation.

50. The key reasoning here is in paragraph 42. First of all, the Hearing Officer downgrades the significance of the letters **kp** at the beginning of the Trade Mark, stating that they would *'have a minimal impact on the overall impression of the mark'*. For the reasons given above, I do not consider that this is the correct approach to a mark in which the letters **kp** are the only non-descriptive element. Secondly, she refers to the '*highly similar elements'* **FlexoLid** and **FlexiLid** and says they are the *'dominant and distinctive elements'* of the respective marks. Certainly in respect of **FlexiLid** I not consider that this is the correct analysis for the reasons I have given above. Furthermore she nowhere considers the significance of the letter '**O**' or its absence from the Trade Mark, in the light of the Decision of Mr Cooper. Thirdly, she refers to the *'shared conceptual meaning'* which (as I have indicated above) is in my view an erroneous interpretation of the marks.

My conclusion

51. I consider that the errors I have identified above vitiate the Hearing Officer's findings. I am entitled to consider the case afresh.

52. For the reasons I have given above, I consider that there is no relevant likelihood of confusion in this case. The element of the Applicant's mark **FlexoLid** which gives it distinctive character is not present in the Trade Mark. The Trade Mark contains an element which has distinctive character (**kp**) and an element which is descriptive (**FlexiLid**). The average consumer (whether a business or a member of the public) would take this as indicating products comprising flexible lids or for use in the manufacture of flexible lids from a company or organisation called **kp**. There is no counterpart of the name **kp** in the mark **FlexoLid** and I do nto consider that the average consumer would conclude that there was a connection in the course of trade with **FlexoLid.** Even if **FlexoLid** was called to mind, there would be no reason to suppose that **kp FlexiLid** is a brand extension of **FlexoLid**, not least because it would be a strange brand extension to drop the

element of the mark (the O) which gave it distinctive character. The similarity would be seen as down to the fact that both brands were using a portmanteau of the terms ‘flexible’ and ‘lid’ to describe their goods in a fairly obvious way.

53. I therefore find that the Appeal succeeds and that the Application for invalidation is dismissed. I direct that the Applicant do pay the Proprietor the sum of £1200 in respect of the costs of this Appeal. I will not make a separate Order unless requested to do so by the parties.

IAIN PURVIS KC

THE APPOINTED PERSON

5 MARCH 2025