**O/0820/24**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. UK00003705109**
**BY MASSMAN COMPANIES, INC.**
**TO REGISTER:**

**AS A TRADE MARK IN CLASSES 7 & 9**

**AND**

**IN THE MATTER OF OPPOSITION THERETO**
**UNDER NO. 432809 BY**
**NEM S.R.L.**

## BACKGROUND AND PLEADINGS

1. On 30 September 2021, Massman Companies, Inc. ("the applicant") applied to register the trade mark on the cover page of this decision in the UK ("the applicant's mark").[1] The applicant's mark was published for opposition purposes on 21 January 2022 and registration is sought for the following goods:

| | |
|---|---|
| Class 7: | Packaging machinery and equipment for the food, beverage, pharmaceutical, nutraceutical, personal care, household, and chemical industries, namely, unscramblers, cappers, retorquers, tighteners, pluggers, lidders, pump sorters, pump placers, orienteers, inserters, scoop feeder droppers, scoop feeder placers, rejection systems, cap sorters, lid sorters, hopper elevators, lane combiners, lane dividers, bottle uprighters, and belt transfer systems. |
| Class 9: | Inspection systems. |

2. The applicant's mark enjoys two priority dates, being one derived from an EU trade mark and the other being derived from a United States trade mark. Those priority dates are 7 October 2020 and 16 April 2020, respectively.[2]

3. On 21 April 2022, the applicant's mark was opposed by NEM S.R.L. ("the opponent"). The opposition is based on sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). Under the 5(2)(b) ground, the opponent relies on the following trade mark:

[1] It is noted that the applicant's mark was originally in the name of New England Machinery, Inc. but was assigned to the applicant on 30 June 2023. This was confirmed to the Tribunal by way of a Form TM16 dated. It is also noted that the applicant confirmed by way of email dated 12 October 2023 that it had sight of all forms in this matter, that it stood by the statements made in the counterstatement and that where previous documents read New England Machinery, Inc. they were to be read as though they referred to the applicant. Lastly, I note that the applicant accepted liability for the costs of the whole proceedings in the event that the opposition succeeded.

[2] It is noted that the mark at issue is based on this earlier EU trade mark and was filed pursuant to Article 59 of the Withdrawal Agreement between the United Kingdom and the European Union. It is for this reason that it maintains the earlier filing date of the EU mark as a priority date.


UK registration no. 902408235[3]

Filing date 11 October 2001; registration date 3 December 2002

Relying on all goods, namely:

Class 7: Hydraulic controls for machines and engines, valves (parts of machines).

Class 9: Electrovalves, electromagnets, electric coils.

Class 12: Hydraulic circuits for vehicles.

("the opponent's mark").

4. The opponent claims that the marks at issue are similar and that the goods the applicant seeks to register are also similar. As a result, the opponent claims that there exists a likelihood of confusion on the part of the public, to include a likelihood of association.

5. Under the section 5(4)(a) ground, the opponent relies on the following unregistered sign:


6. The opponent claims to have been using this sign throughout the UK since February 2010 in respect of the following goods:

[3] The opponent's mark is a comparable mark based on an earlier EUTM. On 1 January 2021, in accordance with Article 54 of the Withdrawal Agreement between the UK and the European Union, the UK IPO created comparable UK trade marks for all right holders with existing EUTMs.

Class 7: Hydraulic controls for machines and engines; valves [parts of machines]; pressure controllers [valves] being parts of machines; control valves for regulating flow of fluid media; cartridge valves; hydraulic directional control valves; integrated hydraulic circuits (parts of machines).

Class 9: Solenoid valves; electromagnets; coils, electric.

Class 12: Hydraulic circuits for vehicles.

7. Under this ground, the opponent claims to enjoy substantial goodwill in its sign as a result of the use made of it. Use of the applicant's mark would, the opponent argues, constitute a misrepresentation to consumers (intentional or not) as they may mistake the applicant's goods for those of the opponent or may infer that they are in some way endorsed or licensed by the opponent. As a result, the opponent claims that such use is liable to cause actual or potential damage to the opponent by way of diversion of trade, damage to the opponent's reputation, both of which will lead to a loss of revenue. The opponent also argues that use of the applicant's mark would damage the distinctive character and repute of the opponent's brand as the goods offered by the applicant would not have been subject to the opponent's quality control or supervision.

8. The applicant filed a counterstatement wherein it denies the claims made against it. Further, the applicant elected to put the opponent to proof of use for its mark.

9. Both parties filed evidence in chief. A hearing took place before me on 29 May 2024, by video conference. The applicant was represented by Mr Ryan Pixton of Kilburn & Strode LLP, being the firm that has represented the applicant throughout these proceedings. The opponent was not present at the hearing but did file written submissions in lieu of its attendance. The opponent has been represented throughout these proceedings by Stobbs. The applicant filed a skeleton argument in advance of the hearing.

10. 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**

11. The opponent's evidence came in the form of the witness statement of Venturelli Silvia dated 25 May 2023. Venturelli Silvia is the Managing Director of the opponent, a role they have held since 9 July 2021, having been employed previously by the opponent since 3 April 2017. The statement is accompanied by nine exhibits, being those labelled Exhibit 1 to Exhibit 9, and was adduced to demonstrate use of the opponent's mark and goodwill in its sign.

12. In addition to filing the above evidence, the opponent also filed the witness statement of David Warwick dated 30 June 2023. Mr Warwick is a translator at Comtec Translations Ltd (which appears to be a member of the Association of Translation Companies) and confirms that he is familiar to a high level of understanding of both Italian and English. The purpose of his statement is to provide translations of certain pages of Venturelli Silvia's Exhibit 9. These are provided at Exhibit A of Mr Warwick's statement.

13. The applicant's evidence came in the form of the witness statement of Ryan Pixton dated 12 October 2023. Mr Pixton is, as above, the legal representative of the applicant. He is employed as a Trade Mark Attorney at the applicant's legal representative firm. His statement is accompanied by one exhibit, being that labelled REP1, which is an extract from the website 'neminc.com'.

14. I do not intend to summarise the parties' evidence in full here. However, I confirm that I have taken all filed documents into account and will summarise them to the extent that I deem necessary below.

**DECISION**

**Proof of use**

15. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

> "(6)(1) In this Act an "earlier trade mark" means –
>
> (a) a registered trade mark or international trade mark (UK) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,
>
> (aa) a comparable trade mark (EU) or a trade mark registered pursuant to an application made under paragraph 25 of Schedule 2A which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired;
>
> (ab) a comparable trade mark (IR) or a trade mark registered pursuant to an application made under paragraph 28, 29 or 33 of Schedule 2B which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired.
>
> […]
>
> (2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered."

