

O/0678/24

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. UK00003829197
BY UNICORN GLOBAL LIMITED
TO REGISTER THE FOLLOWING TRADE MARK:**



IN CLASSES 30 AND 35

AND

**IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 438016
BY KONINKLIJKE DOUWE EGBERTS B.V.**

BACKGROUND AND PLEADINGS

1. On 13 September 2022, UNICORN GLOBAL LIMITED (“the applicant”) applied for the trade mark shown on the cover page of this decision, in the UK (“the contested mark”). The application was published for opposition purposes on 14 October 2022 in respect of the following goods and services:¹

Class 30: Coffee, coffee extracts, coffee-based preparations and beverages; iced coffee; coffee substitutes, extracts of coffee substitutes, preparations and beverages based on coffee substitutes; chicory (coffee substitute), coffee pods and capsules. Tea, tea extracts, tea-based preparations and beverages; iced tea; malt-based preparations for human consumption; cocoa and cocoa-based preparations and beverages; chocolate, chocolate products, chocolate-based preparations and beverages.

Class 35: *Commercial consultancy, advertising, advertising services provided over the internet; presentation of goods and services on the internet; business management; services in the field of marketing; wholesaling and retailing, including via the internet, of coffee, coffee pods, coffee capsules and electric coffee machines; internet marketing services; auctioneering, in particular in the internet; business administration; business consultancy with regard to franchising; commercial management assistance in relation to franchises; office functions, office functions for others.*

2. On 14 December 2022, the application was partially opposed by Koninklijke Douwe Egberts B.V. (“the opponent”) based upon Sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”).

3. For its objection under Section 5(2)(b), the opponent relies on the following trade mark² (“the earlier mark”) and all of the goods covered by the same, as shown below:

¹ The specification originally covered Class 11 *Coffee percolators, electric*, which was subsequently deleted.

² On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all rights holders with an existing EUTM. As a result of the opponent having an EUTM being protected as at the end of the Implementation Period, a comparable UK trade mark was automatically created. The comparable trade mark shown here is now recorded on the UK

UK00810598575

L'OR

Filing date: 01 April 2010

Registration date: 19 July 2011

Priority date: 18 December 1992

Class 30: *Coffee, also coffee in filter packing, coffee-based beverages; coffee and coffee beverages containing milk, milk powder, coffee substitutes, cocoa, chocolate, cereals, fruits, sugar, herbs or spices or a combination of these products; coffee-extracts, instant coffee, coffee substitutes; tea, tea-based beverages, leaf tea, herbal tea, tea-extracts, instant tea, tea-substitutes; tea infusions, infusions; cocoa, cocoa-based beverages; herbs for the preparation (making) of beverages; mixtures of herbs for the preparation (making) of beverages; mixtures mainly consisting of herbs with the addition of dried fruits for the preparation (making) of beverages; decoctions of herbs, not for medical use.*

4. The opposition under Section 5(2)(b) is directed against only those goods and services underlined above. The opponent claims that the marks are similar and that the goods and services are identical or similar, with the result that there is a likelihood of confusion.

5. For its objection under Section 5(3), the opponent relies on the same earlier mark no. UK00810598575, which, it claims, has a reputation in relation to *Coffee, also coffee in filter packing, coffee-based beverages; coffee and coffee beverages containing milk, milk powder, coffee substitutes, cocoa, chocolate, cereals, fruits, sugar, herbs or spices or a combination of these products; coffee-extracts, instant coffee, coffee substitutes*. The opponent claims that use of the applicant's mark in

trade mark register, has the same legal status as if it had been applied for and registered under UK law and retains its original filing date.

relation to the following goods and services would take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier trade mark:

Class 30 - *Coffee, coffee extracts, coffee-based preparations and beverages; iced coffee; coffee substitutes, extracts of coffee substitutes, preparations and beverages based on coffee substitutes; chicory (coffee substitute), coffee pods and capsules.*

Class 35 - *Wholesaling and retailing, including via the internet, of coffee, coffee pods, coffee capsules and electric coffee machines.*

6. By virtue of its priority date, the trade mark upon which the opponent relies qualifies as an earlier trade mark pursuant to Section 6 of the Act. As the earlier mark had been registered for more than five years at the filing date of the contested mark, it is subject to the use conditions pursuant to Section 6A of the Act. Accordingly, the opponent made a statement that it has used its mark in relation to *coffee, also coffee in filter packing, coffee-based beverages; coffee and coffee beverages containing milk, milk powder, coffee substitutes, cocoa, chocolate, cereals, fruits, sugar, herbs or spices or a combination of these products; coffee-extracts, instant coffee, coffee substitutes.*

7. The applicant filed a counterstatement, denying the claims made and putting the opponent to proof of use of the earlier mark in relation to all of the goods for which the earlier mark is registered.

