

o/0578/24

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF APPLICATION NOS. UK00003825827 AND UK00003825830

BY ARK'S VISION FOR FOOD SUPPLIERS

TO REGISTER THE TRADE MARKS:

**KOA**

IN CLASS 43

AND



(SERIES OF 4)

IN CLASS 43

AND

IN THE MATTER OF OPPOSITIONS THERETO

UNDER NOS. 438832 AND 438833

BY KOASKULT GMBH

## BACKGROUND AND PLEADINGS

1. On 2 September 2022, ARK's Vision for Food Supplies ("the applicant") applied to register the **KOA** mark ("**827 Mark**") shown on the cover page of this decision in the UK. The application was published for opposition purposes on 25 November 2022. The applicant seeks registration for the following services:

Class 43 Services for providing food and drink; restaurant, cafe, bar and banqueting services; restaurant and bar management services; cocktail lounge services; food preparation services; catering services; provision of information, advice and consultancy in relation to all the aforementioned services.

2. On 2 September 2022, the applicant also applied to register the series of 4 marks ("**830 Marks**") shown on the cover page of this decision in the UK. The application was also published for opposition purposes on 25 November 2022. The applicant seeks registration for the same following services:

Class 43 Services for providing food and drink; restaurant, cafe, bar and banqueting services; restaurant and bar management services; cocktail lounge services; food preparation services; catering services; provision of information, advice and consultancy in relation to all the aforementioned services.

3. The applications were both opposed by Koaskult GmbH ("the opponent") on 24 January 2023. The oppositions are based upon sections 5(2)(a) and 5(2)(b) of the Trade Marks Act 1994 ("the Act") and the opponent relies upon the following trade mark:

**koa**

International registration no. WO000001531402.

International registration and designation date 12 March 2020.

Date of protection granted in UK 17 December 2020.

German priority date 2 October 2019.

Relying upon all of the goods for which its mark is registered, namely:

Class 29 Game; edible oils; edible fats; poultry, not live; milk products; milk beverages, milk predominating; milk; jams; compotes; dried fruit; dried vegetables; cooked fruits; cooked vegetables; jellies; meat extracts; meat; fish; eggs.

Class 30 Sugar; truffles [confectionery]; tea; edible ices; sauces [condiments]; mustard; chocolate-based beverages; salt; sago; rice, tapioca; rice; cocoa beverages with milk; treacle; flour; ice [frozen water]; candy coated confectionery; confectionery with chocolate coating; flour confectionery; dairy confectionery; cocoa powder; cocoa drinks in powder form; cocoa drinks; cocoa; artificial coffee; coffee; honey; yeast; spices; cereal preparations; pastries; vinegar; bread; baking powder.

Class 32 Syrups for making beverages; aerated waters; carbonated mineral waters; fruit juices; fruit drinks; beers; non-alcoholic preparations for making beverages; non-alcoholic beverages.

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

5. The applicant filed a counterstatement in both proceedings denying that the goods and services are similar enough for there to be a likelihood of confusion, however, admitted that “the contested mark has a degree of similarity to the opponent’s mark”.

6. On 2 June 2023, the Tribunal wrote to the parties informing them of the consolidation of the opposition action no. 438832 and opposition action no. 438833.

7. The opponent is represented by Beck Greener LLP and the applicant is represented by Cameron Intellectual Property Ltd. Neither party requested a hearing, however,

both parties filed evidence in chief and submissions in lieu of a hearing. I make this decision having taken full account of all the papers, referring to them as necessary.

## **RELEVANCE OF EU LAW**

8. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

## **EVIDENCE**

9. The opponent's evidence consists of the witness statement of Ian Bartlett dated 2 August 2023. Mr Bartlett is a registered trade mark agent and IP litigator at Beck Greener LLP, the representatives for the opponent. Mr Bartlett's statement is accompanied by 5 exhibits (IB1-IB5), and has been filed to show that restaurants and breweries in the UK also offer food and drink from outlets and online stores, including the brands Carluccios, Pret and Brewdog. However, I note that all of the exhibits have a print date of 2 August 2023, falling after the relevant date, and therefore do not assist the opponent.

10. The applicant's evidence consists of the witness statement of Amro Khalida Bagedo dated 10 October 2023. Mr Bagedo is the Director and Chief Executive Officer of the applicant, a position he has held since March 2020. Mr Bagedo's statement is accompanied by 7 exhibits (AKB1-AKB7).

11. I note the following from Mr Bagedo's statement and the evidence contained within **exhibits AKB1 to AKB4**:

- Undated screenshots from its KOA restaurant website (AKB1 and AKB4).
- Undated photos from its KOA restaurant and menu (AKB2).

