O-0709-24

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF

THE UK DESIGNATION OF

INTERNATIONAL REGISTRATION NOS 1662260 & 1662259

IN CLASS 07

IN THE NAME OF ALTON INDUSTRY LTD. GROUP

FOR THE FOLLOWING MARKS, RESPECTIVELY:

LULU QUICK CLEAN

&

LULU COMPLETE CLEAN

AND

OPPOSITION THERETO (UNDER NOS. 435489 & 435490)

BY

LULU CENTRE LLC

BACKGROUND

1) Alton Industry Ltd. Group ('the holder') is the holder of two International Registrations ('IRs') in respect of 'Vacuum cleaners; wet-dry vacuums; electric steam mops' in class 7. One IR is for the mark LULU QUICK CLEAN; the other IR is for mark LULU COMPLETE CLEAN. On 04 January 2022, the holder designated the UK for protection of those IRs. Both claim a priority date of 12 November 2021 from the US. (UK designation 1662260, for the mark LULU QUICK CLEAN, is based upon US registration 97121992. UK designation 1662259, for the mark LULU COMPLETE CLEAN, is based upon US registration 97121986.)

2) Both designations were published in the Trade Marks Journal on 10 June 2022 and a notice of opposition was later filed, on 10 August 2022, against each of them by Lulu Centre LLC ('the opponent'). The opponent claims that both designations offend under Section 5(2)(b) of the Trade Marks Act 1994 ('the Act'). The opponent relies upon a single earlier mark in respect of certain goods in class 7, as shown below:

i) **UKTM No. 917867023** [1]

Class 7: Machines and apparatus for carpet shampooing, electric; machines and apparatus for cleaning, electric.

[1] On 1 January 2021, the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing registered EUTM. As a result, the opponent's earlier EUTM was automatically converted into a comparable UK trade mark. Comparable UK marks are now recorded on the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original filing dates remain the same.

Filing date: 28 February 2018

Date of entry in the register: 10 January 2020

3) The trade mark relied upon by the opponent is an 'earlier' mark, in accordance with section 6 of the Act. As it had not been registered for five years or more at the date of priority claimed by the designations, it is not subject to the proof of use conditions, as per Section 6A of the Act.

4) The holder filed a counterstatement in defence of both designations, denying, with explanation, that there is any likelihood of confusion. Subsequent to the filing of the counterstatements, the two cases were consolidated.

5) The opponent is represented by Haseltine Lake Kempner LLP. The holder is represented by K&L Gates LLP. Only the holder filed evidence. This takes the form of a witness statement in the name of Michael Roach with exhibits 1-5 thereto. The purpose of Mr Roach's evidence is to show that the holder has a 'well-established reputation…which will prevent any confusion amongst the public…' Neither party requested a hearing; only the holder filed submissions in lieu[2]. I now make this decision based upon the papers before me.

DECISION

6) 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. Hence, this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

7) Section 5(2)(b) of the Act states:

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

[2] Dated 18 December 2023

(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.

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."

8) The leading authorities which guide me are from the CJEU: *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

9) In *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM* Case T-133/05) (‘*Meric*’) the General Court held 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 the trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM – Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 Oberhauser v OHIM – Petit Liberto (Fifties) [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 Vedial v OHIM – France Distribution (HUBERT) [2002] ECR II-5275,paragraphs 43 and 44; and Case T-10/03 Koubi v OHIM – Flabesa (CONFORFLEX) [2004] ECR II-719, paragraphs 41 and 42).”

Both of the holder’s marks cover ‘Vacuum cleaners; wet-dry vacuums; electric steam mops’ in class 7. These goods fall within the opponent’s broad term ‘machines and apparatus for cleaning, electric’. In accordance with *Meric*, the respective goods are identical.

Average consumer and the purchasing process

10) It is necessary to determine who the average consumer is for the respective goods and the manner in which they are likely to be selected. 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."

The average consumer for the relevant goods is the general public. The purchasing act will be primarily visual because such goods will be selected after perusal of the goods in high-street stores or from photographs/images on Internet websites or in catalogues. That is not to say, though, that the aural aspect should be ignored since the goods may sometimes be the subject of discussions with sales representatives, for example. The cost of the goods may vary but I would not expect them to be particularly expensive. Factors such as functionality, features and ease of use are likely to be taken account of by the consumer regardless of cost. Generally speaking, I find that a medium degree of attention is likely to be paid during the purchase for the relevant goods.

Comparison of marks

11) 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."

It would be wrong, therefore, to dissect the marks artificially, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

12) The marks to be compared are:

The opponent's mark	The holder's marks
	UK designation 1662260 ('mark 1'): LULU QUICK CLEAN UK designation 1662259 ('mark 2'): LULU COMPLETE CLEAN

13) The earlier mark consists of the word 'LuLu', presented in a stylised font. The overall impression of that mark is dominated by the word 'LuLu', with the presentation playing a lesser role.

14) As regards the holder's marks, mark 1 consists of the words 'LULU QUICK CLEAN' and mark 2 consists of the words 'LULU COMPLETE CLEAN'. It is the word 'LULU' which carries the greatest weight in the overall impression of both marks. This is because LULU not only enjoys a prominent position at the beginning of both marks but it is also far more distinctive than the words which follow it in each mark. Indeed, the remaining words in both marks are entirely descriptive and non-distinctive for obvious reasons; those non-distinctive words carry far less weight in the overall impression of each mark as compared to the word LULU.

15) Visually, the respective marks coincide in that they all contain the same word, 'LuLu', albeit that the opponent's mark is presented in a stylised font which is not present in the holder's marks. They differ due to the presence of the words 'QUICK CLEAN'/'COMPLETE CLEAN' which are present in the holder's marks but absent from the opponent's mark. Despite the latter differences, I find a medium degree of visual similarity overall between the opponent's mark and each of the holder's marks.