16. Section 6A is also relevant. It reads:

“(1) This section applies where:

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

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

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

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

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

(3) The use conditions are met if –

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

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

(4) For these purposes –

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

not the trade mark in the variant form is also registered in the name of the proprietor), and

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

(5)-(5A) [Repealed]

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

17. Section 100 of the Act is also relevant. It reads:

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

18. As the opponent's mark is a comparable mark, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:

"7.— (1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the relevant period referred to in section 6A(3)(a) (the "five-year period") has expired before IP completion day—

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day —

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM ; and

(b) the references in section 6A to the United Kingdom include the European Union".

19. Given its filing date, the opponent's mark qualifies as an earlier trade mark under the above provisions. The opponent's mark completed its registration process over five years prior to the earliest priority date of the applicant's mark. As set out above, the applicant requested that the opponent provide proof of use in respect of its mark. Therefore, the opponent's mark is subject to the proof of use provisions.

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

"105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 P *Sunrider Corp* v *Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer*

*Baumwollbörse* [EU:C:2017:434] and Joined Cases C–720/18 and C–721/18 *Ferrari SpA v DU* [EU:C:2020:854].

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

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

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

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

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create

or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

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

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

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

21. As per section 6A of the Act (cited above), the relevant period for the present assessment is the five-year period prior to the earliest priority date of the applicant's mark, being 16 April 2020. The relevant period is, therefore, 17 April 2015 to 16 April 2020 ("the relevant period").

22. Proven use of a mark which fails to establish that "the commercial exploitation of the mark is real"[4] because the use would not be "viewed as warranted in the economic sector concerned to maintain or create a share in the mark for the goods or services protected by the mark" is, therefore, not genuine use.

Form of the mark

23. I note that the applicant's primary position in respect of the opponent's evidence of use is that the opponent has failed to demonstrate any use of the mark actually relied upon in these proceedings. Instead, the applicant contends that the opponent's use relates to the sign relied upon under the section 5(4)(a) ground, which is not at issue here. On this point, it is clear that the evidence mainly shows use of the sign relied upon under the section 5(4)(a) ground which I remind myself is as follows:

24. I appreciate that this is not the mark as registered, however, use of the above may still be capable of pointing to genuine use if I am satisfied that it is an acceptable variant of the opponent's registered mark. I say this because section 6A(4)(a) of the Act sets out that use of a trade mark in a variant form is capable of supporting a claim for genuine use so long as the differences do not alter the distinctive character of the mark as registered. On this point, I refer to the case of *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22, wherein Phillip Johnson, sitting as the Appointed Person, considered the correct approach to the test under section 46(2) of the Act (which I note is the same test as set out in section 6A(4)(a). He said:

> "13. […] While the law has developed since *Nirvana* [BL O/262/06], the recent case law still requires a comparison of the marks to identify elements of the mark added (or subtracted) which have led to the alteration of the mark (that is,

[4] *Jumpman* BL O/222/16

the differences) (see for instance, T-598/18 *Grupo Textil Brownie v EU*IPO*, EU:T:2020:22, [63 and 64]).

14. The courts, and particularly the General Court, have developed certain principles which apply to assess whether a mark is an acceptable variant and the following appear relevant to this case.

15. First, when comparing the alterations between the mark as registered and used it is clear that the alteration or omission of a non-distinctive element does not alter the distinctive character of the mark as a whole: T-146/15 *Hypen v EUIPO*, EU:T:2016:469, [30]. Secondly, where a mark contains words and a figurative element the word element will usually be more distinctive: T-171/17 *M & K v EUIPO*, EU:T:2018:683, [41]. This suggests that changes in figurative elements are usually less likely to change the distinctive character than those related to the word elements.

16. Thirdly, where a trade mark comprises two (or more) distinctive elements (eg a house mark and a sub-brand) it is not sufficient to prove use of only one of those distinctive elements: T-297/20 *Fashioneast v AM.VI. Srl*, EU:T:2021:432, [40] (I note that this case is only persuasive, but I see no reason to disagree with it). Fourthly, the addition of descriptive or suggestive words (or it is suppose figurative elements) is unlikely to change the distinctive character of the mark: compare, T-258/13 *Artkis*, EU:T:2015:207, [27] (ARKTIS registered and use of ARKTIS LINE sufficient) and T-209/09 *Alder*, EU:T:2011:169, [58] (HALDER registered and use of HALDER I, HALDER II etc sufficient) with R 89/2000-1 CAPTAIN (23 April 2001) (CAPTAIN registered and use of CAPTAIN BIRDS EYE insufficient).

17. It is also worth highlighting the recent case of T-615/20 *Mood Media v EUIPO*, EU:T:2022:109 where the General Court was considering whether the use of various marks amounted to the use of the registered mark MOOD MEDIA. It took the view that the omission of the word “MEDIA” would affect the distinctive character of the mark (see [61 and 62]) because MOOD and MEDIA

were in combination weakly distinctive, and the word MOOD alone was less distinctive still."

25. In order to consider whether the differences between the mark as registered and the use shown alter the distinctive character of the mark, I will first need to determine the distinctive character of the opponent's mark. Secondly, I will need to consider the changes in the use shown before, finally, determining whether the changes in the use shown alter that distinctive character. If they do not, then the use will be considered an acceptable variant. However if they do, then the reliance upon the opponent's mark will fail on the basis that the use shown will be deemed an unacceptable variant of the opponent's mark.

26. The opponent's mark, as registered, is a figurative mark that is described in the trade mark register as follows:

"Consists of the word NEM preceded by geometric elements which represent oleodynamic components, and in particular valves, according to a conventional symbolic representation, crossed by an arrow pointing towards the top."

