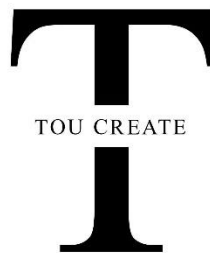


O/1093/24

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION
NO. 3927193 BY TOU CREATE LTD
TO REGISTER THE TRADE MARK:**



IN CLASS 42

AND

**OPPOSITION THERETO
UNDER NO. 442534
BY
TWO CREATE STUDIO LIMITED**

BACKGROUND & PLEADINGS

1. Tou Create LTD (“**the applicant**”), applied to register the trade mark shown on the front page of this decision in the United Kingdom on 27 June 2023. It was accepted and published in the Trade Marks Journal on 4 August 2023 for the following services:

Class 42: Engineering design; Design of prototypes; Product design; Design consultancy; Software design; Technical design; Hardware design; Industrial design; Design of models; Design of products; Engineering design and consultancy; Product design and development; Design of engineering products; Commercial interior design; Design consultation; Design services; Design and development of engineering products; Design of tools; Computer design; Computer-aided industrial design; Engineering design services; Design of heating; Computer-aided engineering design services; Computer-aided engineering design and drawing services; New product design; Design and development of networks.

2. On 15 August 2023, Two Create Studio Limited (“**the opponent**”) opposed the application on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (“**the Act**”) ¹. The opponent is the proprietors of the following mark:

¹ 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.

Trade Mark no.	UK00002649141
Trade Mark	Two Create
Services for which the mark is registered	Class 42: Product Design, Graphic Design, Packaging Design
Filing date	23 January 2013
Date of entry in register	3 May 2013

3. For the purpose of this opposition, the opponent relies on all the Class 42 services.
4. In its statement of grounds, the opponent argues that “[t]he trademark is verbally the same for the same class of work. We have used our trademark in that class since 03 May 2013.”
5. The applicant filed a notice of defence and counterstatement asserting the following:

“[...] In terms of verbal, reason to refute is that my company is pronounced as Tou "pronounced: Toe" Create, derived from my surname, whereas the opposition is pronounced as Two Create Studio ltd. Aside from Create, none are verbally the same. In addition, their trademark which they have used does not remotely resemble to the trademark logo I have chosen visually.

In terms of service providers both parties are different, Two create studio is a service provider offering to larger retails brand that principally provides graphic design service for marketing and packaging as shown on their SIC code and website. Tou Create is an electrical engineering and software company operating in health & safety and net zero solutions products. Tou Create designs, build and sell their own products. Class 42 encompass a large number of different sectors and different area of fields, so both parties are indeed using Class 42. However, it needs to be taken into consideration that they are in different sectors to each other as mentioned earlier.

Therefore, aside from being in the same class, both parties are offering different sectors and have different consumers.”

6. The applicant did not put the opponent to proof of use of its earlier registration.² The consequence of this is that the opponent is entitled to rely upon all of the services for which it made a statement of use, without having to provide evidence that it has used its mark for those services.
7. Neither of the parties filed evidence or submissions³.
8. No hearing was requested and so this decision is taken following a careful perusal of the papers.
9. In these proceedings, the opponent is represented by Lucy Snowdowne and the applicant is a litigant in person.

PRELIMINARY ISSUE

10. Differences between the services currently provided by the parties, such as particular characteristics of the services at issue, are irrelevant, except to the extent that those differences are apparent from each party’s specification. Since the applicant did not put the opponent to proof of use, it is entitled to protection in relation to all the services for which the earlier mark is registered. It is the services relied upon by the opponent and the services applied for by the applicant that I will be comparing later in this decision. The assessment I must make between the services is a notional and objective assessment rather than a subjective one.

² Question 7 of form TM8.

³ Although the opponent provided comments made in its letter dated 17 October 2023 that were not in the correct format, the Registry, in its official letter, invited the opponent to rectify this by refiling these comments in the correct format during the evidence rounds. However, no written submissions were filed. Consequently, these comments will be disregarded for the purposes of my decision and will have no bearing on my assessment.

11. Furthermore, marketing strategies, including targeting specific consumers in specific sectors, are temporary and may change over time. As such, it is not appropriate to take that factor into account in my assessment.⁴ However, I will make an assessment, later in this decision, as to who the average consumer could be for the services at issue.

