O/0703/25

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3992329
IN THE NAME OF LOTUS BOTANICALS LTD
TO REGISTER THE FOLLOWING TRADE MARK:

IN CLASSES 21 AND 30

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 446862
BY GROUP LOTUS LIMITED

Background and pleadings

1. LOTUS BOTANICALS LTD ("the applicant") applied to register the trade mark shown on the front cover of this decision ("the applicant's mark") in the UK on 15 December 2023, under number 3992329. It was accepted and published in the Trade Marks Journal on 12 January 2024 in respect of the following goods:

> Class 21: *Tea infusers; Tea pots; Tea caddies; Tea strainers; Tea canisters; Tea balls; Tea filters; Tea sets; Tea infusers of precious metal; Tea kettles [non-electric]; Tea kettles, non-electric; Portable tea caddies.*
>
> Class 30: *Tea; Oolong tea [Chinese tea]; Oolong tea; Rooibos tea; Chai tea; Iced tea; Tea (Iced -); Chamomile tea; Tieguanyin tea; Darjeeling tea; Herbal tea; Peppermint tea; Black tea [English tea]; Ginseng tea; Ginger tea; Jasmine tea; Tea cakes; Tea beverages; Green tea; Tea for infusions; Tea bags for making non-medicated tea; Instant Oolong tea; Tea bags; Rosemary tea; Barley tea; Buckwheat tea; Fermented tea; Tea leaves; Tea extracts; Citron tea; Flavourings of tea; Kelp tea; Tea beverages with milk; Sage tea; Tea pods; Lime tea; White tea; Black tea; Teas; Lapsang souchong tea; Tea essences; Iced tea (Non-medicated -); Linden tea; Iced teas; Herb tea [infusions]; Yellow tea; Mate [tea]; Barley-leaf tea; Beverages with tea base; Beverages with a tea base; Red ginseng tea; Instant tea; Tea mixtures; Tea substitutes; Ginseng tea [insamcha]; Tea (Non-medicated -); Herbal tea [other than for medicinal use]; Japanese green tea; Instant green tea; Beverages made of tea; Non-medicinal herbal tea; Tea beverages (Non-medicated -); Packaged tea [other than for medicinal use]; Tisanes made of tea (Non-medicated -); Apple flavoured tea [other than for medicinal use]; Fruit flavoured tea [other than medicinal]; Tea bags (Non-medicated -); Roasted barley tea [mugicha]; Jasmine tea bags, other than for medicinal purposes; Roasted barley tea; Lime blossom tea; Instant white tea; Orange flavoured tea [other than for medicinal use]; Fruit teas; Instant black tea; Jasmine tea, other than for medicinal purposes; Tea extracts (Non-medicated -); Rose hip tea; Mugi-cha [roasted barley tea]; Herbal teas [infusions]; Earl grey tea; Earl Grey tea; Roasted brown rice tea; Theine-free tea sweetened with sweeteners.*

2. Group Lotus Limited (“the opponent”) opposes the trade mark on the basis of section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opponent relies upon the following trade marks and the following goods for which they are registered:

(i)

LOTUS

UK registration no. 3887604
Filing date: 10 March 2023
Registration date: 2 June 2023
Goods relied upon for opposition purposes:

Class 21: Tableware, other than knives, forks and spoons; glass bowls; porcelain vessels; drinking vessels; tea services [tableware].

Class 30: Black tea; instant black tea; tea drinks; bubble tea; tea filter bags, filled; disposable tea filter bags, filled; tea leaves, processed; tea; tea-based beverages.

(“the ‘604 mark”)

(ii)

UK registration no. 3887602
Filing date: 10 March 2023
Registration date: 2 June 2023
Goods relied upon for opposition purposes:

Class 21: Tableware, other than knives, forks and spoons; glass bowls; porcelain vessels; drinking vessels; tea services [tableware].

Class 30: Black tea; instant black tea; tea drinks; bubble tea; tea filter bags, filled; disposable tea filter bags, filled; tea leaves, processed; tea; tea-based beverages.

(“the ‘602 mark”)

3. As the filing dates of the opponent’s marks are earlier than the filing date of the applicant’s mark, the opponent’s marks constitute earlier marks in accordance with section 6 of the Act. However, as they have not been registered for five years or more at the filing date of the application, they are not subject to the proof of use requirements specified within section 6A of the Act. As a consequence, the opponent may rely upon all of the goods identified without having to establish genuine use.

4. The opponent contends that the applicant’s mark is similar to its marks. It also argues that the parties’ goods are identical or similar. Based upon these factors, the opponent submits that there is a likelihood of confusion.