- The applicant's ethos and nature of its restaurant (AKB3).
- US\$6.5 million has been invested into the KOA restaurant.
- The applicant has an annual turnover of US\$2,000,000.
- The applicant has a marketing spend of US\$500,000.

12. Mr Bagedo has not provided any further explanation as to why the above information and figures have been provided, and how it is useful or pertinent in these proceedings. However, if it has been filed to show the way in which the applicant's marks are used in practice, this does not assist the applicant because my comparison must be of the marks as registered/applied for. If the evidence has been filed to show how the applicant's services are used in practice, this is also not relevant to my assessment. I have to carry out a notional assessment based upon the specifications before me, and all the circumstances in which the marks applied for might be used if they were registered.<sup>1</sup> Furthermore, the applicant has not claimed that the parties' mark have been co-existing in the market place, and in any event, the opponent has not filed any evidence of use. There is, therefore, no evidence that the parties' marks have actually been co-existing. Consequently, the evidence does not assist the applicant.

13. I also note that Mr Bagedo has provided evidence in relation to the opponent, stating that the opponent is "Koakult GmbH" and not "Koaskult GmbH". On this basis, he found the website [www.koawach.de](http://www.koawach.de), which is exhibited at **AKB5** to **AKB7**, showing that it sells coffee, muesli, bars, drinks and cookies. Firstly, if this evidence was filed in support of the marks co-existing in the market place, it does not assist the applicant because it must show co-existence in the UK market, and the evidence is in relation to a German website (as indicated by the .de). Secondly, the opponent's IR is owned by Koaskult GmbH, and the current proceedings have been brought under this name. Consequently, I cannot take this evidence into consideration as the website is not under the name of the registered opponent.

14. Regardless, even if the applicant could establish that the website provided at **exhibits AKB5** to **AKB7** belongs to the opponent, with the intention to show that the

---

<sup>1</sup> *O2 Holdings Limited & Anor v Hutchison 3G UK Limited*, Case C-533/06, paragraph 66.

goods actually sold by the opponent are more limited than its specification, then this also does not assist the applicant. The IR upon which the opponent relies qualifies as an earlier IR because it was applied for at an earlier date than the applicant's trade mark pursuant to section 6 of the Act. The opponent's earlier IR had not completed its registration process more than five years before the relevant date (the filing date of the applicant's marks). Accordingly, the use provisions at section 6A of the Act do not apply and therefore the opponent is entitled to rely upon its full specification without having to show use of its IR.

## **DECISION**

15. Section 5(2) reads as follows:

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

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

(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.”

### **Section 5(2) Case Law**

16. In making this decision, I bear in mind the following principles gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04,

*Shaker di L. Laudato & C. Sas v OHIM, Case C-334/05P and Bimbo SA v OHIM, Case C-591/12P:*

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a 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 and services

17. The competing goods and services are as follows:

Opponent's goods	Applicant's services
<p><u>Class 29</u> Game; edible oils; edible fats; poultry, not live; milk products; milk beverages, milk predominating; milk; jams; compotes; dried fruit; dried vegetables; cooked fruits; cooked vegetables; jellies; meat extracts; meat; fish; eggs.</p> <p><u>Class 30</u> Sugar; truffles [confectionery]; tea; edible ices; sauces [condiments]; mustard; chocolate-based beverages; salt; sago; rice, tapioca; rice; cocoa beverages with milk; treacle; flour; ice</p>	<p><u>Class 43</u> Services for providing food and drink; restaurant, cafe, bar and banqueting services; restaurant and bar management services; cocktail lounge services; food preparation services; catering services; provision of information, advice and consultancy in relation to all the aforementioned services.</p>

<p>[frozen water]; candy coated confectionery; confectionery with chocolate coating; flour confectionery; dairy confectionery; cocoa powder; cocoa drinks in powder form; cocoa drinks; cocoa; artificial coffee; coffee; honey; yeast; spices; cereal preparations; pastries; vinegar; bread; baking powder.</p> <p><u>Class 32</u></p> <p>Syrups for making beverages; aerated waters; carbonated mineral waters; fruit juices; fruit drinks; beers; non-alcoholic preparations for making beverages; non-alcoholic beverages.</p>	
--	--

18. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“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.”

