O/0805/24

TRADE MARKS ACT 1994

IN THE MATTER OF THE UK DESIGNATION OF INTERNATIONAL REGISTRATION NO. 1668457 BY KNAUS TABBERT AG FOR PROTECTION OF THE FOLLOWING TRADE MARK IN CLASSES 9, 12, 37 & 39:

KNAUS E.POWER

AND

IN THE MATTER OF THE OPPOSITION THERETO

UNDER NO. 437547 BY

NISSAN JIDOSHA KABUSHIKI KAISHA

(ALSO TRADING AS NISSAN MOTOR CO., LTD)

BACKGROUND AND PLEADINGS

1. Knaus Tabbert AG ("the holder") designated the international registration ("the contested IR") shown on the front cover of this decision for protection in the UK on 23 February 2022. This is also its international registration date. Priority is claimed from European Union Trade Mark No. 018542814, and the priority date is 30 August 2021. Protection is sought for the following goods and services:

Class 9

Power distribution or control machines and apparatus for land vehicles; inverters for land vehicles; electrical controls; electric connectors; electricity supply systems; batteries, electric.

Class 12

Caissons [vehicles]; trailers [vehicles]; components for the outer bodies of vehicles; camping cars; undercarts for vehicles; vehicles fitted with living accommodation; mobile homes [caravans]; vehicles for use on land; vehicles; electric bicycles; truck campers [recreational vehicles]; vehicles for locomotion by land, air, water or rail; protective interiors for vehicles; trailer chassis for vehicles; self-propelled electric vehicle; radiator grills for vehicles; electric vehicles; camping cars; trailers [vehicles] caravans; vehicles for use on land; automobiles and structural parts therefor; parts and fittings for vehicles; camper vans; vans [vehicles]; camping cars; camper vans; electrically-assisted land vehicles; engines for land vehicles; motors, electric, for land vehicles; motors, electric, for land vehicles; bodies for land vehicles; automobile chassis; electric vehicles and their parts and fittings; fuel cell vehicles and their parts and fittings; ac motors or dc motors for land vehicles (not including "their parts"); shafts, axles or spindles (for land vehicles); driving motors for land vehicles; hybrid drives for motor vehicles; suv (sport utility vehicles); electric cars; hubs for vehicle wheels; electric and/or electronic braking devices for vehicles of all kinds; plug-in hybrid vehicles; plug-in electric vehicles.

Class 37

Service stations for the maintenance of vehicles; charging of electric vehicles; vehicle maintenance; vehicle maintenance and repair; service stations for the

repair of vehicles; maintenance, servicing and repair of vehicles; automobile repair; assembly [installation] of parts for vehicles; assembly [installation] of accessories for vehicles; maintenance and repair of electric vehicles; repair and maintenance of electrical controls; repair and maintenance of electric connectors; repair and maintenance of electronic data processing equipment; repair and maintenance of signalling apparatus; repair and maintenance of electric inspecting apparatus and instruments; repair and maintenance of electric power systems; repair and maintenance of batteries, electric; repair and maintenance of electric and/or electronic braking devices for vehicles of all kinds.

Class 39

Towing of motor vehicles; rental of moving vans; car transport; car rental; transport of travellers; travel tour operating and organising; packaging and storage of goods; arranging for the escorting of travellers; rental of parking places and garages for vehicles; despatch of goods; rental of motor homes; transport; transport of people by land; rental of recreational vehicles; escorting of travellers; travel agents services for arranging travel; vehicle rental; organizing and arranging travel; forwarding of goods.

2. On 16 November 2022, the designation was opposed by Nissan Jidosha Kabushiki Kaisha (also trading as Nissan Motor Co, Ltd) ("the opponent"). The opposition was originally based on sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 ("the Act") and concerns all the goods and services listed above. However, the opponent filed no evidence during the proceedings and so the section 5(3) ground was struck out. The opponent is also unable to rely on one of the earlier marks included in the pleadings, as it was caught by the use provisions in section 6A of the Act.

3. The opponent is now relying on the following earlier marks:

UKTM No. 917594672 ("the 672 mark") e-POWER Application date: 14 December 2017

Registration date: 20 December 2018

Class 9

Power distribution or control machines and apparatus for land vehicles; inverters for land vehicles; battery for land vehicles.