5. The applicant filed a counterstatement denying the ground of opposition.

6. The opponent is professionally represented by Keltie LLP, whereas the applicant is not represented. Neither party filed evidence or written submissions, and no hearing was requested. This decision is taken following careful consideration of all the papers before me.

7. 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.

Section 5(2)(b)

8. Section 5(2)(b) of the Act is as follows:

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

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

9. Section 5A states: […] "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."

10. I am guided by the following principles which 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.

The principles

(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

11. In *Canon*, Case C-39/97, the Court of Justice of the European Union ("CJEU") stated, at paragraph 23 of its judgment, that when considering whether goods are similar, all the relevant factors relating to the goods should be taken into account. The CJEU stated that those factors include their nature, intended purpose, method of use and whether they are in competition with each other or are complementary.

12. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

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

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

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

13. 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 Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM),* Case T-325/06, the General Court ("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."

14. In *Gérard Meric v OHIM*, Case T- 133/05, the GC confirmed that even if goods are not worded identically, they can still be considered identical if one term falls within the scope of another (or vice versa):

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

where the goods designated by the trade mark application are included in a more general category designated by the earlier mark."

15. The goods to be compared are set out in paragraphs 1 and 2.

16. In its statement of grounds, the opponent argues that its goods are identical or similar to the applicant's goods. In its counterstatement, the applicant admits that the parties' goods are similar. However, it submits that the parties operate in different industries, arguing that the opponent operates in the car industry whereas the applicant operates in the tea industry.

17. As a matter of law, the applicant's comments regarding different market segments can have no bearing on the outcome of this opposition. As previously explained, the marks relied upon by the opponent had not been registered for five years at the date on which the applicant's mark was filed. Consequently, the applicant is not required to prove use in the UK for any of the goods for which its mark is registered. The opponent's mark is entitled to protection against a likelihood of confusion with the applicant's mark based on its 'notional' use for all the goods listed in the register. The concept of notional use was explained by Laddie J in *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 like this:

> "22. […] It must be borne in mind that the provisions in the legislation relating to infringement are not simply reflective of what is happening in the market. It is possible to register a mark which is not being used. Infringement in such a case must involve considering notional use of the registered mark. In such a case there can be no confusion in practice, yet it is possible for there to be a finding of infringement. Similarly, even when the proprietor of a registered mark uses it, he may well not use it throughout the whole width of the registration or he may use it on a scale which is very small compared with the sector of trade in which the mark is registered and the alleged infringer's use may be very limited also. In the former situation, the court must consider notional use extended to the full width of the classification of goods or services. In the latter it must consider notional use on a scale where direct competition between the proprietor and the alleged infringer could take place."

18. So far as the applicant's claimed use of its applied-for mark is concerned, as per the CJEU judgement in *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*, Case C-533/06 (particularly paragraph 66), it is necessary to consider all the circumstances in which the applied-for mark might be used. As a result, even though the applicant has suggested that they cater to different markets, my assessment must take into account only the applied-for mark and any potential conflict with the opponent's marks. Any differences between the actual goods provided by the parties, or differences in their targets markets, are not relevant unless those differences are apparent from the competing marks (and their respective specifications).

19. For the purposes of comparing goods, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons (see *Separode Trade Mark* (BL O/399/10) and *BVBA Management, Training en Consultancy v. Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs 30 to 38). I have therefore assessed the applicant's goods either as individual terms or by dividing some into groups where required as per below.

<u>Class 21</u>:

Tea sets.

20. The Cambridge Dictionary states that both a tea service and a tea set are defined as "a set of small plates, cups, etc., with a matching design, for serving tea and small amounts of food such as cakes and sandwiches". Based on this, I find that the applicant's *tea sets* are identical to the opponent's *tea services [tableware].*

Tea pots.

21. The Cambridge Dictionary defines "vessel" as "a curved container that is used to hold liquid", and therefore it is my view that *tea pots* can be described as vessels used for holding hot liquids. As far as I am aware, they are typically ceramic but are also sometimes manufactured from porcelain. On this basis, I find that they are included within the opponent's term *porcelain vessels*, and they are therefore identical under the principle in *Meric*.

Tea kettles [non-electric]; Tea kettles, non-electric.

22. These non-electric goods are used in kitchens directly on top of stoves (or other heat source) to heat water for making hot beverages. These goods are typically made of materials which may withstand high temperatures and have a high thermal conductivity (such as metal), so they are highly unlikely to fall under the opponent's *porcelain vessels*. These goods may broadly have the same users as *tea services [tableware]* and their use and purpose overlap as they are all used within the making or serving of tea. They will be sold through the same trade channels such as homeware stores and may be sold near each other within those retail environments. However, the goods are not complementary to one another, and are unlikely to be in competition as consumers are unlikely to substitute one with the other. On this basis, I find that the goods are similar to a low to medium degree.