8. The opponent is represented by Wilson Gunn. The applicant is represented by Punyadi Perera. Both parties filed evidence during the evidence rounds, with the opponent also filing evidence in reply.

9. Neither party requested a hearing, and only the opponent filed written submissions in lieu. This decision is taken following a careful consideration of the papers.

THE EVIDENCE

10. The opponent's evidence-in-chief came in the form of a witness statement from Terry Roy Rundle dated 22 May 2023. Mr Rundle is a Chartered Trade Mark Attorney employed by Wilson Gunn, the firm representing the opponent in these proceedings. Mr Rundle's statement is accompanied by five exhibits labelled Exhibits TRR01-05.

11. The applicant's evidence-in-chief came in the form of a witness statement from Kshitij Dhupar dated 13 September 2023. Mr Dhupar is the Director of the applicant's company, and his witness statement contains only submissions.

12. The opponent's evidence-in-reply came in the form of a second witness statement from Mr Rundle dated 10 November 2023; attached to Mr Rundle's second witness statement is one exhibit labelled TRR06.

13. I do not intend to summarise the parties' evidence at this stage, but I confirm that I have given due consideration to all of the documents filed by both parties.

RELEVANCE OF EU LAW

14. 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.

DECISION

Proof of use

15. Section 6A of the Act states:

“(1) This section applies where

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

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (aa) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

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

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

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

(3) The use conditions are met if –

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

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

(4) For these purposes –

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

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

(5)-(5A) [Repealed]

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

16. Section 100 is also relevant, which reads:

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

17. The relevant period in which genuine use must be established is the five-year period ending with the filing date of the contested application: **14 September 2017 to 13 September 2022**. As the earlier mark subject to proof of use is a comparable mark, use within the EU is relevant for the part of the relevant period which falls prior to IP Completion Day (i.e. 31 December 2020).³ Only use in the UK will be relevant after that date.

18. In *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:

“105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009]

³ See paragraph 7 of Part 1, Schedule 2A of the Act.

ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C-720/18 and C-721/18 *Ferrari SpA v DU* [EU:C:2020:854].

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale

of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

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

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

19. With regards to assessing use within the EU (which is relevant due to the earlier mark being a 'comparable mark'), I also bear in mind that in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, the CJEU found that while use of a Community trade mark in one member state could suffice to establish genuine use in the Community, "*all facts and circumstances*" should be considered including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity.⁴

The evidence

20. Mr Rundle, who gave evidence on behalf of the opponent, is a Chartered Trade Mark Attorney employed by Wilson Gunn, the firm acting for the opponent in these proceedings. Mr Rundle states that the information he provides is either within his own knowledge or is based on the information supplied to him by others. He further states that where it is within his knowledge it is true; and where it has been supplied to him by others it is true to the best of his knowledge and belief. It is obvious that Mr Rundle does not have first-hand knowledge of the use of the earlier mark since he does not say that the stated facts come from the company's books and records to which he has access.

21. Hearsay evidence can be taken into account and given such weight as the Tribunal considers appropriate. What weight is to be attached to that evidence will depend upon a number of factors, which are set out in the Civil Evidence Act 1995.⁵ I need not refer to them explicitly, but it is obvious that, if there is further corroborative and supporting evidence which bears directly on the hearsay evidence, the hearsay evidence is less likely to be decisive.

22. Mr Rundle's first witness statement contains very little narrative and is merely a vehicle for introducing four exhibits which show the results of Google searches

⁴ See also *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52 (paragraphs 228-230) and Case T-398/13, TVR Automotive Ltd v OHIM (paragraph 57)

⁵ See Civil Evidence Act 1995 Section 4

conducted by Mr Rundle with a view of supporting the claim that the earlier mark has been put to genuine use:

- **Exhibit TRR-01:** it comprises a copy of an online article titled “*New L’Or coffee brand from Jacobs Douwe Egbert*” from the website www.conveniencestore.co.uk. The article is dated 27 January 2017 and announces the launch of the new coffee brand L’OR stating “*Jacobs Douwe Egbert has launched its new coffee brand L’Or, supported by a marketing investment of £8 million*”;
- **Exhibit TRR-02:** comprises copies of webpages from the UK Amazon website showing customers’ reviews for the opponent’s L’OR Classique Instant Coffee. The pages are undated save for the printing date of 21 May 2023 but include reviews from UK customers dated on various dates in 2021 and 2022 and falling within the relevant period;
- **Exhibit TRR-03:** comprises a webpage from The Wayback Machine evidencing the advertisement of L’OR coffee from the website www.jacobsdouweegnertsprofessional.co.uk. Mr Rundle states that the document is dated 21 March 2020. In this connection, I note that although the document carries a printing date of 18 May 2023, the address link to the Wayback Machine archive at the top of the page contains the string of numbers 20200321135106, the first part of which (i.e. 2020-03-21) seems to represent the date given by Mr Rundle;
- **Exhibit TRR-04:** comprises webpages from the websites of Asda, Tesco, Sainsbury’s, Morrisons, Waitrose and Iceland, each offering L’OR classic instant coffee for sale. The pages are undated, save for the printing date of 18 May 2023 and the product appears as shown below:



- **Exhibit TRR-05:** comprises an online article dated 2 December 2017 from the website www.thisismoney.co.uk. Mr Rundle says that the article was published after the launch of the new L'OR coffee brand. The article says that L'Or means gold in French and explains that the new coffee brand replaced the previous Carte Noire. The article further states that to promote the new brand L'OR, UK supermarkets took in turn to offer 200g of L'Or at £4 each.

23. The applicant's position, as set out in the witness statement of Mr Dhupar is as follows:

"Exhibits TRR1 to TRR5 consist of pictures of the evidence of use of the Opponent's coffee products in the market. [The] Applicant does not deny that [the] Opponent has used their mark for coffee products. However, [the] applicant denies that [the] Opponent has a reputation in the UK market because there is no evidence to substantiate this claim. The evidence of use filed with the Witness Statement does not prove that [the] Opponent has a reputation in the UK. The absence of the substantial documentary evidence of real commercial exploitation of the mark such as market surveys, annual turnover of the particular product, sales invoice etc [the] Applicant denies that [the] Opponent has a reputation in the market ..."

24. In response to those criticisms, Mr Rundle filed a second witness statement introducing turnover figures, marketing figures and invoices.

25. In terms of turnover, Mr Rundle states that the value of UK sales of L'OR coffee and coffee products during the period 2017 to 2021 was in excess of **£320 million** represented by the sales value figures shown below:

2017: £42million

2018: £63million

2019: £70million

2020: £78million

2021: £73million

26. Supporting invoices are provided at Exhibit TRR-06. There are around 26 invoices issued by Jacobs Douwe Egberts GB Ltd, which Mr Rundle explains, is a British company associated with the opponent. The invoices are addressed to UK leading supermarkets including Tesco, Sainsbury's, Morrisons and Asda and the UK branch of Amazon EU and are dated between May 2017 and September 2021. The goods sold are all coffee products, and the brand L'OR appears in the description of the goods along with other coffee brands, such as Kenco.⁶ According to my calculation, the total value of the sales of L'OR branded coffee as evidenced by the invoices exceeds £600,000.

27. In terms of marketing, Mr Rundle states that expenditure in the UK for advertising and promoting L'OR coffee and coffee products during the period 2017 to 2021 was in excess of £22million broken down as follows:

2017: £6.7million

2018: £6.7million

2019: £5.5million

2020: £750,000

⁶ One of the articles exhibited states that the Douwe Egberts, which is part of the opponent's name, owns Kenco as well as other coffee brands, like the previous Carte Noire

2021: £5.1million

28. Although the evidence filed by Mr Rundle is not first-hand evidence, there is nothing contentious about it. His evidence is consistent with the documents introduced by the exhibits, including the invoices which shows that the goods have been sold throughout the relevant period to all major UK supermarkets. Further, the evidence that the goods were purchased and stocked by all major supermarkets in the UK corroborates the significant turnover figures. Finally, the marketing figures for 2017 are corroborated by the evidence that when the brand was launched in 2017, it was supported by a marketing investment of £8million - this, I note, is slightly higher than the £6.7million marketing figure provided by Mr Rundle for the same year. In the absence of any challenge from the applicant, who says that it does not deny that the opponent has used the earlier mark for coffee products, I am satisfied that the evidence is sufficient to establish genuine use for coffee.

29. The opponent made a statement of use, stating that the earlier mark has been used only in relation to some of the goods for which it is registered, namely *Coffee, also coffee in filter packing, coffee-based beverages; coffee and coffee beverages containing milk, milk powder, coffee substitutes, cocoa, chocolate, cereals, fruits, sugar, herbs or spices or a combination of these products; coffee-extracts, instant coffee, coffee substitutes*. Further, in its submissions in lieu, the opponent proceeds on the basis that use has been shown for coffee and coffee products. The evidence shows use of the mark in relation to instant coffee, coffee capsules, and coffee beverages containing milk. With that in mind, and taking into account that the registered specification does not include the term *coffee products* at large, I consider a fair specification to be:

Coffee, also coffee in filter packing, coffee-based beverages; coffee and coffee beverages containing milk, milk powder; instant coffee.