Class 12

Electrically-assisted land vehicles; Waggons; Trucks; Vans [vehicles]; Sport utility vehicles; Motor buses; Recreational vehicles (RV); Sports cars; Racing cars; Engines for land vehicles; Motors, electric, for land vehicles; Electric drive unit for land vehicles; Bodies for land vehicles; Automobile chassis; Transmissions, for land vehicles; Steering wheels for Automobiles; Automobiles and their parts and fittings; Automobiles; Electric vehicles and their parts and fittings; Fuel cell vehicles and their parts and fittings; AC motors or DC motors for land vehicles [not including their parts]; Mechanical elements for land vehicles; Shafts, axles or spindles [for land vehicles]; Bearings [for land vehicles]; Shaft couplings or connectors [for land vehicles]; Axles bearings [for land vehicles]; Power transmissions and gearing [for land vehicles]; Shock absorbers [for land vehicles]; Springs [for land vehicles]; Brakes [for land vehicles]; Driving motors for land vehicles; Hybrid systems for automobiles, trucks, vans, sport utility vehicles, motor buses, recreational vehicles (RV), sports cars, racing cars; Electric automobiles; Hubs for vehicle wheels; Wheel of vehicle.

UKTM No. 3293755 (“the 755 mark”)

e-POWER

Application date: 1 March 2018
Registration date: 6 July 2018

Class 9

Power distribution or control machines and apparatus for land vehicles; inverters for land vehicles; Batteries for land vehicles.

Class 12

Electrically-assisted land vehicles; wagons; trucks; vans [vehicles]; sport utility vehicles; motorised buses; recreational vehicles (RV); sports cars; racing cars; engines for land vehicles; motors, electric, for land vehicles; electric drive unit for land vehicles; bodies for land vehicles; automobile chassis; transmissions, for land vehicles; steering wheels for automobiles; automobiles and their parts and fittings; automobiles; electric vehicles and their parts and fittings; fuel cell vehicles and their parts and fittings; AC motors or DC motors for land vehicles [not including "their parts"]; mechanical transmissions, gearings and power transmitting mechanisms for land vehicles; shafts, axles or spindles [for land vehicles]; axle and wheel bearings for land vehicles; shaft couplings, couplings or land vehicles; axle bearings [for land vehicles]; power transmissions and gearing [for land vehicles]; shock absorbers [for land vehicles]; springs for vehicle suspension systems and units; brakes [for land vehicles]; driving motors for land vehicles; hybrid systems for automobiles, trucks, vans, sport utility vehicles, motor buses, recreational vehicles (RV), sports cars, racing cars; electric automobiles; hubs for vehicle wheels; wheels for vehicles.

4. Both marks qualify as earlier marks under section 6(1) of the Act by virtue of their earlier application dates. As both completed their registration processes less than five years before the priority date of the contested IR, they are not subject to the requirement to prove use and so the opponent may rely on all the goods for which the marks stand registered.

5. The opponent claims that the marks are similar, as the verbal element of its earlier marks is wholly contained within the contested IR. It also claims that the goods and services are identical or similar and so there exists a likelihood of confusion.

6. The holder filed a defence and counterstatement denying the claims made.

7. In these proceedings, the opponent is represented by Keltie LLP and the holder by Beck Greener LLP.

8. Neither side requested a hearing and both parties filed written submissions in lieu on 8 January 2024.

EVIDENCE

9. Only the holder filed evidence in these proceedings. It is in the form of a witness statement from Ian Bartlett, a registered trade mark attorney and licensed IP litigator and partner at the holder's legal representatives. His witness statement is dated 27 October 2021 (although I note that it was filed on 30 October 2023 and so presume that this is an error) and it goes to the alleged lack of distinctiveness of the term "E POWER". This discrepancy in the date was not picked up earlier in the proceedings and I have considered whether I should request a correctly dated witness statement. However, for reasons that will become apparent, I decided that I did not need to put the parties to further costs and delays.

10. I confirm that I have read all the evidence and submissions in the course of preparing my decision.

DECISION

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

> "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."

12. These provisions 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.

13. In considering this opposition, I am guided by the following principles, gleaned from the decisions of the Court of Justice of the European Union ("CJEU") 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 BV* (Case C-342/97), *Marca Mode CV v Adidas AG & Adidas Benelux BV* (Case C-425/98), *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (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-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):

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. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but someone who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their mind, and whose attention varies according to the category of goods or services in question;

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

d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks and vice versa;

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

i) mere association, in the strict sense that the later mark brings 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; and

k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

14. Some of the contested goods (e.g. *suv (sport utility vehicles)* and *electrically-assisted land vehicles*) are identical to goods on which the opposition is based. For reasons of procedural economy, I will not undertake a full comparison of the goods and services at issue. The examination of the opposition will proceed on the basis that the contested goods or services are identical to those covered by the earlier trade marks. If the opposition fails, even where the goods are identical, it follows that the opposition will also fail where the goods or services are only similar.

Average consumer and the purchasing process

15. The average consumer is deemed to be reasonably well informed and reasonably circumspect: see *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors* [2014] EWHC 439

(Ch), at [60]. 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 and services in question: see *Lloyd Schuhfabrik*, at [26].