Tea infusers; Tea strainers; Tea balls; Tea filters; Tea infusers of precious metal.

23. These goods are typically made of metal and used in conjunction with tea leaves to allow the tea products to infuse into the water when making tea drinks. These goods may broadly have the same users as *tea services [tableware]* and their use and purpose overlap as they are all used within the making or serving of tea. They will be sold through the same trade channels such as homeware stores and may be sold near each other within those retail environments. However, the goods are not complementary to one another, and are unlikely to be in competition as consumers are unlikely to substitute one with the other. On this basis, I find that the goods are similar to a low to medium degree.

Tea caddies; Portable tea caddies; Tea canisters.

24. These goods fall under kitchenware, as they are receptacles for storing tea leaves or tea bags. These goods may broadly have the same users as *tea services [tableware]* and their use and purpose overlap as they are all used within the tea-making process. They will be sold through the same trade channels such as homeware stores and may be sold near each other within those retail environments. However, the goods are not complementary to one another, and are unlikely to be in competition as consumers are unlikely to substitute one with the other. On this basis, I find that the goods are similar to a low to medium degree.

<u>Class 30</u>:

Tea; Oolong tea [Chinese tea]; Oolong tea; Rooibos tea; Chai tea; Iced tea; Tea (Iced -); Chamomile tea; Tieguanyin tea; Darjeeling tea; Herbal tea; Peppermint tea; Black tea [English tea]; Ginseng tea; Ginger tea; Jasmine tea; Tea beverages; Green tea; Instant Oolong tea; Rosemary tea; Barley tea; Buckwheat tea; Fermented tea; Citron tea; Kelp tea; Tea beverages with milk; Sage tea; Lime tea; White tea; Black tea; Teas; Lapsang souchong tea; Iced tea (Non-medicated -); Linden tea; Iced teas; Herb tea [infusions]; Yellow tea; Mate [tea]; Barley-leaf tea; Beverages with tea base; Beverages with a tea base; Red ginseng tea; Instant tea; Ginseng tea [insamcha]; Tea (Non-medicated -); Herbal tea [other than for medicinal use]; Japanese green tea; Instant green tea; Beverages made of tea; Non-medicinal herbal tea; Tea beverages (Non-medicated -); Tisanes made of tea (Non-medicated -); Apple flavoured tea [other than for medicinal use]; Fruit flavoured tea [other than medicinal]; Roasted barley tea [mugicha]; Roasted barley tea; Lime blossom tea; Instant white tea; Orange flavoured tea [other than for medicinal use]; Fruit teas; Instant black tea; Jasmine tea, other than for medicinal purposes; Rose hip tea; Mugi-cha [roasted barley tea]; Herbal teas [infusions]; Earl grey tea; Earl Grey tea; Roasted brown rice tea; Theine-free tea sweetened with sweeteners; Tea bags for making non-medicated tea; Tea bags (Non-medicated -); Tea bags; Jasmine tea bags, other than for medicinal purposes; Tea pods; Tea leaves; Tea mixture; Tea for infusions; Packaged tea [other than for medicinal use].

25. These goods are all types of tea or tea-based beverages. The term *tea* is identical on a literal basis to the opponent's term *tea*. The remaining terms are included within the opponent's wider terms *tea*, *tea drinks,* or *tea-based beverages*. I therefore find that they are identical under the principle within *Meric*. Alternatively, if *tea pods* are not identical to *tea* then I find that they are highly similar. This is on the basis that they have the same use, which is to be used in conjunction with hot water to make a tea-based beverage. Their users will be the same. Their nature overlaps as they are both receptacles filled with tea leaves, albeit *tea* is usually sold as tea leaves in tea bags, whereas *tea pods* are likely to be tea leaves filled in pods made from plastic. They are likely to be sold through the same trade channels and they are likely to be found near each other within those channels. They are not complementary in that one is not

essential for the other. They may be in competition with each other though as users may choose which type to use when brewing a tea drink. Taking all of these factors into account, I find that they are highly similar to each other. It is also my view that *tea leaves; Tea mixture; Tea for infusions; Packaged tea [other than for medicinal use]* are identical to the opponent's term *tea*. However, if they are not identical then they are similar. These goods are the dry loose leaves which are used to make the liquid tea beverages. They have the same users as *tea filter bags, filled,* who will be members of the public seeking a tea-based drink. Their purpose overlaps as the goods are used in conjunction with hot water to create tea-based beverages. They will be sold through the same trade channels, and the goods will appear near each other within those channels. The goods may be complementary as the applicant's goods are essential for creating the finished *tea filter bags, filled*, and it is likely that consumers would assume that the same or a linked undertaking has the responsibility for producing both, as I am aware of several large tea enterprises who offer both varieties of filled tea bags as well as the loose leaves. They may also be in competition with each other, as consumers can choose between making tea using the version of the tea pre-packed into filter bags or using the loose leaves in conjunction with an infuser or strainer. Taking these factors into account, I find a high degree of similarity between the goods.

