O/0741/24

TRADE MARKS ACT 1994

IN THE MATTER OF

APPLICATION NO. 3869210

IN THE NAME OF ZAIENTERPRISES LTD

TO REGISTER

TOT CREW

AS A TRADE MARK IN CLASS 18

AND

OPPOSITION THERETO (UNDER NO. 440652)

BY

ESSENTIAL EXPORT LIMITADA

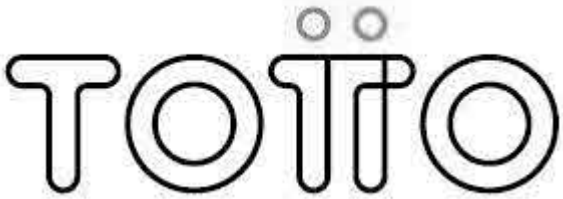
Background and pleadings

1. On 18 January 2023, ZAIENTERPRISES LTD ("***the Applicant***") applied to register in the UK the trade mark shown on the cover page of this decision, under number UK00003869210 ("***the Contested Mark***"). Details of the application were published for opposition purposes on 3 February 2023. Registration is sought for the following goods:

   Class 18 Luggage, bags, wallets and other carriers.

2. On 3 May 2023, Essential Export Limitada ("***the Opponent***") opposed the application, in full, under section 5(2)(b) of the Trade Marks Act 1994 (***"the Act"***). The Opponent relies upon the following UK prior trade mark registration ("***the Earlier Mark***"):

Mark (series):

1	
2	

UK registration number: UK00003694923

Filing date: 15 September 2021

Registration date: 17 December 2021

Goods relied upon:

Class 18 Travel trunks; luggage trunks; wallets; camp bags; empty leather tool bags; mountaineering bags; beach bags; shopping net bags; shopping wheel bags; travel bags; bags; shopping bags; hand bags; tote bags; beach bags; travel bags; school bags; baby carriers; wallets; pocket wallets; school satchels; leather or leatherboard cases; leather goods; travel cases; toiletry cases; key cases; baby slings; suitcases;

briefcases; document cases; backpacks; school backpacks; leather baby backpacks; imitation leather backpacks; coin purses; mesh purses; backpacks; lunch bags; hunting backpacks; wheeled backpacks; school backpacks; school briefcases; school briefcases, sheet music holders, coin holders; leather hat cases; card holders, wallets, valises, handbags, travel trunks, leather goods, leather goods, travel cases, tulas; fanny packs; pet backpacks; pet carriers; pet carrier bags.

3. By virtue of its earlier filing date of 15 September 2021, that registration constitutes an earlier mark within the meaning of section 6 of the Act. As the Earlier Mark had not completed its registration process more than five years before the filing date of the application in issue, it is not subject to proof of use pursuant to section 6A of the Act. The Opponent can, therefore, rely upon all of the goods it has identified without having to demonstrate use.

4. ZAIENTERPRISES LTD is represented by Cleveland Scott York; Essential Export Limitada is represented by Vault IP Ltd. In its statement of grounds, the Opponent contends that the Earlier Mark is comprised of the word 'TOTTO' in a relatively basic stylisation, the respective marks are visually and aurally similar and the competing goods are identical or similar. Due to the similarity between the Contested and Earlier Mark and the identity or similarity of the goods, the Opponent submits that there exists a likelihood of confusion on the part of the public, including the likelihood of association, and that the contested application should be refused under S. 5(2)(b) of the Act.

5. ZAIENTERPRISES LTD filed a counterstatement, denying the grounds of opposition. In particular the Applicant submits that the Opponent's mark is stylised, contains the additional word "CREW", and that the words "TOT" and "CREW" have dictionary definitions, making the competing marks visually similar to a low degree and denying any aural or conceptual similarity. The Applicant admits the similarity of the respective goods but argues that the letter sequence 'TOT' in the relevant market is not unusual to the point that consumers will believe "*that no other trader would use these letters as part of their trade mark or branding*", leading to direct or indirect confusion between the Contested and Earlier Mark.