19. Guidance on this issue has come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

(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

20. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. chicken against transport services for chickens. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. (as he then was) noted, as the Appointed Person, in *Sandra Amalia Mary Elliot v LRC Holdings Limited*, BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense – but it does not follow that wine and glassware are similar goods for trade mark purposes.” Whilst on the other hand: “... it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

Whilst on the other hand:

“... it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

*Services for providing food and drink; restaurant, cafe, bar and banqueting services; food preparation services; catering services.*

21. The applicant's above broad terms have the primary purpose to serve food and drink for consumption. I note that the opponent's class 29 and 30 goods are not only important and indispensable to the applicant's services (with the opponent's "milk beverages, milk predominating" and "chocolate-based beverages", likely being served through the applicant's services), but the average consumer may perceive both the goods and services as coming from the same undertaking. Therefore, the goods and services are complementary. There may be an overlap in trade channels and I also consider that there is an overlap in end purpose (consumption of food and drink). Furthermore, the goods and services may be in competition, as the opponent's goods may be purchased instead of the applicant's services being used. Consequently, I consider that the goods and services are similar to a medium degree. However, if I am wrong to find the goods and services as complementary, I still consider that the goods and services are similar to a low degree.

*Cocktail lounge services.*

22. The applicant's above services have the primary purpose to serve drinks for consumption to the general public. I note that the opponent's class 32 goods are not only important and indispensable to the applicant's services (with the opponent's beers and fruit drinks, for example, likely being served through the applicant's services), but the average consumer may perceive both the goods and services as coming from the same undertaking. I therefore consider they are complementary. I also consider that there may also be an overlap in trade channels, and the goods and services overlap in end purpose (consumption of drink). Moreover, the goods and services could be in competition, as the opponent's goods may be purchased instead of the applicant's services being used. Taking all of the above into account, I consider that the parties' goods and services are similar to a medium degree. However, if I am wrong to find the

goods and services as complementary, I still consider that the goods and services are similar to a low degree.

*Provision of information, advice and consultancy in relation to all the aforementioned services.*

23. In paragraphs 21 and 22 above, I have found the applicant's services and the opponent's food and drink goods to overlap in trade channels. I therefore consider that with regard to the applicant's above information, advice and consultancy services, there may also be an overlap in user and trade channels, with the same undertaking providing food and drink, catering and restaurant services, and information and advice in relation to these services. For example, a consumer may go to an undertaking for information, advice and consultancy in relation to catering, and by virtue end up purchasing their catering services as well, which is facilitated by serving their own food and drink. However, the goods and services clearly do not overlap in nature, method of use or purpose, and I do not consider that the goods and services are in competition or complementary. Therefore, taking the above into account, I consider that the opponent's goods and applicant's services are similar, but to a low degree.

*Restaurant and bar management services; provision of information, advice and consultancy services in relation to restaurant and bar management services.*

24. I do not consider that the applicant's above services are similar to any of the opponent's food and drink goods in classes 29, 30 and 32. There is no overlap in purpose as the applicant's services are in relation to restaurant and bar management whereas the opponent's food and drink goods are for user consumption. The services clearly do not overlap in nature and method of use. I do not consider that there would be an overlap in trade channels, nor are the goods and services in competition or complementary. There may be an overlap in user, but this is not enough on its own for a finding of similarity. The goods and services are therefore dissimilar.

25. It is a prerequisite of sections 5(2)(a) and (b) that the parties' goods and services be identical or at least similar. The opposition will, therefore, fail in respect of the services that I have found to be dissimilar.

26. The opposition under sections 5(2)(a) and (b) fails for the following services:<sup>2</sup>

Class 43 Restaurant and bar management services.

### **The average consumer and the nature of the purchasing act**

27. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then determine the manner in which the goods and services are likely to be selected by the average consumer.

28. 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.”

29. The average consumer for the goods will be members of the general public. The cost of the goods in question is likely to vary, however, on balance it is likely to be relatively low. The majority of the goods will be purchased relatively frequently, most likely as part of a weekly food shop. Even where the cost of purchase is low, various factors will be taken into consideration such as the cost, taste, nutritional content and the ingredients, especially to reflect the user's dietary requirements which could encompass a vegetarian or vegan lifestyle, or any allergens to avoid. Therefore, I consider that the level of attention paid during the purchasing process will be between a low and medium degree.

---

<sup>2</sup> *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA

30. The average consumer for the services will be members of the general public, however, I do not discount that it could also include businesses. The cost of the purchase is likely to be vary, as will the frequency of purchase. The average consumer will take various factors into consideration when selecting the services such as the location, ease of access, availability of products and the range of products on offer. Therefore, I consider that the average consumer will pay a medium degree of attention during the purchasing process.