Tea extracts; Tea extracts (Non-medicated -); Tea essences; Flavourings of tea.

26. These goods are added to other foods or drinks to impart flavour, with the extract-related goods also potentially offering the botanical properties of tea too. There is an overlap in their users. Their nature overlaps as the goods above are derived from the opponent's *tea.* Their use overlaps too as they can both be used to add flavour to other foods or drinks, which also may result in there being some competition between goods. They may have the same trade channels, but are likely to appear in different aisles within those retail outlets. Whilst the applicant's goods are added to food and drinks, I do not consider them to be complementary as consumers are unlikely to assume that the responsibility for producing these types of specialist extracts and flavourings lies with the same or linked undertakings as the opponent's goods. Overall, it is my view that there is a low degree of similarity between the opponent's goods and the applicant's goods.

Tea cakes.

27. To the best of my knowledge, *tea cakes* are baked items. Their purpose and nature differ from *tea drinks* as *tea drinks* are liquids which are drunk to quench thirst, whereas *tea cakes* are food and they are consumed to alleviate hunger. However, there is a general overlap in user. Whilst they are likely to be sold in similar trade channels such as supermarkets, they are unlikely to appear in the same aisles. They are not complementary as one is not essential for the other, and consumers are unlikely to assume that a tea producer has the responsibility for producing baked items. As they serve different purposes, they are unlikely to be in competition with each other. Whilst it is my view that *tea drinks* and *tea cakes* are dissimilar, the applicant has conceded that the goods are similar. On this basis, I find that the goods are similar to each other to a very low degree.

Tea substitutes.

28. These goods are similar to the opponent's term *tea drinks.* The users and purpose will be the same, as they will be members of the public seeking a beverage to quench their thirst. Their natures overlap as they are both liquids, albeit slightly different as one is tea and the other is a substitute of it. They will be sold through the same trade channels such as supermarkets, and they are likely to be found in similar places within those channels. They are not complementary as one is not essential to the other. However, they may be in competition with each other as consumers may choose between whether to have a tea drink or a tea substitute. On this basis, it is my view that they are similar to a high degree.

Average consumer and the purchasing act

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

30. 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."

31. The average consumer of the class 21 goods will be members of the general public. The cost of purchase is likely to vary, and the goods will be purchased on a reasonably infrequent basis. Several factors may influence the average consumer when purchasing the goods, such as, inter alia, the type of material, the quality, and the aesthetic appearance. I therefore consider that that the average consumer will pay a medium level of attention when selecting the goods. The goods will be bought in retail outlets, specialist shops (such as homeware stores or tea shops), or their online equivalents. The customer will self-select the goods from display shelves, or by selecting the image of their desired product if purchasing online, and therefore the visual component will dominate the selection process. However, I do not discount the role that aural selection may play when purchasing, such as through word-of-mouth recommendations or when discussing the goods with staff in a shop.

32. The average consumer of the class 30 goods will be members of the general public. The cost of purchase is likely to vary but overall, I find that they will be reasonably inexpensive. The goods will be purchased on a reasonably frequent basis. Several factors may influence the average consumer when purchasing the goods, such as, inter alia, the ingredients, taste, and quality. However, as inexpensive everyday consumables, it is my view that that the average consumer will pay a low to medium level of attention when selecting the goods. The goods will be bought in retail outlets, specialist shops (such as tea shops), or their online equivalents. The customer will self-select the goods from display shelves, or by selecting the image of their desired product if purchasing online, and therefore the visual component will dominate the selection process. However, I do not discount the role that aural selection may play when purchasing, such as through word-of-mouth recommendations or when discussing the goods with staff in a café, restaurant, or shop.