16. The opponent submits that the average consumer is either a member of the general public or a business. I agree. The majority of the goods that are identical are high-value goods such as vehicles or specialist parts that would be purchased on an infrequent basis, unless the business is one that provides vehicles itself, perhaps through leasing. Where the goods are expensive and/or bought rarely, or are essential to the operation of the consumer's business, I consider that the attention paid would be high. Even where goods might be less expensive, for example *Hubs for vehicle wheels*, they are still important for the safe running of the vehicle, and so I consider that the average consumer would pay a relatively high degree of attention, if not perhaps so high as the attention paid when purchasing the vehicle itself.

17. The average consumer is likely to choose the goods in a physical retail environment or through browsing websites. They may also have seen advertisements on television, online or in printed media, or signage in the street. Visual considerations are therefore likely to be significant, with a lesser role played by the aural element of the mark. However, I do not discount the possibility that the average consumer may receive word-of-mouth recommendations or be assisted by sales staff.

Distinctive character of the earlier marks

18. Distinctive character is a measure of how strongly a mark distinguishes the goods or services of one undertaking from those of others. The factors that I must take into account in assessing the level of distinctive character were set out by the CJEU in *Lloyd Schuhfabrik Meyer*:

> "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)."

19. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of the mark can be enhanced by the use that has been made of it, but as no evidence of use has been filed, I only have the inherent position to consider.

20. The earlier marks consist of a lower-case letter "e", followed by a hyphen and the word "POWER" in upper case. The letters are presented in a slightly stylised typeface. The characters in the 755 mark are all black. In the 672 mark, the initial "e" is shown in white on a square black background with rounded corners, while the remaining characters are black.

21. The holder submits that the word "E-POWER" has no distinctive character in itself and that the distinctiveness of the earlier marks resides in their stylisation. Mr Bartlett has adduced documents relating to decisions of the European Union Intellectual Property Office ("EUIPO") which, he states, show that the opponent knows that the word is not distinctive. These are as follows: (i) a letter from the EUIPO dated 8 September 2016 rejecting the opponent's application to register **e-POWER** as a plain word mark; (ii) the decision of the General Court ("GC") in *Nissan Motor Co. Ltd v EUIPO*, Case T-755/20, in which the GC held that the public would understand the term "e-power" to refer to "electric energy"; and (iii) a letter from the opponent's legal representatives before the EUIPO dated 3 May 2018 which disagrees with the EUIPO's view that EU Application No. 17594672 (which formed the basis of the 672 mark relied on in these proceedings) is descriptive, relying on the stylised elements to give it distinctive character. The decisions of the EUIPO, and those of the GC after IP completion day, are not binding on this tribunal and so I shall consider them no further.

22. The rest of Mr Bartlett's evidence consists of dictionary definitions of the prefix "e-" and the words "e-bike", "e-scooter" and "e-car" and examples of the use of the terms

"e-power" and "e-powered" by third parties and the registration of those terms as trade marks.

23. The opponent submits that the dictionary evidence filed by Mr Bartlett is irrelevant and refers me to the decision of Mr Iain Purvis QC, sitting as the Appointed Person, in *Creative Nail Design Inc v Maroc Organics Limited (HARLEQUIN SHELLAC Trade Mark)*, BL O-500-14, where he said:

> "25. The Hearing Officer consulted two dictionaries, set out the definitions given in those dictionaries and concluded that the word was therefore not distinctive for goods *'such as polish or coatings which may either be made from shellac or provide a shellac-like result'.* Her analysis therefore missed out the step which was vital to a finding that the term was not a distinctive element within either mark, namely whether it would be recognised in its descriptive sense by the average consumer. If it would not, then the mere fact that it appeared in dictionaries was entirely irrelevant."

24. The opponent also criticises the evidence of use and registration of marks including the term "E-POWER" or variations thereon. It notes that the forms in which those marks are registered are stylised. I do not disagree. The opponent submits that there is no indication of the extent of the use of these marks on the marketplace. Mr Bartlett has provided some website printouts showing the terms in use, but I accept that these give little information about how widespread any use has been.

25. Even without the evidence, it would be my view that the average consumer would, in the context of the goods for which the earlier marks are registered, understand "E-POWER" to be a reference to electric power and thus to be descriptive of the type of energy used by the vehicle. This is not a technical term, as Mr Purvis held "SHELLAC" to be. I consider that the average consumer would be accustomed to seeing "E" used to describe goods or services delivered electronically or powered by electricity, and "E-POWER" would be a logical extension of that use. The stylisation does add some distinctive character and, overall, I find that the inherent distinctiveness of the earlier marks is low.

Comparison of marks

26. It is clear from *SABEL* (particularly at [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 in *Bimbo* that:

> "34. … it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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."