Section 5(2)(b)

30. Section 5(2)(b) of the Act 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.”

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

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

32. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the

imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall 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 greater degree of similarity between the marks, and vice versa;

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

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

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

(k) if the association between the marks creates a risk that the public 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

33. 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.”

34. Guidance on this issue has also 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.

35. In *Gérard Meric v OHIM* Case T- 133/05, 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 for 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.”

36. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. 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.”

37. 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. The purpose of examining whether there is a complementary relationship between goods and services is to assess whether the relevant public are liable to believe that responsibility for the goods and services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander QC noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL O/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.”

38. 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.”

39. In light of my findings above, the competing goods and services are as follows:

The applicant’s goods and services	The opponent’s goods
<p>Class 30: <i>Coffee, coffee extracts, coffee-based preparations and beverages; iced coffee; coffee substitutes, extracts of coffee substitutes, preparations and beverages based on coffee substitutes; chicory (coffee substitute), coffee pods and capsules. Tea, tea extracts, tea-based preparations and beverages; iced tea; malt-based preparations for human consumption; cocoa and cocoa-based preparations and beverages; chocolate, chocolate products, chocolate-based preparations and beverages.</i></p> <p>Class 35: <i>wholesaling and retailing, including via the internet, of coffee, coffee pods, coffee capsules and electric coffee machines.</i></p>	<p>Class 30: <i>Coffee, also coffee in filter packing, coffee-based beverages; coffee and coffee beverages containing milk, milk powder; instant coffee.</i></p>

40. In its counterstatement, the applicant denied that the goods and services are identical or similar. However, in paragraph 18 of the witness statement of Mr Dhupar, the applicant accepted that the respective goods are similar, whilst maintaining that the contested retail and wholesale services are dissimilar.

41. Notwithstanding the admission that the goods are similar, the applicant did not say to what extent it considers the goods to be similar. Hence, I will carry out my own assessment of the similarity of the goods, proceeding on the basis that there is a degree of similarity.

Class 30

42. The opponent's goods are various types of coffee products. These encompass the applicant's coffee, coffee extracts, coffee-based preparations and beverages; iced coffee; coffee pods and capsules. These goods are either self-evidently identical, or identical on the principle outlined in *Meric*.

43. The applicant's coffee substitutes, extracts of coffee substitutes, preparations and beverages based on coffee substitutes; chicory (coffee substitute) are plant-based alternatives to coffee products. They overlap in purpose and nature with the opponent's coffee products, as they are used to make drinks that imitate coffee but are without caffeine. The goods coincide in the method of use and relevant public, are clearly in competition and are likely to be found in close proximity in supermarkets. These goods are similar to a high degree.

44. Despite the fact that the opponent's coffee goods and the applicant's tea, tea extracts, tea-based preparations and beverages; iced tea; malt-based preparations for human consumption; cocoa and cocoa-based preparations and beverages; chocolate-based preparations and beverages are produced using different raw materials, there is an overlap in the nature and method of use of the respective goods. This is because they are all used to make non-alcoholic beverages which are typically served hot. The goods are all consumed to quench thirst or for a pleasurable taste or experience and, in this connection, the intended purpose of the respective goods is the same. The goods are likely to be sold in close proximity in supermarkets, but are not important or

indispensable to one another and are not complementary. Nevertheless, a consumer seeking refreshment from a hot beverage could reasonably select cocoa, tea or malt over coffee, or vice versa, so there is a degree of competition. Overall, I find the respective goods to be similar to a medium degree.

45. Finally, insofar as chocolate and chocolate products include various chocolate beverages, these goods are also similar to a medium degree.

Class 35

46. In *Oakley, Inc v OHIM*, Case T-116/06, at paragraphs 46-57, the GC held that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree.

47. In *Tony Van Gulck v Wasabi Frog Ltd*, Case BL O/391/14, Mr Geoffrey Hobbs Q.C. as the Appointed Person reviewed the law concerning retail services v goods. He said (at paragraph 9 of his judgment) that:

“9. The position with regard to the question of conflict between use of **BOO!** for handbags in Class 18 and shoes for women in Class 25 and use of **MissBoo** for the Listed Services is considerably more complex. There are four main reasons for that: (i) selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35; (ii) an application for registration of a trade mark for retail services in Class 35 can validly describe the retail services for which protection is requested in general terms; (iii) for the purpose of determining whether such an application is objectionable under Section 5(2)(b), it is necessary to ascertain whether there is a likelihood of confusion with the opponent’s earlier trade mark in all the circumstances in which the trade mark applied for might be used if it were to be registered; (iv) the criteria for determining whether, when and to what degree services are ‘*similar*’ to goods are not clear cut.”