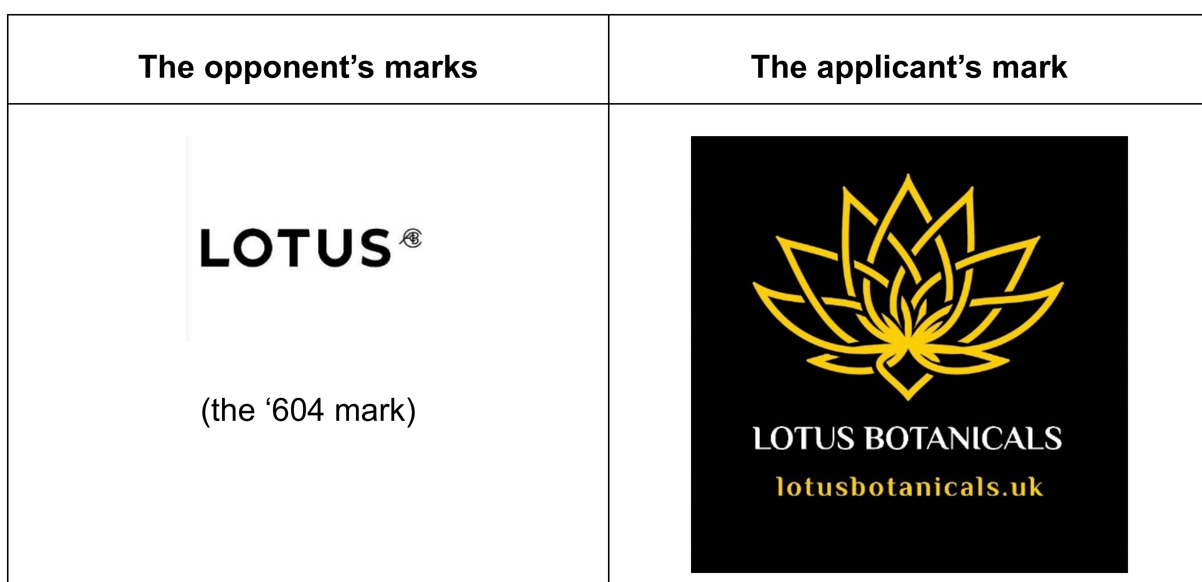
Comparison of marks

33. 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:

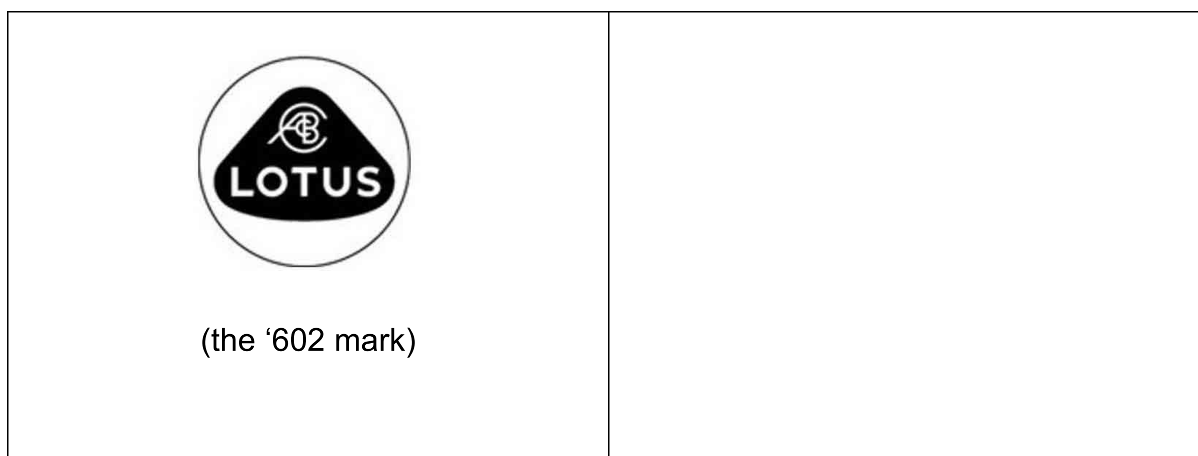
> "…it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."

34. It would be wrong, therefore, to dissect the trade marks artificially, 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.

35. The respective trade marks are shown below:



The opponent's marks	**The applicant's mark**
LOTUS® (the '604 mark)	LOTUS BOTANICALS lotusbotanicals.uk

 (the ‘602 mark)	

36. In its counterstatement, the applicant submits that the opponent’s mark (although it does not specify which one) is dominated by the word ‘Lotus’, although it argues that its mark lacks a single dominant or distinctive element.

37. The opponent’s ‘604 mark is a composite mark which consists of the word “LOTUS” written in a basic typeface and a very small circular device to the right of the words. Due to the much larger size of the verbal element and also the principle that the eye is naturally drawn to elements of marks which can be read (see paragraph 37 of *Wassen International Ltd v OHIM (SELENIUM-ACE)*, Case T-312/03), it is considered that the word “LOTUS” dominates the overall impression of the opponent’s ‘604 mark. Although the circular device is described by the opponent as an “ACBC monogram”, it is my view that the small size and the intertwined nature of the letters’ arrangement would prevent the consumer from recognising the letters within the device. Even if it is identified as a monogram, the word ‘LOTUS’ still dominates the overall impression due to its larger size and being more recognisable than the first three letters of the alphabet (with the ‘C’ repeated) within the monogram. Whilst the small circular device still contributes, it plays a much lesser role in the overall impression.