31. The goods are likely to be obtained by self-selection from shelves of a retail outlet or online equivalents. The good and services are likely to be purchased from specialist retailers or online equivalents. Visual considerations for both are, therefore, likely to dominate the selection process. However, I do not discount that there may also be an aural component to the purchase through advice sought from sales assistants or word-of-mouth recommendations.

### **Comparison of the trade marks**





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

33. 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.

34. The respective trade marks are shown below:

Opponent's IR	Applicant's marks
<p data-bbox="411 846 576 927"><b>koa</b></p>	<p data-bbox="995 633 1203 712"><b>KOA</b></p> <p data-bbox="1007 786 1190 819">(827 MARK)</p>     <p data-bbox="890 1906 1310 1939">(830 MARKS, SERIES OF 4)</p>

## Identity of the marks

35. It is a prerequisite of section 5(2)(a) that the trade marks are identical. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, Case C-291/00, the Court of Justice of the European Union (“CJEU”) held that:

“54... a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by the average consumer.”

### *827 Mark*

36. The only difference between the opponent’s “koa” IR and the applicant’s “KOA” 827 Mark is the different presentation of typeface (upper case vs lower case). However, both marks are word marks which covers use in any standard typeface and therefore the marks are self-evidently identical.

### *830 Marks*

37. The applicant’s 830 Marks includes the addition of the smaller text, placed at the bottom of the mark, which I consider will be recognised by a significant proportion of average consumers as written in a foreign language. This, therefore, acts as a visual point of difference which will not go unnoticed by the average consumer. I do not, therefore, consider the opponent’s IR and the applicant’s 830 Marks to be identical.

38. As section 5(2)(a) requires the marks to be identical, the opponent’s claim under this ground falls at this hurdle in relation to the 830 Marks meaning the opposition under this ground is dismissed.

39. However, the opponent also relies upon section 5(2)(b) of the Act, and therefore I will proceed with the comparison of the opponent’s earlier IR and the applicant’s 830 Marks:

## Similarity of the marks

40. The opponent's IR consists of the invented word "Koa". There are no other elements to contribute to the overall impression that lies in the word itself.

41. The applicant's 830 Marks consist of the stylised invented word "KOA", with the letters K and A being connected by a wavy line, which the letter O floats above. Underneath is a text, presented in a smaller typeface, which as noted above, I consider will be recognised by a significant proportion of average consumers as written in a foreign language, although the specific language is unlikely to be identified. Both the invented word and text is either presented in dark blue or white, on a rectangle coloured background, either in the colour dark blue, cream or light blue. I consider that as the invented word "KOA" consists of identifiable letters from the English language, and therefore can be aurally pronounced by the average consumer, it is the distinctive and dominant part of the mark. Therefore, it will likely play a greater role in the overall impression, with the stylisation of the word KOA, the foreign language text and background playing a lesser role.

42. Visually, the opponent's IR and 830 Marks consist of, or include, the word KOA, which is the largest, dominant and distinctive part of the applicant's marks. This acts as a visual point of similarity. However, the word KOA in the 830 Marks are presented in a stylised typeface, contain the foreign language text presented in a smaller typeface and the rectangular backgrounds, which act as visual points of difference. I therefore consider that the marks are visually similar to a high degree.

43. Aurally, I consider that the UK average consumer will not pronounce the foreign language text in the applicant's 830 Marks. I therefore consider that the opponent's IR and the applicant's 830 Marks will most likely be pronounced as either KO-UH, or KAY-OH-AYE, making them aurally identical.

44. Conceptually, neither party made any submissions as to the meaning of the word KOA. However, I consider that the average consumer will recognise it as an invented word with no conceptual meaning. I also consider that the foreign language text will not be attributed any identifiable meaning by the average consumer and will not,

therefore, contribute to the conceptual meaning conveyed by the applicant's marks. The different coloured rectangle backgrounds also do not contribute to the conceptual message of the marks. On this basis, the opponent's IR and applicant's 830 Marks are conceptually neutral.

### **Distinctive character of the earlier IR**

45. 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 C108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promotion of 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).”

46. 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, 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.

47. As the opponent has not filed any evidence to show that the distinctiveness of its IR has been enhanced through use, I only have the inherent position to consider.

48. The opponent's IR consists of the word "Koa", which will be recognised as an invented word by average consumers, which is neither allusive nor descriptive of its goods. Therefore, it is inherently distinctive to a high degree.

### **Likelihood of confusion**

49. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e., a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. It is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

### **827 Mark**

50. The following factors must be considered to determine if a likelihood of confusion can be established:

- I have found the parties' goods and services to be similar to either a medium degree, or a low degree.