27. While this description is noted and I accept that it is how the mark is intended to be perceived, the average consumer will not be assisted by the description of the mark on the register while encountering the mark. On this point, I do not consider that the description is reflective of how the average consumer sees the mark. I accept that the letters 'NEM' will be perceived within the mark and that preceding this is a device element, however, I do not consider that the average consumer of the goods will view it as one made up of oleodynamic components and/or valves.[5] Instead, I am of the view that it will be seen as simply a device that is made up of a number of different shapes. Clearly, the consumers eye will be drawn to the word/letters 'NEM' which will be viewed as the mark's dominant and distinctive element. As for

[5] I appreciate that in the case of *AE* (BL O/468/17), Daniel Alexander Q.C. (sitting as the Appointed Person) set out that the Hearing Officer fell into error by leaving out the fact that the mark at issue was intended to be read as a stylised form of 'AE' and that it was taken as such by the UKIPO in its registration classification process. However, I do not consider this is necessarily applicable to the present case. I say this because (1) there is no evidence to demonstrate that the shapes in the opponent's mark are conventional symbolic representations of valves and (2) the mark was registered by the EUIPO so the description does not appear as part of the UKIPO's registration process.

the device, I consider that this will have very little impact on the mark as a whole as it is fairly banal.[6] Both the word and device element sit within their own black rectangle borders but this will simply be viewed as a banal border element which carries no weight in the mark itself. The mark as used in the evidence is also a figurative mark that consists of the stylised word/letters 'NEM' in blue. This is followed by a small device element (made up of two rhomboid shapes) that is conjoined to the letter 'M'.[7] As was the case with the mark as registered, I find that the mark as used is dominated by the word/letters 'NEM'. In considering the differences between the marks, they are plainly stylised differently and have different device elements placed at different locations within them.[8] That being sad, both marks are dominated by the same distinctive element, being the word/letters 'NEM' with the figurative/stylistic elements playing much lesser roles. On this point, I remind myself that the case of *Lactalis* (cited above) suggests that changes in figurative elements are usually less likely to change the distinctive character than those related to the word elements. Further, I do not consider that the differences in stylisation of the word/letters 'NEM' between the marks alters the distinctive character of the word.[9] Taking all of this into account, I consider that the mark shown above does not alter the distinctive character of the mark as registered and is, therefore, an acceptable variant of the opponent's mark. As a result, the opponent is permitted to rely on use of the same in support of its claim to have genuinely used its earlier mark. For the avoidance of doubt, for my genuine use assessment I will continue to refer to the opponent's mark.

Evidence of use

28. Despite the applicant's argument on genuine use being that the opponent's use is not in relation to the mark relied upon (an argument I have disagreed with above),

[6] Even if I am wrong to find as I have above (that the device will not be seen as valves), then their perception as such will be seen as descriptive of the goods at issue in that they are valves or incorporate valves. As a result, they remain banal device elements.
[7] On this point, I appreciate that the 'M' is more stylised due to its conjoining with the device element. However, it will still be naturally perceived as the letter 'M' rather than a shape with no verbal element.
[8] I appreciate that the colours of the marks differ but as the mark as registered is done so in black and white, it is capable of use in the same shade of blue as used in the mark shown in the evidence. Therefore, the use of colour is not a point of difference between the marks.
[9] On this point, I refer to the case of *Dreamersclub Ltd v KTS Group Ltd*, BL O/091/19 wherein the word 'DREAMS' presented in a heavily stylised and conjoined typeface constituted an expression of the registered word in normal and fair use. I consider that a similar finding can be said to apply here.

it has raised issues with the sufficiency of the evidence when addressing the section 5(4)(a) ground. Given that the sign relied upon under the section 5(4)(a) ground is an acceptable variant of the opponent's mark, I will take the applicant's comments on the evidence under that ground as applicable to the issue of genuine use.

29. The opponent's evidence claims that it has been using its mark since the company was founded in 1995 and at least as early as February 2010 in the UK. I will begin my assessment of the evidence by setting out the turnover and level of sales figures of the opponent.[10] The opponent has provided UK turnover and UK sales figures from the years 2015 to 2023 for products bearing the opponent's mark. On this point, I remind myself that the relevant period for this assessment is 17 April 2015 to 16 April 2020. As a result, any turnover from 2021 to 2023 is of no assistance here. Further, I note that the 2015 and 2020 figures are provided for the full years and as there is nothing to demonstrate what use is actually from within the relevant period itself. I will, therefore, treat the figures from 2015 and 2020 with a degree of caution.

30. The sales/turnover figures provided are as follows:

| **Year:** | **Annual Quantity:** | **Annual Turnover (€):** |
|---|---|---|
| 2015 | 1,002 | 26,791 |
| 2016 | 2,886 | 61,760 |
| 2017 | 8,845 | 148,202 |
| 2018 | 17,012 | 269,661 |
| 2019 | 14,577 | 233,631 |
| 2020 | 14,796 | 241,045 |
| **Total** | **59,118** | **981,090** |

31. In support of these sales to the UK, the opponent has provided 50 pages of invoices to customers across the breadth of the UK.[11] While the invoices are provided in a

[10] Exhibit 7
[11] Exhibit 8

foreign language, I can determine that they are invoices addressed to various businesses across the UK.

32. Evidence as to promotional activity has also been provided. This is in the form of photographs of the opponent's stands at various industry events such as BAUMA, EIMA and AGRITECHNICA as well as additional documents surrounding the same.[12] I note that the narrative evidence explains that these events are all international events relating to fields such as construction machinery and agriculture. The opponent confirms that it attended these events between 2011 and 2022. On this point I note that the BAUMA and EIMA events were attended during the relevant period, however, the AGRITECHNICA event was only attended by the opponent in 2011, being before the relevant period. The photographs provided show that the opponent's mark was present at these events, and further, they show that the opponent's stands also displayed a number of goods (seemingly a range of valve products, a point I will discuss further below). The evidence is clear in that the opponent attended these events during the relevant period and that it expended marketing costs in relation to the same.[13] I also note that the additional supporting evidence demonstrates that the events took place in the EU (in Munich, Germany and Bologna, Italy, for example) meaning that the activities took place within the relevant territory.[14] I appreciate that the opponent would have incurred expenditure in attending said events, however, I have nothing to suggest the reach or attendance of said events in the relevant territory. For example, how many visitors attended the opponent's booth or what, if any, sales resulted directly from the opponent's attendance at these events. As a result, I am unable to attribute, with any accuracy, what level of exposure these events would have garnered.

33. While additional evidence has been provided, I am of the view that the evidence discussed above can, in itself, support a finding of genuine use. I say this because

[12] See Exhibit 9 and Exhibit A in respect of the translated evidence.
[13] In respect of the latte point, I note that Exhibit 9 consists of invoices which, for example., relate to set-ups for the opponent's stand at the BAUMA 2013 event (see page 23 of Exhibit 9).
[14] As above, the relevant territory for this assessment includes the EU prior to 31 December 2020. All of these events (and the entirety of the relevant period, for that matter) are prior to this.

while the turnover figures may be low,[15] the sale of approximately 59,000 products at a consistent rate over a five-year period is a clear indication that the opponent has attempted to create or preserve a market share in respect of the goods it sells. I appreciate that my reference to the opponent's goods during my assessment of the evidence has been somewhat vague. This was intentional as, in my view, the evidence in respect of the issue of the goods covered by the opponent's use is more relevant to the consideration of a fair specification, which I will assess below.