38. The opponent’s ‘602 mark is a composite mark which consists of the word “LOTUS” in a black rounded triangle. It has a white circular device or monogram above the verbal element. There is a large black circle surrounding all of these elements. It is my view that, given the size and positioning of the word “LOTUS”, whether or not the average consumer identifies the letters within the monogram, the word “LOTUS” dominates the overall impression of the mark. The device or monogram, whilst still contributing, plays a lesser role. The triangle and outer circle devices also contribute,

but as simple geometric shapes which are likely to be seen as background or border elements, they play a much lesser role in the overall impression of the ‘602 mark.

39. The applicant’s mark is a composite mark containing two verbal elements and a figurative element on a black background. The figurative element is a yellow device which, particularly in the context of the verbal elements, appears to be a lotus flower. The first verbal element comprises the words “LOTUS BOTANICALS” written in white, and the second verbal element states “lotusbotanticals.uk” written underneath in yellow. The Cambridge Dictionary defines “lotus” as “a tropical plant with large, flat leaves that float on the surface of lakes and pools and large round flowers with layers of petals and a cone-shaped part in the middle”. I am not familiar with the use of lotus, and neither party has filed any evidence to demonstrate that lotus can be used in tea products. I am therefore not aware of “LOTUS” being descriptive or allusive in relation to the class 30 goods. As a type of tropical plant that floats on lakes, it is my view that the word is arbitrary in relation to the goods. The word “botanical” as a noun is defined by The Cambridge Dictionary as “a plant used as medicine or to give flavour to a drink”. It is my view that “BOTANICALS” would therefore be seen as descriptive of the class 30 tea goods and strongly allusive of the type of tea goods used in conjunction with the class 21 tea-related equipment. The “lotusbotanicals.uk” element within the mark is likely to be perceived as a reference to a website. In light of their respective meanings, the word LOTUS is the verbal element that plays the greatest role in the overall impression of the mark. However, given its size and prominence, the figurative device plays a roughly equal role. The word “BOTANICALS”, the website reference “lotusbotanicals.uk” and the use of colours play lesser roles.

My approach

40. Following my findings in relation to the marks’ overall impressions, I consider the opponent’s ‘604 mark to be its strongest case due to the greater dominance of the identical shared component “LOTUS” within the mark and the lesser dominance of the differing figurative element. In the event that the opposition fails on the basis of the ‘604 mark, the ‘602 mark will not improve the opponent’s position. As such, I will determine the opponent’s claim on the basis of the ‘604 mark only, referring to it as “the opponent’s mark” from this point onwards.

Visual comparison

41. In its statement of grounds, the opponent has not specifically commented on the visual similarity. In its counterstatement, the applicant denies that there is any visual similarity between the competing marks.

42. The competing marks are similar as they both contain the identical word "LOTUS" as their dominant element. This word is written in black in the opponent's mark and in white in the applicant's mark. The Court of Appeal has stated on two occasions following the CJEU's judgment in Specsavers, (see paragraph 5 of the judgment of the Court of Appeal in Specsavers [2014] EWCA Civ 1294 and J.W. Spear & Sons Ltd v Zynga, Inc. [2015] EWCA Civ 290, at paragraph 47) that registration of a trade mark in black and white covers use of the mark in colour. This is because colour is an implicit component of a trade mark registered in black and white (as opposed to extraneous matter). The registration of a mark in black/white allows it to be notionally used in any (non-complex) colour, and therefore the difference in the background colour between the competing marks is not significant.

43. The competing marks differ as they contain different figurative elements, with the opponent's mark containing a small circular device or monogram and the applicant's mark featuring a larger lotus flower device. The applicant's mark also contains the word "BOTANICALS" and the website address "lotusbotanicals.uk". The applicant's mark also uses colour within its mark, such as the yellow for the lotus device. Taking into account my earlier finding regarding the marks' overall impressions, I am of the view that the marks are visually similar to a medium degree.

Aural comparison

44. In its statement of grounds, the opponent does not specifically comment on the aural similarity between the competing marks. In its counterstatement, the applicant denies any phonetic similarity between the competing marks and highlights the marks' different elements as points of difference between them.