DECISION

Section 5(2)(b)

12. Section 5(2)(b) of the Act states:

“A trade mark shall not be registered if because-

[...]

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

13. The principles considered in this opposition stem from the decisions of the European 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 BV* (Case C-342/97), *Marca Mode CV v Adidas AG & Adidas Benelux BV* (Case C-425/98), *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market* (Trade Marks and Designs) (OHIM) (Case C-3/03), *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH* (Case C-120/04), *Shaker di L. Laudato & C. Sas v OHIM* (Case C-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):

⁴ *Devinlec Développement Innovation Leclerc SA v OHIM*, Case C-171/06P at [59].

- 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 Services

14. The General Court (GC) confirmed in *Gérard Meric v OHIM*, Case T-133/05, paragraph 29, that, even if goods or services are not worded identically, they can still be considered identical if one term falls within the scope of another, or vice versa:

“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 für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

15. The competing services to be compared are shown in the following table:

Opponent's Services	Applicant's Services
<p>Class 42: Product Design, Graphic Design, Packaging Design.</p>	<p>Class 42: Engineering design; Design of prototypes; Product design; Design consultancy; Software design; Technical design; Hardware design; Industrial design; Design of models; Design of products; Engineering design and consultancy; Product design and development; Design of engineering products; Commercial interior design; Design consultation; Design services; Design and development of engineering products; Design of tools; Computer design; Computer-aided industrial design; Engineering design services; Design of heating; Computer-aided engineering design services; Computer-aided engineering design and drawing services; New product design; Design and development of networks.</p>

16. The contested services are largely design-related services. Although I have considered the applicant's claims as to the sectors for which the competing services are offered, I have to carry out a notional assessment based upon the specifications before me, and all the circumstances in which the mark applied for might be used and sold if it were registered. The term "*product design*" appears in the competing specifications and it is self-evidently identical. The earlier terms "*Product Design, Graphic Design, Packaging Design*" are broad terms that would readily cover the rest of the contested services. Therefore, I find them to be identical as per *Meric*.

Average Consumer and the Purchasing Act

17. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purposes of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods and services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*. In *Hearst Holdings & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch),

at paragraph 70, Birss J (as he then was) described the average consumer in these terms:

“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 word ‘average’ denotes that the person is typical. The term ‘average’ does not denote some form of numerical mean, mode or median.”

18. The average consumer for the services at issue will be a member of the general public or business users/professionals. The consumers will select such services by looking through brochures, websites, or signs on a physical property so the visual element will be important. However, I do not discount the aural element, as word-of-mouth recommendations may influence consumers’ decisions. The cost of such services will be relatively significant contributing to the selection process of the service provider. Given the more specialist nature of the services in play, especially when selected by business users, I consider that the average consumer will pay a slightly higher than a medium degree of attention in choosing the service provider.

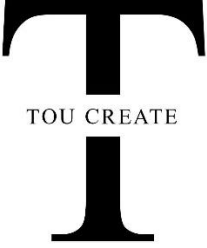
Comparison of Trade Marks

19. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

20. 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.

21. The marks to be compared are:

Earlier Mark	Contested Mark
Two Create	

Overall Impression

22. The earlier mark, “Two Create”, is a word mark in title case and standard typeface. Registration of a word mark protects the words themselves.⁵ I note that the words of the mark create a phrase that ‘hangs together’ so they are perceived as a unit, and they together form the dominant and

⁵ See *LA Superquimica v EUIPO*, T-24/17, para 39; and *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17, paragraph 16.

distinctive element of the mark. The overall impression lies in the verbal elements of the mark as a whole.

23. The contested mark consists of a prominent 'T' letter in bold font, with the words "TOU CREATE" superimposed in a significantly smaller and standard font. The words are presented in upper case and in a standard typeface. The overall impression of the mark lies in the combination of the words and the 'T' letter, with neither element dominating the other.