27. Artificial dissection of the marks would therefore be wrong, although it is necessary for me 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.

28. The respective marks are shown below:

Contested IR	**Earlier marks**
KNAUS E.POWER	e-POWER e-POWER

29. I have already considered the overall impression of the earlier marks and their distinctive character.

30. The contested IR consists of the word "KNAUS", followed by the letter "E" which is separated by a full stop from the word "POWER". The mark is a plain word mark and

I recall that in *LA Superquimica v EUIPO*, Case T-24/17, the GC held at [39] that such plain word marks protected the word or words contained therein in whatever form, colour or typeface. The opponent submits that "KNAUS" and "E.POWER" have independent distinctive roles within the mark, and that the latter would be the more distinctive element in the mind of the average consumer as "KNAUS" is the company name. I disagree. I have already found that "E-POWER" would be seen as descriptive in the context of these goods and I do not consider that the change in punctuation from a hyphen to a full stop makes any difference. The dominant and distinctive element of the mark, to my mind, is "KNAUS", which is likely to be perceived as an invented word.

31. The holder rightly notes that it would be improper for me completely to ignore the verbal element "E.POWER" in the contested mark. I found that "KNAUS" was the dominant and distinctive element of the mark and, furthermore, it is at the start of the mark. English-speaking consumers read from left to right and so they tend to pay more attention to the start than to the end of marks. Consequently, I find that the marks are visually similar to a low degree.

32. The average consumer may not know how to pronounce the first word in the earlier mark: it could be "NOWSS", "NOWZ", "NORZ", "KUH-NOWSS" or "KUH-NOWZ". There may be other possibilities that are not apparent to me. However it is pronounced, it will be a clear point of aural difference between the marks and, as with the visual comparison, the position at the start of the mark increases its impact. Although it is a shorter sound than the "E-POWER/E.POWER" element, it is the dominant and distinctive element. I find that the marks are aurally similar to a low degree.

33. The holder submits that, if there is any conceptual similarity, this factor is irrelevant to the assessment of likelihood of confusion. The contested mark would bring to mind *"electrically powered goods and related services from Knaus"* and the earlier marks would bring to mind *"electrically powered goods"*. For the moment, I consider that there is some conceptual similarity, but I accept that this comes from an element I found to be descriptive. As I found that "KNAUS" would be perceived as an invented word, it has no conceptual content.

Conclusions on likelihood of confusion

34. Making an assessment of the likelihood of confusion is a matter of considering the relevant factors from the viewpoint of the average consumer of the goods and services at issue and determining whether they are likely to be confused. When doing this, I am required to bear in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely on the imperfect picture of them that they have in their mind. This means that the global assessment emulates what happens in the mind of the average consumer on encountering the later mark with an imperfect recollection of the earlier mark in mind. There is no law setting out precisely what weight should be attached to each of the factors or providing a formula that can be applied to any set of circumstances. However, I am required to take account of the interdependency principle, i.e. that a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services or vice versa.

35. There are two types of confusion: direct and indirect. In *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, Mr Iain Purvis QC, 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 recognised 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)."

36. The opponent submits that there is a likelihood of both direct and indirect confusion. Given my findings on the dominant and distinctive element of the contested mark, I do not consider that the average consumer is likely to mistake one mark for the other. "KNAUS", as an invented word, would be highly distinctive. Therefore, I find that there is no likelihood of direct confusion.

37. The opponent's arguments to support a claim of indirect confusion are based on the average consumer disregarding the first word of the contested mark as this is the holder's name, noting the common element and then coming to the view that there is an economic connection between the parties. At this point, I will say that, even if I had found that the earlier marks were distinctive to a medium degree, I would still not find the common element to be so strikingly distinctive that the average consumer would assume that only the opponent would be using it. I find that there is no likelihood of indirect confusion.

38. As I found that there was no likelihood of confusion where the goods are identical, there is no likelihood of confusion where the goods and services are merely similar.

39. The opposition is unsuccessful.

OUTCOME

40. The opposition has failed and International Registration No. 1668457 may be designated for protection in the UK in respect of all the goods and services in the specification.

COSTS

41. The holder has been successful and is entitled to a contribution towards its costs in line with the scale set out in Tribunal Practice Notice No. 2/2016. I have calculated the award as follows:

> *£300 for preparing a statement and considering the other side's statement;*
> *£500 for preparing evidence;*
> *£350 for preparing written submissions in lieu of a hearing.*
>
> ***£1150 in total***

42. I therefore order Nissan Jidosha Kabushiki Kaisha (also trading as Nissan Motor Co., Ltd) to pay Knaus Tabbert AG the sum of £1150. 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 21st day of August 2024

Clare Boucher
For the Registrar,
Comptroller-General