45. The competing marks are aurally similar as they both contain the dominant word "LOTUS". Furthermore, "LOTUS" is the first word of the applicant's mark. In *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, the GC noted that the beginnings

of words tend to have more visual and aural impact than the ends. The marks differ phonetically as the applicant's mark also contains the descriptive or allusive word "BOTANICALS" following the word "LOTUS". The applicant's mark also contains the website address "lotusbotanicals.uk". It is my view that the average consumer is highly unlikely to verbalise a website address. Consequently, I do not consider that the inclusion of the website address is likely to be a point of aural difference between the competing marks. Furthermore, whilst the opponent's mark contains a device which the opponent describes as an "ACBC monogram", it is my view that the small size of the device and the intertwined arrangement of the letters will result in these verbal elements not being understood, and therefore not articulated by consumers. Furthermore, the average consumer is not likely to articulate the letters it consists of, even if the device was seen as a monogram. I am therefore of the view that this monogram would also not be a point of aural difference between the competing marks. Taking into account my earlier finding in relation to the marks' overall impressions, I find that the marks are aurally similar to a medium to high degree. If I am wrong in my finding regarding the articulation of the web address, then they will be aurally similar to a medium degree.

Conceptual comparison

46. In the statement of grounds and the counterstatement, neither party has commented specifically on the conceptual similarities between the competing marks.

47. The marks are conceptually similar as they both contain the identical word "LOTUS" as their dominant element. It is considered that this word will convey the concept of a tropical plant, as per the dictionary definition of the word cited earlier in this decision. The competing marks are different as the applicant's mark also contains the additional word "BOTANTICALS", which is likely to be seen as a descriptive reference in relation to the class 30 goods or strongly allusive in relation to the class 21 goods. The applicant's mark also contains the website address "lotusbotanicals.uk" which would be understood by consumers as a mere reference to the website of the user of the mark. In my view, the figurative lotus device in the applicant's mark reinforces the concept of the word "LOTUS". Furthermore, whilst the opponent's mark also contains a small circular device, it is my view that it does not convey a specific concept, and therefore the device is conceptually neutral. Taking into account my

earlier finding in relation to the marks' overall impressions, I find that they are conceptually similar to a high degree.

Distinctive character of the earlier trade mark

48. 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)."

49. 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, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

50. Although the distinctiveness of a mark can be enhanced by virtue of the use made of it, the opponent has not filed any evidence. As such, I have only the inherent position to consider.

51. The opponent's mark contains the word "LOTUS" and the small circular device. As previously explained, the word "LOTUS" appears to be arbitrary in relation to the goods. Furthermore, whilst the small circular device or monogram contributes to the distinctiveness of the mark, it adds little over and above the word "LOTUS". As a dictionary-defined word which is not descriptive or allusive of the goods in combination with the circular device or monogram, I find that the opponent's mark has a medium level of inherent distinctiveness.

Global assessment – conclusions on likelihood of confusion

52. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods down to the responsible undertakings being the same or related. There is no set formula for establishing a likelihood of confusion between marks; it is a global assessment where a number of factors need to be borne in mind.

53. One such factor is the interdependency principle, i.e. a lesser degree of similarity between the competing marks may be offset by a greater degree of similarity between the respective goods, and vice versa. As mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be mindful 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 they have retained in their mind.

54. In its statement of grounds, the opponent argues that there is a likelihood of confusion, including the likelihood of association, due to the marks' similarity and the identical or similar nature of the goods at issue. In its counterstatement, the applicant denies any likelihood of confusion based on the differences between the marks, which, it argues, means that the similarity between the goods is insufficient grounds for finding a likelihood of confusion.

55. Earlier in this decision I have found that the goods vary from being identical, to similar only to a very low degree. The average consumer will pay a low to medium

degree of attention for the class 30 goods and a medium degree of attention for the class 21 goods. The average consumer will consist of members of the general public who will primarily select the goods through visual means, although I do not discount aural considerations entirely. I have found the marks to be visually similar to a medium degree, aurally similar to a medium to high degree (or to a medium degree if the web address is pronounced), and conceptually similar to a high degree. It is considered that the opponent's mark has a medium level of inherent distinctiveness.

56. The opponent's mark consists of the word "LOTUS" along with a small circular device or monogram. It is considered that the mark's overall impression is dominated by the word "LOTUS". The applicant's mark consists of the words "LOTUS BOTANICALS", the web address "lotusbotanicals.uk", and a yellow lotus device. The distinctive word "LOTUS" and the lotus device play an equal role in the applicant's mark's overall impression, although the word "BOTANICALS" is not negligible either. It is unlikely that the average consumer, even when paying a lower degree of attention, will completely overlook the differences between the marks, even those which are descriptive or allusive. These differences are therefore likely to be sufficient to prevent the average consumer from mistaking one mark for the other. I therefore find that there is no likelihood of direct confusion, notwithstanding the identical nature of some of the goods.

57. This leaves indirect confusion to be considered. In *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

> "16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: 'The later mark is different from the earlier mark, but also has something in common with it. Taking account of the

common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark'.