Visual Comparison

24. I bear in mind that the beginnings of words tend to have more impact than the ends.⁶ The earlier mark consists of two words, "Two Create", whereas the contested mark contains the prominent letter "T" and the words "TOU CREATE". In particular, I note that both marks share the same initial letter in the words "Two/TOU" and the identical word "Create/CREATE". However, they diverge in the prominent letter T, which is absent in the earlier mark. Taking into account these points of similarity and difference and the overall impressions of the marks, I consider that the marks are visually similar to between a low and medium degree.

Aural Comparison

25. The opponent claims that the marks are verbally the same. However, the applicant asserts that "my company is pronounced as Tou "pronounced: Toe" Create, derived from my surname, whereas the opposition is pronounced as Two Create Studio Ltd. Aside from Create, none are verbally the same."
26. I consider that the average consumer in the UK would verbalise the earlier mark as "TOO KREE-AYT". As to the contested mark, it is my view that

⁶ See *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02.

some consumers will pronounce it as “TOO KREE-AYT” and some as “TEE-OH-YOU KREE-AYT”.

27. If the applicant’s mark is pronounced as “TOO KREE-AYT”, the marks share all three syllables. In this case, there is a phonetic distinction due to the lack of the verbal counterpart for the letter “T” in the earlier mark. Thus, I find that the degree of aural similarity falls somewhere between medium and high.
28. In the scenario where the contested mark is articulated as “TEE-OH-YOU KREE-AYT”, the earlier mark has three syllables while the contested mark has five, sharing only the last two syllables. However, there is a clear phonetic difference between the verbal elements “TOO” and “TEE-OH-YOU”, along with the absence of a verbal counterpart for the letter “T” in the earlier mark. I find that the degree of aural similarity falls somewhere between low and medium.

Conceptual Comparison

29. The competing marks share the common word “create”, which the UK average consumer will understand immediately as meaning ‘to make something new or bring into existence’. This will also be perceived as suggestive of the services. Despite the suggestive quality of this word in the competing marks, it still contributes towards the overall impression of the marks and cannot be disregarded completely.
30. When the average consumer perceives the meaning of the earlier mark, “Two Create”, as a whole, they will understand it as a cohesive unit. This could either be seen as a deliberate misspelling of the phrase “to create” or as the concept of two individuals working together in the creative process.
31. On the other hand, the contested mark includes the word “TOU”, which is likely to be seen as an abbreviation or an invented word with no identifiable

meaning. As a result, the word elements “TOU CREATE” within the contested mark will be interpreted separately rather than as a single unit. In addition, the prominent letter “T” in the contested mark will be understood as such, with no further concept attributed to it.

32. The competing marks overlap in the concept stemming from the common and suggestive word ‘create’. However, they are conceptually different insofar as the earlier mark also conveys the meaning associated with the phrase “Two Create” defined above. In addition, they differ in the absence/presence of the concept generated by the letter “T”. Taking into account all the above, including the overall impressions, I find that the degree of conceptual similarity is low.

Distinctive Character of the Earlier Trade Mark

33. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97, paragraph 22 and 23, the CJEU stated that:

“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).

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).”

34. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.
35. As outlined in the previous section, the opponent’s word mark contains the term “create”, which is the only common element with the contested mark.⁷ When considered against the services relied upon, I find that it will be seen as a suggestive term. That being said, the structure of the mark as a whole will award some degree of distinctiveness to the mark. Bearing in mind when making my assessment that a registered trade mark must be considered to have at least a minimum degree of distinctive character,⁸ and weighing all the factors, I find that the earlier mark is inherently distinctive to a slightly higher than low degree.

Likelihood of Confusion

36. In assessing the likelihood of confusion, I must adopt the global approach set out in the case law to which I have already referred above in this decision. Such a global assessment is not a mechanical exercise. I must also have regard to the interdependency principle, that a lesser degree of similarity between the services may be offset by a greater degree of similarity between the marks, and vice versa.⁹ It is essential to keep in mind the distinctive character of the opponent’s trade mark since the more

⁷ *Kurt Geiger v A-List Corporate Limited*, BL O/075/13.

⁸ *Formula One Licensing BV v OHIM*, Case C-196/11P.