Fair specification

34. In the case of *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited,* BL O/345/10, Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person, summed up the law in relation to fair specifications as being:

> "In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

35. Further, I note the case of *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), wherein Mr Justice Carr summed up the law relating to partial revocation as follows (at [47]):

> "iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

[15] I say this on the basis that while I have nothing before me in respect of the size of the market at issue, it is likely to be somewhat sizeable despite being a niche market. In this context, I consider the sale of less than €1 million worth of goods over five years to be low.

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Pl*c [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

36. I remind myself that the opponent relies on the following specification:

| | |
|---|---|
| Class 7: | Hydraulic controls for machines and engines, valves (parts of machines). |

Class 9: Electrovalves, electromagnets, electric coils.

Class 12: Hydraulic circuits for vehicles.

37. A criticism levied at the opponent's evidence by the applicant is that there is no breakdown of what goods are covered by the sales figures provided. I agree that it would have been beneficial for the opponent to have provided a breakdown as to what its sales/turnover figures relate to. Failing to provide such a breakdown is not fatal to the issue of genuine use, however, it means that my assessment is based on my own determination of the evidence. On this point, the evidence before me covers a range of goods that are used as parts of complex machinery and, as such, I do not consider it controversial to suggest that the goods covered are somewhat specialist in nature. It is, therefore, difficult to determine precisely what it is that the opponent sells. Having said that, the evidence is not so complex that it renders any assessment impossible. For example, as I will come to explain below, it is clear that the opponent sells valves, however, the specific function of said valves is not particularly clear to me.

38. Firstly, I note that the opponent has provided a range of catalogues that are purported to show what the opponent's goods are from 2011, 2013 and 2014.[16] Such catalogues are not reflective of the position during the relevant period which, as above, ran from 2015 to 2020. That being said, a catalogue has been provided showing the position during 2018 which does fall within the relevant period.[17] I note that this catalogue shows the presence of the following products:

> Cartridge valves, parts-in-body valves, hydraulic integrated circuits, directional control valves, mechanical and electrical cartridge valves, pressure control valves, pilot operated check valves, flow control valves, coils and connectors.

39. In addition, printouts of the opponent's website obtained from the internet archive facility, the Wayback Machine, are provided.[18] These range from February 2010 to

[16] Exhibits 1 to 3 in respect of the 2014 catalogues and pages 1 to 40 of Exhibit 40 in respect of 2011 and 2013 catalogues.
[17] See pages 41 to 68 of Exhibit 4
[18] Exhibit 6

December 2020. Of the printouts from the relevant period, I note that images of goods are shown in line with those provided for in the 2018 catalogue discussed above.

40. As I have set out above, I believe that the opponent could have been more direct in asserting what goods it had used its mark on during the relevant period. However, when taking the evidence as a whole, I consider it reasonable to infer that the turnover/sales figures provided cover the sales of the goods set out in the opponent's 2018 catalogue and as shown on its website during the relevant period. On this point, I note that (1) the 2011, 2013 and 2014 evidence shows a range of goods very similar to those covered by the 2018 catalogue and (2) the evidence of attendance at various events shows goods that look very similar to the valve products covered in the 2018 catalogue. There is nothing else before me that would suggest that the sales/turnover could be said as relating to the sale of any other type of goods. Even if the opponent was to sell other goods, it is reasonable to conclude that the goods covered by the evidence forms a significant part of the opponent's business operation.[19] As a result, it is likely that the majority of the sales figures do cover those goods discussed above.

41. In considering a fair specification for the opponent's use, it is clear to me that the opponent operates in the agricultural, machinery, construction, mining and gardening sectors. While noted, I remind myself that, as per the case law cited above, my task here is not to describe the use made by the opponent in the narrowest possible terms unless that is what the average consumer would do. Equally, the purpose of this assessment is not to allow the opponent to monopolise the use of a trade mark in relation to a general category of goods simply because it has used it in relation to a few. Firstly, the opponent has not only used its mark in relation to a *few* valve goods but, instead, a wide range of different types of valves. Secondly, I do not consider that the average consumer would, upon seeing the use demonstrated by the opponent, seek to limit their description of the goods to the specific industry it operates in. For example, I do not consider that the consumer would look to describe the valves offered by the opponent as valves for

[19] This is supported by way of production of various catalogues showing such goods and the attendance at various trade shows in order to promote the same.

the operation of specific types of machinery, be that agricultural or mining machines. Instead, it is my finding that the consumer would simply refer to the goods as valves for machines. I consider that to limit the terms in such a way would strip the opponent of protection for the goods that the average consumer would consider belonging to the same group or category as those for which the opponent's mark has been used. Taking all of this account, I find that the range of valve products are such that the opponent has sufficiently used its mark on "valves (parts of machines)" in class 7 of its specification.

42. Turning to the class 9 goods, I note that the opponent's evidence shows use of coils and connectors. While the evidence on this point is technical in nature, the catalogue expressly refers to coils in the context of *feeding voltage*. It is my view that these goods are clearly electrical in nature and, therefore, are a type of electrical coil. I have nothing to suggest that the consumer would describe such use in any way other than as electric coils. Therefore, I accept that the use before me demonstrates that the opponent has genuinely used its mark on "electric coils" in class 9 of its specification.

43. Lastly, I note that the evidence covers use of goods referred to as hydraulic integrated circuits. The opponent's specification includes "hydraulic controls for machines and engines" and "hydraulic circuits for vehicles". In my view, the opponent's evidence has a focus on parts for machines, which is proper to class 7. I have nothing to suggest that the use of hydraulic integrated circuits shown in the evidence relates to goods used on vehicles in class 12 (or in engines, for that matter). As a result, I am only satisfied that the opponent's use can be said to be a "hydraulic control for machines" in class 7 but not in relation to "engines" or the class 12 goods.

44. To confirm, I consider that the following terms reflect a fair specification for the opponent's use of its mark:

Class 7: Valves (parts of machines); hydraulic controls for machines.

Class 9: Electric coils.