Relevance of EU law

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. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

Evidence and submissions

7. During the evidence rounds neither party filed evidence or submissions. Neither party requested a hearing, but the Opponent filed submissions in lieu.[1] This decision is taken following a careful perusal of the papers.

Approach

8. The Earlier Mark consists of a series of two marks. It seems to me that the Opponent's strongest case clearly lies with the second mark of the series (due to the colours in the circular elements in the first mark which introduce an obvious further point of difference between it and the Contested mark (at least visually)). Thus, I will proceed accordingly.

Section 5(2)(b)

Decision

The law

9. The relevant parts of section 5 of the Act are as follows:

> "5(1) […]
>
> (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,

[1] Dated 12 February 2024.

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."

Case law

10. The leading authorities which guide me are from the Court of Justice of the European Union ("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

11. When making the comparison, all relevant factors relating to the goods in the specification should be taken into account. In *Canon*, the CJEU stated at paragraph 23 of its judgment:

> "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."

12. 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 users of the respective goods or services;
>
> b) The physical nature of the goods or acts of services;
>
> c) The respective trade channels through which the goods or services reach the market;
>
> d) 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;
>
> e) 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. The General Court ("GC") confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, 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."

14. The competing goods are as follows:

Opponent's goods	Applicant's goods
Class 18	**Class 18**
Travel trunks; luggage trunks; wallets; camp bags; empty leather tool bags; mountaineering bags; beach bags; shopping net bags; shopping wheel	Luggage, bags, wallets and other carriers.

bags; travel bags; bags; shopping bags; hand bags; tote bags; beach bags; travel bags; school bags; baby carriers; wallets; pocket wallets; school satchels; leather or leatherboard cases; leather goods; travel cases; toiletry cases; key cases; baby slings; suitcases; briefcases; document cases; backpacks; school backpacks; leather baby backpacks; imitation leather backpacks; coin purses; mesh purses; backpacks; lunch bags; hunting backpacks; wheeled backpacks; school backpacks; school briefcases; school briefcases, sheet music holders, coin holders; leather hat cases; card holders, wallets, valises, handbags, travel trunks, leather goods, leather goods, travel cases, tulas; fanny packs; pet backpacks; pet carriers; pet carrier bags.	

15. Whilst it is noted that the Applicant, in its counterstatement, conceded that the competing goods are similar, for the purposes of this opposition and the “global

appreciation" to establish the likelihood of confusion under S.5(2)(b), I need to determine the degree of similarity between the competing goods.

- "*Luggage, and other carriers*"

16. The Opponent's term "*luggage trunks*" can be defined as pieces of luggage and, therefore, they fall within the Applicant's wider definition of "*luggage*" and vice versa. Therefore, these goods are identical in line with *Meric*.

- "*Bags*"; "*Wallets*"

17. The terms above are self-evidently identical to the Opponent's respective terms "*bags*" and "*wallets*".

The average consumer and the nature of the purchasing act

18. It is necessary to determine who the average consumer is for the respective parties' goods. I must then decide the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited*, *The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

> "60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

19. The average consumer of the category of goods concerned is deemed to be the reasonably well-informed and reasonably observant and circumspect (see, to that effect, Case C-210/96, *Gut Springenheideand Tusky* [1998] ECR I-4657, paragraph 31).

20. For the purposes 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.[2]

21. Whilst accounting for variations in price, overall, the goods are neither particularly expensive nor infrequent purchases, with considerations such as fashion trends, price, material, quality, and suitability taken into account in the selection process. For these reasons, I consider that an average degree of attention will be undertaken in the purchasing process.

22. The goods are likely to be obtained directly from the provider via websites or in specialised retail outlets. As such, it is my view that the purchasing process will be predominantly visual in nature. However, aural considerations in the form of word-of-mouth recommendations or verbal discussions with the provider, for instance, cannot be excluded entirely.

Comparison of trade marks

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

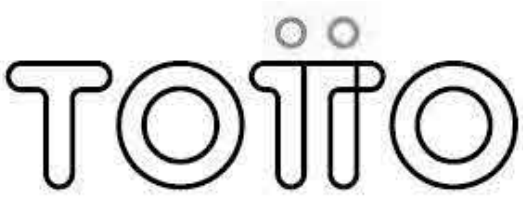
24. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

> ".....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."