48. However, on the basis of the European courts' judgments in *Sanco SA v OHIM*, Case C-411/13P and *Assembled Investments (Proprietary) Ltd v. OHIM*, Case T-105/05, at paragraphs [30] to [35] of the judgment, upheld on appeal in *Waterford Wedgewood Plc v. Assembled Investments (Proprietary) Ltd* Case C-398/07P, Mr Hobbs concluded that:

i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer's point of view, they are unlikely to be offered by one and the same undertaking;

ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services (or vice versa), it is necessary to envisage the retail services normally associated with the opponent's goods and then to compare the opponent's goods with the retail services covered by the applicant's trade mark;

iii) It is not permissible to treat a mark registered for 'retail services for goods X' as though the mark was registered for goods X;

iv) The General Court's findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party's trade mark was registered (or proposed to be registered).

49. The contested wholesaling and retailing, including via the internet, of coffee, coffee pods, coffee capsules include retail services and wholesale services connected with the sale of the opponent's goods. Accordingly, I consider that based on their complementarity, but taking into account their different nature, purpose and method of use, the respective goods and services are similar to a low to medium degree.

50. Turning to the contested wholesaling and retailing, including via the internet, of electric coffee machines, in its submissions in lieu the opponent states:

“The contested services in Class 43 [*sic*] (other than those relating to electric coffee machines) are similar to the Opponent’s goods, which accords with the Registry’s cross search list in which for goods in Class 30 one is advised to: “Search only for marks which include specifications that specifically list retail services connected with the sale of the goods or types of goods listed in the application.” For retail services connected with the sale of certain identified goods in Class 35 one is advised to: “Search selectively in respect of the identified goods.”

51. The opponent did not say why it considers the contested retail and wholesale of electric coffee machines to be similar to the opponent’s coffee and, from the extract above, it is not clear whether it claims that they are similar. Nevertheless, since the opponent directed its objection against these services, and since it did not state that it intends to withdraw its opposition against them, I will proceed on the basis that the opponent’s position is that the goods and services are similar.

52. Admittedly the comparison is not between coffee and electric coffee machines, but between coffee (as a category of goods) and retail and wholesale of electric coffee machines (as a category of services). However, as the case-law set out above establishes, it is necessary to envisage the retail services normally associated with the opponent’s goods and then to compare the opponent’s goods with the retail services covered by the applicant’s specification. In the present case, the goods and services overlap in their purpose, since coffee and electric coffee machines are used to prepare coffee drinks. Furthermore, they are complementary since one is indispensable for the use of the other. Finally, specific coffee machines require specific coffee and/or specific coffee capsules, and the sole purpose of a coffee machine is to be used to make coffee. Overall, I consider that the complementarity between the goods and services is sufficiently pronounced that, from the consumer’s point of view, they are likely to be offered by the same undertaking. These goods and services are similar to a low degree.

Average consumer

53. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective goods and services. I must then determine the manner in which the goods and services are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. (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 words “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 for the parties’ goods and services will be a member of the general public or a business user, purchasing the goods and using the services for their restaurant/bar establishment. When selecting the goods and services, the consumer will take a number of factors into account such as flavour and origin (for the goods) and stocks available, price and location (for the services). Consequently, I consider that a medium degree of attention will be paid during the purchasing process for the goods and services. While business users are likely to pay an above medium degree of attention, if the goods or services covered by the marks at issue target both the general public and specialist users, the likelihood of confusion will be assessed in relation to the perception of the part of the public displaying the lower degree of attentiveness, as it will be more prone to confusion.⁷

⁷ See *Ergo Versicherungsgruppe v OHIM — Société de développement et de recherche industrielle (ERGO)*, T-220/09, paragraph 21.

55. The goods and services are likely to be selected from the shelves of supermarkets or retail outlets, following the perusal of marketing material, or from physical signage (or their online equivalents). Consequently, visual considerations are likely to dominate the selection process. However, I do not discount that aural components may play a part as word-of-mouth recommendations may be made.



Comparison of marks

56. 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.”

57. 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.