16) Aurally, the word 'Lulu' will be pronounced identically in the respective marks. However, the words 'QUICK CLEAN' and 'COMPLETE CLEAN' in the holder's marks have no counterpart in the earlier mark. Mark 1 therefore consists of four syllables in total (LU-LU-QUICK-CLEAN), the first two of which are identical to the earlier mark but the last two of which are absent from the earlier mark. Mark 2 consists of five syllables in total (LU-LU-COMP-LETE-CLEAN), the first two of which are identical to the earlier mark but the last three of which are absent from the earlier mark. Bearing in mind that it is the beginning of marks that tend to have the greatest impact upon the ear, I find a medium degree of aural similarity between each of the holder's marks and the earlier mark.

17) Conceptually, both marks consist of well-known words with an immediately graspable meaning. The concept that will be immediately perceived from the word 'Lulu' is a female forename. That concept is shared, identically, by the earlier mark and both of the holder's marks. As already noted, the words 'QUICK CLEAN' and 'COMPLETE CLEAN' are entirely descriptive and non-distinctive. Accordingly, while they create a conceptual difference between the earlier mark and each of the holder's marks, it is not a distinctive difference.

Distinctive character of the earlier mark

18) The distinctive character of the earlier mark must be considered. The more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion (*Sabel BV v Puma AG*). In *Lloyd Schuhfabrik Meyer & Co. GmbH* v *Klijsen Handel BV,* Case C-342/97 the CJEU stated that:

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

The opponent has filed no evidence and therefore I have only the inherent degree of distinctiveness of the mark to consider. The opponent's mark neither describes nor alludes to any characteristic of the earlier goods. I find it to have a normal degree of inherent distinctiveness.

Likelihood of confusion

19) I must now feed all of my earlier findings into the global assessment of the likelihood of confusion, keeping in mind the following factors: i) the interdependency principle, whereby a lesser degree of similarity between the goods may be offset by a greater similarity between the marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*); ii) the principle that the more distinctive the earlier mark is, the greater the likelihood of confusion (*Sabel BV v Puma AG*), and; iii) the factor of imperfect recollection i.e. that consumers rarely have the opportunity to compare

marks side by side but must rather rely on the imperfect picture that they have kept in their mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V).*

20) I will first consider the likelihood of direct confusion. This is when the average consumer mistakes one mark for the other because they think they are the same. The respective goods are identical. Each of the holder's marks is visually and aurally similar to a medium degree to the earlier mark. Conceptually, each of the holder's marks shares the identical concept of the female forename, Lulu, with the earlier mark; the conceptual difference between the respective marks is not a distinctive one. The opponent's mark also has a normal degree of inherent distinctiveness. The average consumer, being a member of the general public, is likely to pay a medium degree of attention. Weighing all these factors, I find that the average consumer is likely, through imperfect recollection, to mistake each of the holder's marks for the opponent's mark. There is a likelihood of direct confusion in respect of both of the holder's marks.

21) I will now also consider the likelihood of indirect confusion. This is when the average consumer recognises that the marks are not the same but puts the similarities between them (and the goods) down to the respective goods coming from the same or linked undertaking(s). In this connection, I bear in mind that in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10 (*L.A. Sugar),* Mr Iain Purvis Q.C. (as he then was), sitting 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)".

22) I also keep in mind that in *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion. Furthermore, it is not sufficient that a mark merely calls to mind another mark: *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17. This is mere association not indirect confusion.

23) The categories listed above in *L.A. Sugar* are, of course, not an exhaustive list of all the ways in which indirect confusion can occur; they are merely examples of the way in which it tends to occur.

24) In the case before me, I find that, even supposing that the average consumer does not mistake each of the holder's marks for the earlier mark, they are, nevertheless highly likely to believe that the respective goods come from the same or linked

undertaking(s). I come to this conclusion having borne in mind, particularly, that the respective goods are identical, the most dominant element of the holder's marks is the distinctive word 'LULU' and the remaining words in each of the holder's marks are entirely descriptive and non-distinctive. The average consumer is likely to believe that both of the holder's marks are sub-brands or brand extensions of the earlier mark. There is, therefore, a likelihood of indirect confusion in respect of both of the holder's marks.

25) My conclusion above is not disturbed by Mr Roach's evidence showing the use that the holder has made of its marks and the claimed reputation enjoyed by the holder in its marks. That evidence cannot assist the holder in defence of this opposition under Section 5(2)(b) of the Act. Any reputation that the holder may have in the UK or elsewhere is irrelevant to that ground of opposition. Furthermore, the holder's submissions to the effect that it operates in a different market to the opponent also do not assist it. I am required to consider all of the circumstances in which the contested marks might be used if they were registered in the UK (not just how they have been used thus far). Accordingly, the assessment I have made under section 5(2)(b) is a notional and objective one based upon the goods, as registered, under the earlier mark and, as applied for, under the holder's marks. The current marketing strategies of the parties are irrelevant to that assessment.

OUTCOME

26) **The opposition under Section 5(2)(b) of the Act succeeds against both of the holder's marks.**

COSTS

27) As the opponent has been successful, it is entitled to a contribution towards its costs. Given the date on which the oppositions were filed, the relevant guidance that I must use when assessing the costs to be awarded to the opponent is found in Tribunal Practice Notice 2/2016. I also bear in mind that the two cases were consolidated. I award the opponent costs on the following basis:

Preparing a statement and considering the other side's statement	£300
Official fee (Form TM7) x 2	£200
Total:	**£500**

28) I order Alton Industry Ltd. Group to pay Lulu Centre LLC the sum of **£500**. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 26th day of July 2024

Beverley Hedley
For the Registrar,
the Comptroller-General