**Section 5(2)(b): legislation and case law**

45. Section 5(2)(b) of the Act reads as follows:

> "(2) A trade mark shall not be registered if because-
>
> (a) […]
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,
>
> there exists a likelihood of confusion on the part of the public, which includes the likelihood or association with the earlier trade mark."

46. Section 5A of the Act states as follows:

> "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."

47. The following principles are gleaned from the decisions of the EU courts *in Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v Office for Harmonization 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-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

(g) a lesser degree of similarity between the goods or services may be offset by a 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**

48. The competing goods are as follows:

| The opponent's goods | The applicant's goods |
|---|---|
| Class 7<br>Valves (parts of machines); hydraulic controls for machines.<br><br>Class 9<br>Electric coils. | Class 7<br>Packaging machinery and equipment for the food, beverage, pharmaceutical, nutraceutical, personal care, household, and chemical industries, namely, unscramblers, cappers, retorquers, tighteners, pluggers, lidders, pump sorters, pump placers, orienteers, inserters, scoop feeder droppers, scoop feeder placers, rejection systems, cap sorters, lid sorters, hopper elevators, lane combiners, lane dividers, bottle uprighters, and belt transfer systems.<br><br>Class 9<br>Inspection systems. |

49. When making the comparison assessing the similarity of the goods or services, all relevant factors relating to the goods in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

> "[...] 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".

50. 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.

51. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court ("GC") stated that:

"29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut 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."

52. The basis of the applicant's position in respect of the goods at issue is that they involve goods that operate in distinct sectors of trade. Further, the applicant referred me to a case of the GC, being *Zoom KK v EUIPO and Facetec, Inc. (intervening)*, T-204/20, namely paragraphs 50 to 52. While the applicant acknowledged that this case was not binding on me, it did argue that the comments made in *Zoom* in respect of the similarity of different types of computer software was applicable here, namely that the specific function of the parties' goods differ. I note that Mr Pixton, on behalf of the applicant, submitted that both parties' goods share some degree of similarity in nature because they are all "big, metal heavy things that do complicated functions that a human cannot do" but that this is not enough to render them similar. While these submissions are noted, I have two issues with the applicant's position. Firstly, the opponent's goods are parts for machines so are not, as the applicant submits, "big, metal heavy things". Secondly, the applicant's position is based on the evidence of what the opponent actually sells. For example, at the hearing Mr Pixton referred to the trade shows that the opponent attended and pointed out that they are for the agricultural, construction, mining and gardening industries. I agree that this may be the area in which the opponent operates, however, the goods covered by the specification are not limited in such a way. On this point, I remind myself that the goods were subject of a fair specification and I echo my comments above in that I do not consider that the goods would be categorised in such a way to limit them to just the sectors the opponent may operate in. Therefore, my assessment is based on the opponent's goods as they stand in the specification, which is that they are not limited to specific sectors of trade.

53. Further in respect of the goods comparison, I note that the applicant filed evidence wherein it sought to demonstrate what it is that the applicant's terms cover.[20] This evidence explains what goods such as 'bottle unscramblers', 'cappers', 'retorquers and tighteners' are. While this evidence is noted, it is, in my view, of little assistance. I say this not as a criticism of the applicant but because the applicant's term is expressly defined as covering packaging machinery and equipment for various purposes. Therefore, it is clear from the term which the applicant seeks to register that the applicant's goods cover industry machines that are used in the process of packaging goods such as bottles, for example.

Class 7

*Packaging machinery and equipment for the food, beverage, pharmaceutical, nutraceutical, personal care, household, and chemical industries, namely, unscramblers, cappers, retorquers, tighteners, pluggers, lidders, pump sorters, pump placers, orienteers, inserters, scoop feeder droppers, scoop feeder placers, rejection systems, cap sorters, lid sorters, hopper elevators, lane combiners, lane dividers, bottle uprighters, and belt transfer systems.*

54. The opponent submits that its own goods are parts of machines and are, therefore, complementary to each other. Further, the opponent submits that the goods can be used together, are manufactured, sold and provided by the same types of manufacturers and may also share the same relevant public. In respect of the first point, while I have nothing before me to suggest that the machinery covered by the applicant's term include the valves, coils or hydraulic controls covered by the opponent's specification, I consider it reasonable to suggest that that they do. For example, a valve is likely to be used as a part in the applicant's machines in order to control the flow of liquids or pressure/gas when bottling drinks or chemicals (both being types of products covered by the applicant's term). Having said that, I remind myself that case law stipulates that just because one good may be a component or part of another, this is not, in itself, a sufficient basis for a finding of similarity.[21] That being said, any argument as to similarity does not fail here as I am still

[20] REP1
[21] *Les Éditions Albert René v OHIM*, Case T-336/03

required to consider the remaining factors as set out in *Treat* and *Canon* (both cited above). Clearly the nature, method of use and purpose of the parties' goods differ. It appears to me that this is accepted by the opponent on the basis that its submissions as to the similarity of the goods focus on trade channels, user and complementarity.

55. I do not consider it controversial to suggest that the nature of the applicant's goods is that they are specialist goods that will be produced and sold by specialist providers. It is my view that providers of such goods are likely to also provide parts and fittings for said machines, such as hydraulic controls and valves. I consider that the machines and the parts themselves are likely to be sought from the provider of the goods directly. As a result, I accept that there is an overlap in trade channels. As for user, the applicant's goods are likely to be expensive machines that a consumer will purchase and expect it to last a long time. As such, when repairs and maintenance is required, the user will not look to replace the machine itself but will seek the replacement of parts, be that valves or hydraulic controls. As a result, I consider that the user will overlap. Lastly, the goods at issue are plainly important to one another as the machine is not likely to function without its parts. In my view, the specialist nature of the goods is such that consumer will believe that the responsibility for parts of specialist machines is likely to fall to the same undertaking that provides the actual machine itself. As a result, I am of the view that the goods share a complementary relationship.[22] Taking all of this into account, I am of the view that the goods are similar to between a low and medium degree.