[2] *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel BV*, (Case C-342/97, para 26).

25. 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 trade marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the trade marks.

26. The trade marks to be compared are as follows:

Earlier trade mark	Contested trade mark
	**TOT CREW**

Overall impression

27. The Opponent's mark features a letter combination resembling the word "TOTTO". All the letters are represented in white, with a black contour, and rounded edges. In the mark the first two letters ("T" and "O") and the final "O" are clearly readable whilst the two 'T's in the middle are conjoined, incomplete, and form a figurative device with the addition of two small circles (in greyscale tone) placed on top of each letter. The overall impression of the Earlier Mark lies in the combination of the letters and the device as a whole.

28. The Applicant's mark is comprised of two separate words "TOT" and "CREW" represented in plain font and capitalised. The overall impression of the Applicant's mark resides in the combination of the two words that form it.

Visual similarity

29. The Applicant, in its defence, seems to agree with the Opponent that the relevant consumers will perceive the first three letters in the Earlier Mark as "TOT-". Accordingly, it was submitted that (my underlining):

> "*The Contested Application is a word mark consisting of seven letters, <u>of which the letters T-O-T are shared with the Opponent's earlier stylised trade mark</u>. However, the mark applied for is distinguished from the Earlier Mark with the additional word CREW.*"

30. The Opponent argued in its submissions in lieu that "*visually, the mark is presented in a stylised manner, but the stylisation is relatively minimal and does not take away for the word element of the mark*".[3]

31. I agree that a significant proportion of the relevant consumers is likely to derive the word 'TOTTO' from the Earlier Mark. I am of the view that the figurative elements are reminiscent of two letter 'T's and that this is how the relevant public will perceive the mark. However, I do not find that the relevant consumers will disregard the stylisation of the two 'T's placed at the centre of the Earlier Mark (forming a figurative device).

32. The parties argue that the respective marks overlap in their first three letters.[4] Whilst I agree in principle, I also find that the first three letters "TOT" are not presented identically: in the Contested Mark, "TOT" is represented in standard font, while the third 'T' in the Earlier Mark is partially "lost" in the figurative device and, thus, it is likely to have a lesser visual impact on consumers.

33. The Contested Mark is comprised of the two words "TOT" and "CREW" in a standard font and all capitalised. The relevant consumers will immediately perceive the two words forming the mark without further consideration.

34. In its submissions in lieu[5] the Opponent argued that the Applicant applied for a word mark and, thus, "*a meaningful visual comparison of the marks is not possible, since it is unknown as to the style in which the Applicant will use the mark in the marketplace*". To this regard, I am bound to assess the respective marks' visual similarity based on the marks as filed (and registered) and any differences in their trading styles or figurative variations amount to mere speculation and are irrelevant to assess the visual similarity at hand.

35. Thus, I find that, overall, the respective marks have a <u>medium degree</u> of visual similarity.

Aural similarity

[3] Dated 12 February 2024.
[4] Notice of opposition dated 17 May 2023 and the Applicant's counterstatement dated 18 July 2023.
[5] Dated 12 February 2024.

36. The Applicant submits that the words 'TOT CREW' in the Contested Mark stand by one another as a complete phrase.[6] I agree. Bearing in mind the overall impression of the Contested Mark, it will be pronounced as the two ordinary words it comprises, as two syllables. The Opponent argues that its Earlier Mark verbally consists of two elements, 'TOT' and 'TO' and that it can be pronounced as 'TOT-TWO'.[7] Whilst the Earlier Mark will not be dissected into two elements, I agree that it will be pronounced as two syllables, either as 'TOT-OH' or 'TOT-TO'. For consumers who pronounce the Earlier Mark 'TOT-OH' the marks are aurally similar to a low degree and for those who pronounce it 'TOT-TO' the marks are aurally similar to a medium degree, given the rhyming of '-TO' (voiced as the number 'two') and '-CREW'.