58. The respective marks are shown below:

The applicant's mark	The opponent's mark
	

59. The parties have made submissions on the similarities and differences between the marks. The opponent states:

“Visually, the respective marks are similar on account of the identical suffix OR preceded by an apostrophe and a single letter. It is this apostrophising of the respective marks that contributes considerably to the visual similarity that will not go unnoticed by the average consumer. The presence of the non-distinctive word CAFÉ being a direct reference to the goods (coffee) and which is well-known to the average consumer will not diminish the impact of the word D’OR.

The respective marks are in the French language, but the meaning of the words will not be lost on the average consumer. L’OR is the French for ‘GOLD’ and D’OR is French for ‘GOLDEN’, and the contested mark will be viewed by many consumers as meaning ‘GOLDEN COFFEE’. Thus, when applied to coffee, the Opponent’s mark will be viewed by the same consumers as ‘GOLD COFFEE’. It follows that the respective marks are conceptually identical.”

60. The applicant states:

“From visual perspective, even both marks share the similar words OR though Applicant's mark is different from the Opponent's mark as Applicant's mark has an additional element of CAFE D at the beginning. The Opponent's mark also has an additional component of 'L' at the beginning of the mark and Applicant's mark is written in white text in a black squared background. In contrast, Opponent's mark written in black text and in a font which is very different to the Applicant's.

Aurally, the marks in question pronounce differently. Applicant's mark has 3 syllable words and there are 7 characters in total. [The] Opponent's mark as a whole has 2 syllable words and 3 characters in total.

Conceptually, the meaning of both marks will not be understood by the English consumers. However, the applicant's mark starts with the word Café which is understood by the English consumers as a cafeteria or a small restaurant. [The] Opponent mark L'OR has no English meaning and therefore both marks are conceptually dissimilar. As defined in *Sabel v Puma*, if a trade mark consisting two or more components each component should not be assessed in isolation but has to be assessed as a whole focusing on the overall impression of the mark. By considering the above aural, visual and conceptual differences, the Applicant believes that the marks in question share very low level of visual, aural and conceptual similarity.”

61. Bearing in mind these submissions, I now turn to the overall impression.

Overall impression

The applicant's mark

62. The applicant's mark consists of the word CAFÉ, the letter D followed by an apostrophe, and the word OR, all presented in capital letters, in white and in a bold slightly stylised typeface. These elements are placed within a black rectangular background.

63. CAFÉ D'OR means, so far as I am aware, GOLDEN COFFEE in French, the literal translation of the phrase being “coffee of gold”. This is also what the opponent says is the meaning of the mark. However, I am not persuaded that that meaning would be obvious to the average consumer in the UK. On the other hand, it is reasonable to assume that CAFÉ would be familiar to many people because it resembles its English equivalent “coffee” and also because it is a dictionary word which denotes a small coffee bar (Collins online English dictionary). The mark as a whole I think, will be recognised as a combination of French words whereby the element CAFÉ will be

ascribed the meaning of “coffee” or “coffee bar” though whether, as the applicant suggests, the element D’OR has a well-known meaning is less clear; in this connection, I consider that although some consumers who are familiar with the French language will understand the meaning of D’OR, that would not represent a significant proportion of the UK relevant public.

64. In the context of the relevant goods and services, which include coffee, coffee substitutes and other hot beverages such as teas and chocolates that are normally served in coffee bars, and retail and wholesale of coffee and electric coffee machines, the verbal element CAFÉ is far less distinctive than the verbal element D’OR. However, whilst CAFÉ has very little or no distinctiveness in relation to the contested coffee products, coffee substitutes and retail and wholesale of coffee and electric coffee machines, it is slightly more distinctive (i.e. to a low degree) in relation to the contested teas and chocolate products, because although it does not describe the goods themselves, they are all goods that are typically sold in coffee bars. Consequently, despite its position at the end of the mark, the element D’OR carries the greatest weight in the overall impression, owing to its relatively greater degree of distinctiveness as compared to the element CAFÉ. The background is banal and has little or no weight in the overall impression.

The opponent’s mark

65. The earlier mark consists of the letter L followed by an apostrophe and the sequence -OR, all presented in capital letters, in black, in a bold slightly stylised typeface. There are no other elements that contribute to the overall impression of the mark.

66. Having some knowledge of French, I know that L’OR means “the gold” in French, L’ being the definite article corresponding to the English “the”, and OR meaning “gold”. However, there is no evidence that those who understand French represent a significant proportion of the UK relevant public. Hence, the earlier mark is likely to be perceived by the UK average consumer as a French/foreign word or short phrase with no obvious meaning.

Visual similarity

67. Visually, the marks share the identical two-letter sequence -'OR as well as the apostrophe that precedes it. Similarly in each mark, the apostrophe and the element –OR follow a consonant, namely the letter D (in the applicant's mark) and the letter L (in the earlier mark). The elements D'OR and L'OR are, in themselves, similar to a high degree.