Class 9

*Inspection systems.*

56. It is my understanding (and I have nothing to suggest otherwise) that the above term covers a system that is used to inspect the quality of goods produced at a large scale in a factory, for example. In the context of such an understanding, an inspection system at a bottling or canning plant will monitor bottles or cans in their

[22] *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

final form to inspect whether they have any defects or issues (such as cracks or broken seals) that will prevent them from being sold. As a term in class 9, it is my view that the applicant's term is likely to consist of something such as a camera, laser or a scanner (or a combination of these goods) that will be connected to a computer which uses software to analyse the footage/results/scans in order to detect any of the aforementioned defects or issues. As far as I am aware, such goods do not consist of valves, coils or hydraulic controls. On this point, I have nothing in evidence to suggest that the opponent's goods would be included in the applicant's systems and, without such, I am not willing to infer that they do. As a result, I see no reason to find that the goods at issue share any degree of overlap in nature, method of use, purpose or trade channels. Further, the goods are not complementary or competitive. While there may be an overlap in user (on the basis that a factory operator would use valves in some machines and also have an inspection system in place), this alone is not sufficient to warrant a finding of any similarity between them. These goods are, therefore, dissimilar.

57. As some degree of similarity between goods is necessary to engage the test for likelihood of confusion,[23] the present ground may only proceed against the following goods, being those that I have found similar:

| | |
|---|---|
| Class 7: | Packaging machinery and equipment for the food, beverage, pharmaceutical, nutraceutical, personal care, household, and chemical industries, namely, unscramblers, cappers, retorquers, tighteners, pluggers, lidders, pump sorters, pump placers, orienteers, inserters, scoop feeder droppers, scoop feeder placers, rejection systems, cap sorters, lid sorters, hopper elevators, lane combiners, lane dividers, bottle uprighters, and belt transfer systems. |

[23] *eSure Insurance v Direct Line Insurance,* [2008] ETMR 77 CA

**The average consumer and the nature of the purchasing act**

58. The case law, as set out earlier, requires that I 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."

59. I have discussed above that the goods at issue are specialist goods. As a result, I am of the view that the average consumer base will consist of business users. The goods are likely to be available from the producers of the goods directly, either at physical premises or online. Images of the goods will be shown online or in catalogues. Further, I consider that a list of the goods will be shown on pamphlets or in menus online. While the consumer will pay attention to the visual component, I am of the view that, given the specialist nature of the goods, the aural component will play an equally significant role. I say this because the consumer will look to engage in discussions with sales assistants when making their purchases.

60. The machinery goods are likely to be expensive goods that are selected on an infrequent basis. As for the parts for machines, I consider that these are likely to be much cheaper than the machines themselves. While they may be selected more frequently than the machines themselves, I don't consider that they will be regular selections. In respect of the level of attention paid, the consumer will, when selecting the parts for machines, consider factors such as materials used and whether the part is compatible with the machine itself. While I appreciate that these

are straight forward factors to consider, the purchase is likely to be somewhat important as there is a risk that using the wrong part may damage the machine. Therefore, I find that the selection of such goods will attract a medium degree of attention. The machines themselves, however, will attract a reasonably high degree of attention (though not outright high). I say this because the selection of the goods is likely to be important to the running of the business of the user and they will, therefore, seek to consider the purchase in some detail. The factors will include the size of the machine, how it fits in in the manufacturing process of the end products being produced, its suitability and also, testimonials/reviews from previous customers.

**Comparison of the marks**

61. It is clear from *Sabel 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.

62. 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."

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

64. The respective trade marks are shown below:

| The opponent's mark | The applicants' mark |
|---|---|
|  |  |

65. I have submissions from both parties and while I confirm that I have taken these submissions into account, I will discuss these only where necessary below.

Overall Impression

66. The opponent's mark is a figurative mark that consists of the word/letters 'NEM' in a bold black, slightly stylised typeface. This is preceded by a device element. While I note that there is a description of the device provided in the trade marks register (being that which I have reproduced above), I consider that it will simply be viewed as a device made up of a number of shapes. Both elements are surrounded by black square borders. The applicant's skeleton argument sets out that the opponent's mark is so stylised that consumer cannot assume that it consists of the letter 'NEM'. While noted, I do not consider that this is the case. Clearly, the opponent's mark will be viewed as the three letters 'NEM'. In my view, this will play the strongest role in the overall impression of the mark with the device and figurative embellishments playing a much lesser role.

67. The applicant's mark is also a figurative mark that consists of the word/letters 'NEM' in front of an oval device which is a greyscale map of the world. The letters 'N' and 'M' in the mark are presented in a large blue standard typeface. As for the letter 'E', this is presented in white, bordered in blue. The letter is stylised in a way

that could be said to look like an arrow pointing left. Despite the stylisation, I am of the view that the majority (and, therefore, a significant proportion) of consumers will still see it as a letter 'E'. While I appreciate that those that see it as an arrow (thereby viewing the mark as the letters N and M separated by a device) may make up a separate significant proportion of consumers, I will focus on those that see it as a letter 'E' for the purpose of this decision.[24] On the basis that consumers are naturally drawn to elements that can be read, I find that the word/letters 'NEM' will play the greater role in the overall impression of the mark. The device/stylistic elements will all, therefore, play lesser roles.

Visual Comparison

68. The applicant argues that the marks at issue are short marks, meaning that the small differences between them are sufficient to render them distinguishable. On this point, there is no special test which applies to the comparison of 'short' marks,[25] however, I appreciate that it is possible that the shortness of marks may mean that average consumers are more likely to notice the differences. In the present case, the shortness of the marks is not the reason why the differences will be noticed. While the devices and stylistic elements in the marks all play lesser roles, they will be still be noticed by consumers regardless of the length of the marks. Therefore, they contribute as points of visual difference. That being said, the marks at issue are dominated by the same word/three letters and while they are present differently, they will still be perceived as identical verbal elements, i.e. the letters NEM, so insofar as the verbal elements in the competing marks are identical (but differently stylised) there is clearly a significant point of similarity between them. Taking all of this into account, I consider that the marks are visually similar to a medium degree.

[24] In doing so, I rely on the findings of Kitchin LJ in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41 wherein he set out that if a court concludes that a significant proportion of the relevant public is likely to be confused, then the court may properly find infringement. While an infringement case, this principle equally applies to section 5(2) oppositions.
[25] See paragraph 44 of *BOSCO*, BL O/301/20

Aural Comparison

69. The only aural element in both marks is the word/letters ‘NEM’. This will either be pronounced as the word ‘NEM’ or as the individual letters ‘N-E-M. Regardless, the pronunciation will be the same in both marks meaning that they are aurally identical.