Conceptual similarity

37. The Earlier Mark 'TOTTO' does not seem to have any meaning and neither party submitted any potential meaning for this word. Thus, the Earlier Mark has no immediate concept. The Applicant, in its defence, submitted that "*the oxford dictionary defines TOT as a "very young child" and Crew as "all the people working on a ship, plane, etc" whereas the Earlier Mark has no meaning*". I agree but also understand the word 'crew' to have a more general meaning, referring to a group of people. Given the meanings of "TOT" and "CREW", the concept associated with the Contested Mark is likely to be that of a group of young children. On the basis that one mark has a concept whereas the other does not, the respective marks have no conceptual similarity.

Distinctive character of the Earlier Mark

38. 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

[6] See the applicant's defence and counterstatement.
[7] See the opponent's submissions in lieu dated 12 February 2024.

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).

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)."

39. Registered trade marks possess varying degrees of inherent distinctive character. These range from the very low, such as those which are suggestive or allusive of the services, to those with high inherent distinctive character, such as invented words.

40. Although the distinctiveness of a mark may be enhanced as a result of it having been used in the market, the Opponent has filed no evidence of use of its mark. Accordingly, I have only the inherent position to consider.

41. The Opponent submitted that "*the earlier mark consists of the verbal element 'TOTTO', which has no relevance to the goods for which the mark has been registered. The mark is, therefore, of normal distinctiveness.*"[8] Given the mark's stylisation and lack of semantic correlation with the goods at hand, I agree with the Opponent that the Earlier Mark has at least a normal (average) level of distinctiveness.

Likelihood of confusion

42. There is no simple formula for determining whether there is a likelihood of confusion. The factors considered above have a degree of interdependency (*Canon* at [17]). I must make a global assessment of the competing factors (*Sabel*

[8] Submissions in lieu dated 12 February 2024.

at [22]), considering the various factors from the perspective of the average consumer and deciding whether the average consumer is likely to be confused. In making my assessment, I must keep in mind 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 he has retained in his mind (*Lloyd Schuhfabrik* at [26]).

43. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other. The concept of indirect confusion was explained by Iain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10 as follows:

> "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)."

44. I have found the respective goods to be identical. The relevant consumer is likely to pay an average degree of attention in their selection. The distinctiveness of the Earlier Mark is at least average. The marks are visually similar to a medium degree, the aural similarity ranges from low to medium depending on how the consumers will read the Earlier Mark, and the marks have no conceptual similarity. The purchase of the respective goods is considered to be mainly visual but the potential for aural use is borne in mind. I found that although the competing marks share the first three letters "TOT-", the Earlier Mark's stylisation and the fact that consumers are unlikely to dissect the Earlier Mark overall outweighs any similarity with the Contested Mark. Additionally, I find the relevant consumers are unlikely to misremember the ending of the Earlier Mark "-TO" and confuse it for "CREW" of the Contested Mark. Weighing all of these factors, and even bearing in mind the effects of imperfect recollection, I find that the average consumer is unlikely to mistake one mark for the other. Thus, I do not find there is a likelihood of direct confusion between the marks. Further, I do not find that the relevant consumers would perceive the shared letters "TOT" as being so strikingly distinctive to believe that only the Opponent would use them. Furthermore, I don't believe the relevant consumers will see the addition of "CREW" in the Contested Mark either as the addition of a non-distinctive element or as a brand extension. Thus, I can see no basis for finding that, having recognised that the marks are not the same, the average consumer is nevertheless likely to believe that they come from the same or linked undertaking(s). There is no likelihood of indirect confusion. I would have reached the same conclusion even if I had found that the Earlier Mark has a high degree of distinctive character.

Conclusion

45. The opposition fails under section 5(2)(b) of the Act.

46. The Applicant has been successful. Subject to any successful appeal, the application by ZAIENTERPRISES LTD may proceed to registration.

Costs

47. The Applicant has been successful and is entitled to an award of costs. The relevant scale is contained in Tribunal Practice Notice ("TPN") 1/2023. Bearing that scale in mind, I award costs to the Opponent as follows:

Considering the notice of opposition and preparing the counterstatement:	£250
Total:	**£250**

48. I order ZAIENTERPRISES LTD to pay Essential Export Limitada the sum of **£250**. 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 8th day of August 2024

Andrea Rossi

For the Registrar