68. The element D'OR in the application is preceded by the four-letter word CAFÉ which has no counterpart in the earlier mark, resulting in the competing marks having different lengths, i.e. seven letters versus three letters. Having said that, the fact that the word CAFÉ has little or no distinctiveness in the context of the goods and services at issue, means that notwithstanding its prominent position at the beginning of the mark, the consumer's attention will focus on the element D'OR. In both marks the words are presented in bold and in a similar typeface, which create a further similarity. The background and contrast of colour are ornamental and have little visual impact.

69. Overall, taking into account that the similarities between the marks stem from their most distinctive and dominant components, whereas the differences are created by elements which are either descriptive, or low in distinctiveness, or banal, I consider that the marks as wholes are visually similar to a medium to high degree.

Aural similarity

70. Aurally, neither the apostrophe nor the final R in L'OR and D'OR will be articulated. The applicant's mark will be pronounced as CA-FE DOO (with the element D'OR articulated as the word "door"), whereas the opponent's mark will be pronounced as LOO (the same as the word "door" but with an L rather than a D). I consider the marks to be aurally similar to a medium degree.

Conceptual similarity

71. Conceptually, the components D'OR and L'OR will have no meaning and no conceptual content for the UK average consumer. Although both D'OR and L'OR will

be perceived as French words, that is conceptually irrelevant and therefore, a conceptual comparison is not possible.

72. The only conceptual difference between the mark is to be found in the element CAFÉ in the applicant's mark, which will be understood as conveying the concept of "coffee" or "coffee bar". However, since these concepts are either descriptive or very low in distinctiveness in the context of the goods and services at issue, the conceptual impact of the word CAFÉ will be limited.

Distinctive character of earlier mark

73. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97, the CJEU stated that:

"22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

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

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

75. The earlier mark consists of the word L'OR, which will be perceived as a French or foreign word. Unusual or invented words are normally high in distinctiveness. Even factoring in the fact that the verbal element L'OR is short, and that short marks tend to be less memorable, the use of the apostrophe between a consonant and a vowel is not common in the UK and I consider that the earlier mark is distinctive to a medium to high degree.

76. Although I found that there has been genuine use of the earlier mark L'OR, the evidence includes examples of use of another trade mark. The mark which consistently appears prominently on the packaging of the goods and on advertising material is a highly stylised version of the registered mark L'OR, as shown by the image below:



77. Admittedly, the mark L'OR in plain letters has been used on the invoices and on the description of goods on websites. However, all of the opponent's coffee products bear the stylised mark and the evidence does not show use of the earlier mark on the relevant goods. Consequently, I am not persuaded that the evidence is sufficient to establish enhanced distinctiveness, because based on the evidence filed, my conclusion is that the mark that consumers are most familiar with (as it is used prominently on the goods' packaging) is the stylised mark, and not the registered mark.

78. For these reasons, I am unable to conclude that the earlier mark benefits from enhanced distinctiveness acquired through use.

Likelihood of confusion

79. 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 marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

80. Confusion can be direct or indirect. The difference between these two types of confusion was explained in *L.A. Sugar Trade Mark*, BL O/375/10, where Iain Purvis Q.C. (as he then was) 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.

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).”

81. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ approved Mr Purvis’s formulation but added:

“13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/219/16) at [16] ‘a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion’. Mr Mellor went on to say that, if there is no likelihood of direct confusion, ‘one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion’. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion.”

82. Earlier in this decision I found that:

- some of the competing goods are either identical, whereas other goods and services are similar to various degrees. The degree of similarity ranges from low to high;
- the competing marks are visually similar to a medium to high degree, and aurally similar to a medium degree. Conceptually, the elements D'OR and L'OR will be perceived as French/foreign words and will convey no concept, whereas the difference created by the word CAFÉ in the contested mark is either descriptive or weak in distinctiveness;
- the goods and services will be selected visually (though I do not discount aural considerations completely) with a medium degree of attention;
- the earlier mark is distinctive to a medium to high degree.

83. I keep all these findings in mind when considering whether a likelihood of confusion exists.

84. The opponent's primary case is that there is a likelihood of direct confusion. It states:

"We submit that there will be direct confusion involving the average consumer mistaking one mark for the other. Alternatively, in the absence of a finding of direct confusion, we submit that there will be indirect confusion. [...] Since the respective marks are (i) visually similar to a high degree, (ii) conceptually identical, (iii) the respective goods are identical or very similar, and (iv) the respective goods and services are similar, there is a strong likelihood of confusion such that registration of the contested mark will be incompatible with the provisions of Section 5(2)(b)."