Conceptual Comparison

70. While the opponent’s mark consists of shapes that sit at its beginning, I consider that the meaning of the mark derives solely from the letters ‘NEM’, be that as a word ‘NEM’ or the letters ‘N-E-M’. If the former, the mark will be understood as a made-up word with no obvious meaning. If the latter, the mark will be understood as an initialism/acronym with no obvious meaning. As for the applicant’s mark, the consumer will derive the same impression the word/letters ‘NEM’ as they do for the opponent’s mark. As for the greyscale map of the world, this will be viewed as an indication that the undertaking responsible for the mark operates globally. While technically a point of conceptual difference (as it is not something that is shared by the opponent’s mark), I am of the view that the message of a global operation is so unremarkable from a trade mark perspective that it will not impact on the comparison to the point that it would render the marks conceptually dissimilar. Instead, I am of the view that the unknown meaning behind the marks’ dominant elements (being ‘NEM’) is such that the marks are not capable of being compared conceptually. As a result, I find that the overall position is that the marks are conceptually neutral to one another.

**Distinctive character of the opponent’s mark**

71. 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)."

72. Registered trademarks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The opponent has filed evidence of use so I am, therefore, required to consider whether the opponent's mark enjoys an enhanced distinctive character. Before doing so, however, I will consider the inherent position.

73. I find that while the device element and very slight stylisation used in the opponent's mark will not be overlooked entirely, I do not consider that they will contribute to the distinctive character of the mark. Therefore, I find that the distinctive character of the opponent's mark lies in the word/letters 'NEM'. I have set out under my conceptual comparison of marks above that 'NEM' will either be viewed as the word 'NEM' or the letters' N-E-M'. If viewed as a word, then I consider that its inherent degree of distinctiveness will be high. I say this because it will be viewed as a made-up word which is neither descriptive nor allusive of the goods at issue. Alternatively, if it is perceived as an initialism/acronym then it will be attributed a

lesser degree of distinctive character. While the initialism/acronym has no meaning and is not descriptive/allusive to the goods at issue, use of an initialism/acronym of just three letters in length is not particularly remarkable from a trade mark perspective. In my view, despite being an initialism/acronym, the lack of meaning is such that it will enjoy a medium degree of inherent distinctive character.

74. In respect of the issue of enhanced distinctiveness, I consider that I can deal with this relatively briefly. I remind myself that the opponent's evidence was found to be sufficient to warrant a finding of genuine use. I also remind myself that the evidence from prior to 2015 is of assistance here because there is no earlier cutoff date for the present assessment. While that may be the case, the additional evidence from prior to 2015 is not particularly compelling (in that it does not show additional sales but, instead, introduces a number of catalogues that show nothing of assistance beyond the catalogues I have already discussed above). While my findings above are noted, I remind myself that the requirement for a finding of an enhanced distinctive character is considerably more onerous than that of genuine use. I say this on the basis that use need not be quantitatively significant in order for it to be genuine. On the contrary, a finding of an enhanced degree of distinctive character requires use at such a level that is capable of pointing to the fact that a proportion of consumers would identify the goods as originating from a particular undertaking. I do not intend to repeat my assessment of the evidence here but will simply state that in light of this higher burden, I find that the evidence before me is insufficient to prove that the opponent's mark enjoys an enhanced degree of distinctive character. As a result, the inherent position applies, namely that it enjoys either a high (if viewed as the word 'NEM') or medium (if viewed as an initialism/acronym) degree of distinctive character.

**Likelihood of confusion**

75. 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 and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in

determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

76. I have found the goods to be similar to between a low and medium degree. I have found the average consumer for the goods to be business users who will select them via both visual and aural means. I have concluded that the average consumer will pay either a medium or relatively high degree of attention, depending on the goods being selected. I have found the opponent's mark possesses either a high or medium degree of inherent distinctive character, depending on whether the mark is perceived as a word or an acronym, respectively. In respect of the comparison of the marks, I have found them to be visually similar to a medium degree and aurally identical. As for the conceptual similarity, I have set out above that there is a minor point of difference, however, I have found that, overall, the marks are conceptually neutral due to the lack of meaning associated with their dominant elements, being 'NEM'.

77. Taking all of these factors into account together with the principle of imperfect recollection, I consider that the average consumer is likely to mistake the parties' marks for one another. This finding is, in my view, supported by the fact that the marks at issue share identical dominant elements, being the word/letters 'NEM'. While the marks are stylistically different, the consumer is, regardless of the level of attention being paid or the level of inherent distinctiveness enjoyed by the opponent's mark, likely to recall the word element only when attempting to remember the marks. Further, I also rely on the fact that the marks are aurally identical and, as I have explained above, the aural component is likely to feature heavily in the selection process of the goods at issue. Lastly, I appreciate that the

goods at issue are similar to a degree that sits on the lower end of the scale. However, I repeat what I have said above in that the dominant element of the marks is the identical use of the word/letters 'NEM' and, regardless of the stylised differences, this is what will be remembered. I, therefore, consider it likely that consumers will still be confused regardless of the lower degree of similarity between such goods. Consequently, I find that there exists a likelihood of direct confusion between the marks.

78. I turn now to consider indirect confusion. In doing so, I remind myself of the case of *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, wherein 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)".

79. In the event that consumers recognise the differences between the marks and those differences are sufficient to avoid direct confusion, then I find that consumers will consider that the marks originate from the same or economically connected undertakings. I make this finding on the basis that the points of difference between the marks are purely stylistic or lie in fairly banal device elements. Therefore, upon noticing the shared use of the same letters, being 'NEM', consumers are likely to put the stylistic differences down to alternative marks used by the same undertaking. In my view, this could be as a result of different marks used in different contexts or the differences being indicative of a re-branding. Consequently, I consider that there exists a likelihood of indirect confusion between the marks. For the same reasons discussed above when considering direct confusion, I find that this applies in circumstances where the marks are viewed on goods that are similar to a lower degree and even where the level of attention paid for the goods is on the higher end of the scale. Further, the finding applies regardless of the level of distinctive character enjoyed by the opponent's mark.

80. As a result of my findings above, the opposition under the section 5(2)(b) ground partially succeeds in respect of the class 7 goods but fails in respect of those in class 9. I will now proceed to consider the section 5(4)(a) ground.

**Section 5(4)(a)**

81. Section 5(4)(a) of the Act reads as follows:

"(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa) .....

(b) .....

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

82. Subsection (4A) of Section 5 states:

"(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application."

83. In *Discount Outlet v Feel Good UK,* [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

"55. The elements necessary to reach a finding of passing off are the 'classical trinity' of that tort as described by Lord Oliver in the Jif Lemon case (Reckitt & Colman Product v Borden [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether *"a substantial number"* of the Claimants' customers or potential customers are deceived, but

it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

84. Halsbury's Laws of England Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

"Establishing a likelihood of deception generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation[1] among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other indicium which is the same or sufficiently similar that the defendant's goods or business are from the same source[2] or are connected.