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)."

58. 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."

59. It is not sufficient that a mark merely calls to mind another mark (as per *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17). This is mere association not indirect

confusion. A finding of indirect confusion should not be made merely due to a shared element within marks. As per *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10 (set out above), indirect confusion should be identified in cases where the average consumer is likely to notice the differences between the competing marks but assume an economic link between the two undertakings based on their similarities.

60. Having found that the average consumer will recognise the differences between the marks (such as the different devices within the competing marks, the addition of the descriptive or allusive word “BOTANICALS”, and the website address “lotusbotanicals.uk”), I am of the view that these appear consistent with a brand extension or brand variant. It is my view that the addition of the descriptive/allusive word “BOTANICALS” could be seen as the opponent’s house mark with added descriptive/allusive information about what goods are sold under the mark. Furthermore, the addition of the website address merely demonstrates what the website for the LOTUS brand is. The use of different devices and colours within the marks are likely to be viewed as decorative alterations to the branding. Consumers may therefore view these differences within the applicant’s mark as a brand variant or brand extension of the existing house mark “LOTUS”, and therefore assume a commercial association between the parties. Consequently, I find that there exists the likelihood of indirect confusion for most of the goods, except *tea cakes*, which are similar only to a very low degree. I find this to be the case in relation to these goods on the basis of the interdependency principle between the level of similarity of the goods and the similarity of the marks. As *tea cakes* are only similar to a very low degree, I find that the degree of similarity between the marks does not offset the very low degree of similarity between the goods. Consequently, I find that there is no likelihood of confusion in relation to *tea cakes*.

Conclusion

61. The opposition under section 5(2)(b) has been successful in respect of the goods listed below. Subject to any successful appeal, the application will be refused registration for the following goods:

Class 21: Tea infusers; Tea pots; Tea caddies; Tea strainers; Tea canisters; Tea balls; Tea filters; Tea sets; Tea infusers of precious metal; Tea kettles [non-electric]; Tea kettles, non-electric; Portable tea caddies.

Class 30: Tea; Oolong tea [Chinese tea]; Oolong tea; Rooibos tea; Chai tea; Iced tea; Tea (Iced -); Chamomile tea; Tieguanyin tea; Darjeeling tea; Herbal tea; Peppermint tea; Black tea [English tea]; Ginseng tea; Ginger tea; Jasmine tea; Tea beverages; Green tea; Tea for infusions; Tea bags for making non-medicated tea; Instant Oolong tea; Tea bags; Rosemary tea; Barley tea; Buckwheat tea; Fermented tea; Tea leaves; Tea extracts; Citron tea; Flavourings of tea; Kelp tea; Tea beverages with milk; Sage tea; Tea pods; Lime tea; White tea; Black tea; Teas; Lapsang souchong tea; Tea essences; Iced tea (Non-medicated -); Linden tea; Iced teas; Herb tea [infusions]; Yellow tea; Mate [tea]; Barley-leaf tea; Beverages with tea base; Beverages with a tea base; Red ginseng tea; Instant tea; Tea mixtures; Tea substitutes; Ginseng tea [insamcha]; Tea (Non-medicated -); Herbal tea [other than for medicinal use]; Japanese green tea; Instant green tea; Beverages made of tea; Non-medicinal herbal tea; Tea beverages (Non-medicated -); Packaged tea [other than for medicinal use]; Tisanes made of tea (Non-medicated -); Apple flavoured tea [other than for medicinal use]; Fruit flavoured tea [other than medicinal]; Tea bags (Non-medicated -); Roasted barley tea [mugicha]; Jasmine tea bags, other than for medicinal purposes; Roasted barley tea; Lime blossom tea; Instant white tea; Orange flavoured tea [other than for medicinal use]; Fruit teas; Instant black tea; Jasmine tea, other than for medicinal purposes; Tea extracts (Non-medicated -); Rose hip tea; Mugi-cha [roasted barley tea]; Herbal teas [infusions]; Earl grey tea; Earl Grey tea; Roasted brown rice tea; Theine-free tea sweetened with sweeteners.

62. The opposition under section 5(2)(b) has failed for the following goods listed below, and the application may proceed to registration for the following term:

Class 30: Tea cakes.

Costs

63. The opponent has enjoyed the most success and is therefore entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 1/2023. As this is a partial success, I have made a slight reduction in costs to reflect this.

64. In the circumstances I award the opponent the sum of £340 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Preparing a statement and considering the proprietor's counterstatement: £240

Official fees: £100

65. I therefore order LOTUS BOTANICALS LTD to pay Group Lotus Limited the sum of £340. This sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 29th day of July 2025

K SERRAVALLE

For the Registrar