85. While the beginning of a mark usually attracts more attention, that is not always the case. Here, the CAFÉ element of the contested mark will attract less attention than the shared element –'OR and the presence of the word CAFÉ will not prevent

consumers from noticing the common element -'OR. The earlier mark L'OR is distinctive to a medium to high degree and it is highly similar to the element D'OR of the contested mark, whereas the unshared element CAFÉ is inherently descriptive or allusive for the goods and services in issue.

86. In my view, the average consumer of coffee goods in class 30 and retail and wholesale of coffee products and electric coffee machines in class 35 is likely to see the element CAFÉ of the contested mark CAFÉ D'OR as simply meaning coffee and perceive the element D'OR independently as the key signifier of the origin of the goods and services. Taking into account that the consumer will rarely have a perfect recollection of the comparator mark, it is my view that when faced with the contested mark CAFÉ D'OR, the average consumer will directly confuse the elements D'OR and L'OR of the respective marks and overlook the word CAFÉ and the banal background. The differences between the marks are not sufficient to differentiate them and it is my conclusion that there is a likelihood of direct confusion between the marks in the context of coffee products and retail and wholesale of coffee products and coffee machines. There is a likelihood of direct confusion.

87. Turning to the contested tea and chocolate goods in class 30, although the word CAFÉ is not purely descriptive, in the composite expression CAFÉ D'OR the element D'OR is dominant in the overall impression, has an independent distinctive role and has an inherently robust distinctive character, i.e. between medium and high. Even if the consumer ultimately remains aware that in CAFÉ D'OR the element CAFÉ does not describe the goods, he is still likely to confuse D'OR and L'OR and think that CAFÉ D'OR is a variant mark use by the same undertaking who uses the earlier mark L'OR. For example, CAFÉ D'OR could be seen as an extension of the coffee brand L'OR (which would be imperfectly recollected as D'OR) in relation to tea and chocolate products conveying the double message that the brand L'OR is a coffee brand which also offer other tea and chocolate goods comparable to the hot beverages sold in coffee bars. There is a likelihood of both direct and indirect confusion.

88. The partial opposition is successful against the goods and services listed at paragraph 1 above.

Section 5(3)

89. Section 5(3) of the Act states:

“5(3) A trade mark which -

(a) is identical with or similar to an earlier trade mark, [...] shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.”

90. Section 5(3A) of the Act states:

“Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

91. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*.

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails

of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

92. The relevant date for the assessment under Section 5(3) is the filing date of the application at issue, being 13 September 2022.

Reputation

93. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation ‘in the Member State’. In the absence of any definition of the Community provision in this respect, a trade mark cannot

be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

94. As it will be recalled, I have found that the distinctiveness of the earlier mark has not been enhanced through use. For similar reasons to those I have set out above, I also find that the opponent's mark did not have a qualifying reputation in the UK at the relevant date.

95. The opposition under Section 5(3) fails at the first hurdle.

OUTCOME

96. The partial opposition is successful.

97. The contested mark is refused for the opposed goods and services, namely:

Class 30: *Coffee, coffee extracts, coffee-based preparations and beverages; iced coffee; coffee substitutes, extracts of coffee substitutes, preparations and beverages based on coffee substitutes; chicory (coffee substitute), coffee pods and capsules. Tea, tea extracts, tea-based preparations and beverages; iced tea; malt-based preparations for human consumption; cocoa and cocoa-based preparations and beverages; chocolate, chocolate products, chocolate-based preparations and beverages.*

Class 35: *wholesaling and retailing, including via the internet, of coffee, coffee pods, coffee capsules and electric coffee machines.*

98. The contested mark can proceed to registration for the unopposed services, namely:

Class 35: *Commercial consultancy, advertising, advertising services provided over the internet; presentation of goods and services on the internet; business management; services in the field of marketing; internet marketing services; auctioneering, in particular in the internet; business administration; business*

consultancy with regard to franchising; commercial management assistance in relation to franchises; office functions, office functions for others.

COSTS

99. The opponent has been successful and is, therefore, entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 4/2016. In the circumstances, I award the opponent the sum of £1,400, calculated as follows:

Preparing a notice of opposition:	£300
Filing evidence and reviewing the other party's evidence:	£600
Written submissions:	£300
Official fees:	£200
Total	£1,400

100. I therefore order UNICORN GLOBAL LIMITED to pay Koninklijke Douwe Egberts B.V. the sum of £1,400. 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 17th day of July 2024

TERESA PERKS
For the Registrar