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which will have regard to:

(a) the nature and extent of the reputation relied upon,

(b) the closeness or otherwise of the respective fields of activity in which the claimant and the defendant carry on business;

(c) the similarity of the mark, name etc used by the defendant to that of the claimant;

(d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."

Relevant Date

85. In Advanced *Perimeter Systems Limited v Multisys Computers Limited,* BL O-410-11, Mr Daniel Alexander QC, as the Appointed Person, endorsed the registrar's assessment of the relevant date for the purposes of section 5(4)(a) of the Act, as follows:

"43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

'Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.' "

86. The applicant's mark has a priority date but there is no evidence of use prior to the filing date of the mark that is capable of being considered as the start of the behaviour complained about. Therefore, the relevant date for the assessment of

the present ground the earliest priority date of the applicant's mark, being 16 April 2020.

**Goodwill**

87. The first hurdle for the opponent is that it needs to show that it had the necessary goodwill in the sign relied upon at the relevant date. Goodwill was described in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), in the following terms:

> "What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start."

88. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

> "27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent that the enquiry under s.11 of the 1938 Act (see Smith Hayden & Co. Ltd's Application (OVAX) (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.
>
> 28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence

must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur."

89. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

"[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application."

90. In *Hart v Relentless Records* [2002] EWHC 1984 (Ch), Jacob J. (as he then was) stated that:

"62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by *s.2(2) of the Trade Marks Act 1994*. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in *BALI Trade Mark [1969] R.P.C. 472*. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used "but had not

acquired any significant reputation" (the trial judge's finding). Again that shows one is looking for more than a minimal reputation."

91. Goodwill arises as a result of trading activities. I do not intend to repeat the evidence of the opponent in full here but remind myself that the opponent's turnover for 2015 to 2020 stood at approximately €981,000 and covered the sale of approximately 59,000 products. I also repeat my finding that this use can be reasonably inferred as relating to the sale of valves, coils and hydraulic controls for machines (all of which being goods relied upon under the present ground).[26] I have set out above that this is not use on a large scale, however, I remind myself that, under the present ground, a small business which has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing off even though its goodwill and reputation may be small.[27] I consider that a similar finding can be said to apply here and I am, therefore, satisfied that the opponent's evidence is sufficient in order to warrant a finding that its business enjoyed a protectable level of goodwill in the UK. For the avoidance of doubt, I appreciate that the evidence of sales is provided in euros but remind myself that it is confirmed as covering UK sales. In addition, I am also satisfied that the sign relied upon is distinctive and/or associated with the same. While at a protectable level, I am of the view that the actual level of goodwill enjoyed is only low.

**Misrepresentation and damage**

92. In Neutrogena Corporation and Another v Golden Limited and Another [1996] RPC 473, Morritt L.J. stated that:

"There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc. [1990] R.P.C. 341 at page 407* the question on the issue of deception or confusion is

[26] I appreciate that additional terms are relied upon under the present ground but I do not consider that their presence offers any real assistance beyond the use of the goods listed here.
[27] See, for example, *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590

> "is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]"
>
> The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd*. (1941) 58 R.P.C. 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101."

93. And later in the same judgment:

> ".... for my part, I think that references, in this context, to "more than *de minimis*" and "above a trivial level" are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion."

94. While the sign relied upon under the present ground is not the same as the mark that formed the basis of my finding of a likelihood of confusion under the section 5(2)(b) ground above, I consider that a similar outcome to the section 5(2)(b) ground above can be said to apply here. I make this finding because (1) the sign relied upon here is, like the mark relied upon under the section 5(2)(b) ground, dominated by the letters 'NEM' with the only differences coming in the stylistic/device elements and (2) the goods to which the opponent's goodwill is attached are the same as those that were found to be similar above and are, therefore, equally similar to the class 7 goods of the applicant. As a result, I am of the view that everything I said under my confusion assessment applies here. The reason that this is relevant to the present ground is because of the findings of

Lewison L.J in the case of *Marks and Spencer PLC v Interflora.*[28] In that case, Lewison LJ set out that although the test for misrepresentation is different from that for a likelihood of confusion in that it entails "deception of a substantial number of members of the public" rather than "confusion of the average consumer", it is unlikely that the difference between the legal tests will produce different outcomes. Therefore, because I found confusion above (albeit in respect of a different earlier mark), I consider that a similar finding of misrepresentation can be said to apply here for similar reasons as those given above.

95. For the avoidance of doubt, I do not consider that misrepresentation applies to those goods that I have found to be dissimilar to the earlier goods of the opponent. While claims for passing off can extend to cover goods that are not similar and in instances where the parties operated in different fields of activity, such claims are required to be supported by evidence to overcome what the case law describes as a *heavy burden*.[29] Simply put, the evidence in the present case does not satisfy the burden of proving that misrepresentation would occur in respect of dissimilar goods. Further, I remind myself that the goodwill enjoyed by the opponent is only low.

96. Given that I have found that there is a misrepresentation in respect of all of the applicant's class 7 goods, I consider that damage through diversion of sales is easily foreseeable. The opposition based upon section 5(4)(a) is, therefore, successful in part.

**CONCLUSION**

97. The opposition succeeds in part and the applicant's mark is hereby, subject to any successful appeal of my decision, refused registration for the following goods:

Class 7: Packaging machinery and equipment for the food, beverage, pharmaceutical, nutraceutical, personal care, household, and

[28] [2012] EWCA (Civ) 1501
[29] See *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA) and *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501, for example.

chemical industries, namely, unscramblers, cappers, retorquers, tighteners, pluggers, lidders, pump sorters, pump placers, orienteers, inserters, scoop feeder droppers, scoop feeder placers, rejection systems, cap sorters, lid sorters, hopper elevators, lane combiners, lane dividers, bottle uprighters, and belt transfer systems.

98. It may, however, proceed to registration for the goods listed below. Again, this finding is subject to any successful appal of my decision.

Class 9: Inspection systems.

**COSTS**

99. On the face of it, it appears as though the opponent achieved a greater degree of success. However, the present opposition only related to two opposed terms. The opponent was successful in opposing one term but unsuccessful in opposing the other. On balance, I consider that the parties have enjoyed an equal degree of success and I hereby direct that both parties bear their own costs. As a result, I hereby make no order as to costs.

**Dated this 28th day of August 2024**

**A COOPER**
**For the Registrar**