⁹ See *Canon Kabushiki Kaisha*, paragraph 17.

distinctive the trade mark, the greater the likelihood of confusion. I must also keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon imperfect recollection.¹⁰

37. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other. Indirect confusion is where the consumer notices the differences between the marks but concludes that the later mark is another brand of the owner of the earlier mark or a related undertaking.
38. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Iain Purvis QC (as he then was), sitting as the Appointed Person, explained that:

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

39. In *Kurt Geiger v A-List Corporate Limited*, BL O/075/13, Mr Iain Purvis QC (as he then was), as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion

¹⁰ See *Lloyd Schuhfabrik Meyer*, paragraph 27.

to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.”

40. Earlier in this decision I have concluded that:

- the competing services at issue are identical;
- the average consumer of the Class 42 services will be a member of the general public or business users/professionals. The selection process is predominantly visual without discounting aural considerations, and the degree of attention will be slightly higher than a medium degree;
- the competing marks are: visually similar to between a low and medium degree; depending on the pronunciation of the contested mark, the marks are aurally similar to between a medium and high degree or between a low and medium degree; and conceptually similar to a low degree;
- the earlier mark has a slightly higher than low degree of inherent distinctive character.

41. Taking into account the above factors and the identical services in play, there is no likelihood of direct confusion. The visual interaction with the

services at issue, the level of attention paid in respect of the parties' services, and the slightly higher than low degree of inherent distinctiveness of the earlier mark will play a significant part in this assessment. Notwithstanding the principle of imperfect recollection, the consumers will not confuse one mark for the other. Even though both marks share the common word "create", which is considered to be too weak, the average consumer will not misremember/misrecall the marks as each other, especially in light of the additional and divergent word "TOU" and the prominent "T" letter present in the contested mark. Further, the words in the earlier mark will be seen as a unit that carries its own conceptual hook in the minds of the consumers, thereby aiding them in distinguishing the marks. In this respect, and according to the rationale in *Kurt Geiger* as quoted above, the likelihood of confusion in this case is reduced. Consequently, the various differences between the competing trade marks previously identified in this decision are, in my view, sufficient, and, as a result, the marks will not be directly confused.

42. For completeness, in the case where I found that the degree of aural similarity is between medium and high, this will not alter the outcome for the reasons that I have advanced above.
43. Even if the average consumer recalls the points of similarity between the marks, such as that both contain the common word "create", I still consider the marks would not be indirectly confused. Sitting as the Appointed Person in *Eden Chocolat*,¹¹ James Mellor QC (as he then was) stated:

¹¹ Case BL O/547/17 *Eden Chocolat be more chocstanza (word & device) v Heirler Cenovis GmbH* (27 October 2017).

“81.4 [...] I think it is important to stress that a finding of indirect confusion should not be made merely because the two marks share a common element. When Mr Purvis was explaining¹² in more formal terms the sort of mental process involved at the end of his [16], he made it clear that the mental process did not depend on the common element alone: ‘Taking account of the common element in the context of the later mark as a whole.’” (Emphasis added)

44. Following the rationale above, the words of the earlier mark “Two Create” form a cohesive whole. The overall impression lies within the words with none dominating the other. In this regard, the average consumer will not consider the respective marks as variants or sub-brands of each other nor that the services in question are from the same or economically linked undertakings merely on the use of the weak word “create”. I find that the guidance given in *Duebros* applies to this case, namely that an average consumer may merely associate the common word element in the marks but would not confuse the two. Thus, I consider that there is no likelihood of indirect confusion.

OUTCOME

45. There is no likelihood of confusion. **The opposition on the basis of the claim under Section 5(2)(b) fails.** Therefore, subject to appeal, the application can proceed to registration.

COSTS

46. The applicant has been successful and is entitled to a contribution towards its costs. The applicant was not professionally represented and had to submit a completed cost pro-forma to the Tribunal, outlining the number of hours spent on these proceedings. In an official letter to the parties, dated 7 March 2024, the Tribunal stated that “if the pro-forma is not completed

¹² In *L.A. Sugar*.

and returned, costs, other than official fees arising from the action (excluding extensions of time), may not be awarded.” As the applicant elected not to complete a costs pro-forma and as it has incurred no official fees in the defence of its application, I make no order as to costs.

47. The appeal period begins from the date of this decision.

Dated this 18th day of November 2024

**Dr Stylianos Alexandridis
For the Registrar,
The Comptroller General**