- I have identified the average consumer to be members of the general public and professional users, who will select the goods and services primarily by visual means, although I do not discount an aural component.
- I have concluded that between a low and medium degree of attention will be paid during the purchasing process of the goods.
- I have concluded that a medium degree of attention will be paid during the purchasing process for the services.
- I have found the opponent's IR and the applicant's 827 Mark to be identical.
- I have found the opponent's IR to be inherently distinctive to a high degree.

51. As the opponent's IR and applicant's 827 Mark are identical (consisting of the invented and distinctive word "KOA"), and the goods and services are similar to either a medium or low degree, there is a likelihood of direct confusion, due to the effect of the interdependency principle.

52. The opposition against the 827 Mark is partially successful under section 5(2)(a).

### **830 Marks**

- I have found the parties' goods and services to be similar to either a medium degree, or a low degree.
- I have identified the average consumer to be members of the general public and professional users, who will select the goods and services primarily by visual means, although I do not discount an aural component.
- I have concluded that between a low and medium degree of attention will be paid during the purchasing process of the goods.
- I have concluded that a medium degree of attention will be paid during the purchasing process for the services.
- I have found the opponent's IR and the applicant's 830 Marks to be visually similar to a high degree and aurally identical.
- I have found the opponent's IR and the applicant's 830 Marks to be conceptually neutral.
- I have found the opponent's IR to be inherently distinctive to a high degree.

53. Taking all of the above into account, considering the principle of imperfect recollection, and bearing in mind that all of the marks consist of, or contain, the invented and distinctive word “KOA”, the element playing the greater role in the overall impression of the applicant’s 830 Marks, I consider that the opponent’s IR and the applicant’s 830 Marks are likely to be mistakenly recalled or misremembered as each other. This is particularly the case given the high degree of visual similarity and aural identity between the marks.

54. The only differing elements between the opponent’s IR and the applicant’s 830 Marks is the slightly stylised typeface of the word KOA (whereby the K and A are connected), the foreign language text (presented in a smaller size to the word KOA, at the bottom of the mark), and the different coloured rectangular backgrounds in the applicant’s series of marks. However, all of these elements would be easily forgotten by the average consumer, especially as they play a lesser role in the overall impression. Consequently, this results in a likelihood of direct confusion on all of the parties’ goods and services, which are similar to either a medium or low degree, due to the effect of the interdependency principle.

55. For the sake of completeness, I will also assess if there is a likelihood of indirect confusion. Indirect confusion was described in the following terms by Iain Purvis Q.C. sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

“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.

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)".

56. 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 where there is no likelihood of direct confusion.

57. The opponent's IR is inherently distinctive to a high degree because it is an invented word with no conceptual meaning. On this basis, I consider that the common element is sufficiently distinctive that the average consumer would assume that no one else but the brand owner would be using it in a trade mark. The average consumer

will thus see the addition of the foreign language text and stylistic elements in the applicant's 830 Marks (including the typeface connecting the letters K and O, and different coloured rectangular backgrounds) and perceive them as alternative marks being used by the same or economically linked undertakings. I find a likelihood of indirect confusion.

58. The opposition against the 830 Marks are partially successful under section 5(2)(b).

## **CONCLUSION**

59. The oppositions are partially successful under sections 5(2)(a) and 5(2)(b) in respect of the following services:

Class 43 Services for providing food and drink; restaurant, cafe, bar and banqueting services;; cocktail lounge services; food preparation services; catering services; provision of information, advice and consultancy in relation to all the aforementioned services.

60. The applications can proceed to registration in respect of the following services, for which the oppositions have been unsuccessful:

Class 43 Restaurant and bar management services.

## **COSTS**

61. In these consolidated proceedings, the opponent has enjoyed a greater degree of success and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016.

62. As noted in paragraph 9 above, the opponent's evidence falls after the relevant date and therefore did not assist the opponent. On this basis, I shall not be awarding any costs in relation to it. Whilst I also note that the applicant's evidence did not assist

its case, the opponent would have still considered it, and therefore I will award costs in this regard. Consequently, I award the opponent the sum of **£1,000** as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Filing a Notice of opposition and considering the applicant's counterstatement (x2)	£350
Considering the applicant's evidence	£250
Filing written submissions	£200
Official Fees (x2)	£200
<b>Total</b>	<b>£1,000</b>

63. I therefore order ARK's Vision for Food Supplies to pay Koaskult GmbH the sum of £1,000. This sum is to be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

**Dated this 20<sup>th</sup> day of June 2024**

**L FAYTER**

**For the Registrar**