O/1213/24

TRADE MARKS ACT 1994

IN THE MATTER OF INTERNATIONAL REGISTRATION NO. WO0000001689200

DESIGNATING THE UK

BY LOLIWARE INC.

SEA TECH

IN CLASSES 1, 8 AND 21

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 439694

BY OLMIX, SOCIÉTÉ ANONYME

BACKGROUND AND PLEADINGS

1. International trade mark 1689200 ("the IR") consists of the sign shown on the cover page of this decision. The holder is Loliware Inc. The IR is registered with effect from 2 September 2022. With effect from the same date, the holder designated the UK as a territory in which it seeks to protect the IR under the terms of the Protocol to the Madrid Agreement. The mark also claims priority from 7 March 2022. The holder seeks protection for the IR in relation to the following goods:

Class 1 Polymers and polymer formulations, including to replace paper products and bioplastics.

Class 8 Compostable and biodegradable eating utensils, cutlery, serving utensils and serving cutlery; biodegradable articles, namely, utensils, cutlery, serving utensils and serving cutlery, the aforesaid formed of seaweed-containing materials.

Class 21 Compostable and biodegradable drinking straws, cups, lids, drinkware, dishware; biodegradable articles, namely, vessels, drinkware, straws, stirrers, packaging; biodegradable articles, namely, vessels, drinkware, straws, stirrers, packaging, the aforesaid formed of seaweed-containing materials; pots for planting; seed starting pods.

2. The request to protect the IR was published on 13 January 2023. On 10 March 2023, OLMIX, société anonyme ("the opponent") fully opposed the protection of the IR in the UK based upon section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). The opponent relies upon the following trade mark:

SEATECH

Comparable UK trade mark (EU) registration no. UK00917994884[1]

Filing date 3 December 2018.

Registration date 25 May 2019.

Relying upon all of the goods for which the earlier mark is registered, namely:

Class 1 Trace elements (Preparations of -) for plants; Manures; Seaweeds [fertilizers]; Compost; Seaweed extracts for use as a fertilizer; Seaweeds for use in the field of soil and plant nutrition and health; Nutrients for algae; Growing substrates; Seaweed meal (fertiliser); bio stimulants; Foliar fertilisers.

Class 5 Phytosanitary preparations; Biocides; Disinfectants; Fungicides; Biological fungicides; Fungicides, herbicides; Fungicides for agricultural use; Fungicides for domestic use; Fungicides for horticultural use; Germicides; Herbicides; Aquatic herbicides; Herbicide for agricultural use; Herbicides for domestic use; Biological herbicides; Insecticides; Insecticides for agricultural use; Insecticides for domestic use; Parasiticides; Pesticides; Agricultural pesticides; Domestic pesticides; Pesticides for horticultural use; Pesticides for industrial purposes; Insecticidal veterinary washes; Preparations for destroying vermin; Vermin destroying preparations; Larvae exterminating preparations; Slug exterminating preparations; Preparations for destroying rodents; Mice (Preparations for destroying -); Veterinary preparations.

Class 31 Animal foodstuffs; Feed for animals based on seaweed and clay; Agricultural, horticultural and forestry products (neither prepared, nor processed); Fodder; Algae, unprocessed, for human or animal consumption; Fortifiers for animal fodder, not for medical purposes; Strengthening animal forage; Cereal seeds, unprocessed; By-products of the processing of cereals, for animal consumption; Distillery waste for

[1] Following the end of the transition period of the UK's withdrawal from the EU, all EU trade marks ("EUTM") registered before 1 January 2021 were recorded as comparable trade marks in the UK trade mark register (and as a consequence, have the same legal status as if they had been applied for and registered under UK law). A 'comparable trade mark (EU)' retains the same filing date, priority date (if applicable) and registration date of the EUTM from which it derives.

animal consumption; Seeds; Grains for animal consumption, Pet food; Edible chews for animals.

3. The opponent claims that there is a likelihood of confusion because of the high degree of visual, aural and conceptual similarity between the marks and the identity or similarity of the goods.

4. The holder filed a counterstatement denying the claims made.

5. The opponent is represented by Lewis Silkin LLP and the holder is represented by Forresters IP LLP. Neither party requested a hearing but the opponent filed evidence in chief and written submissions during the evidence rounds.

6. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

EVIDENCE AND PRELIMINARY ISSUE

7. The opponent's evidence consists of the witness statement of William Egan, a Trade Mark Attorney at Lewis Silkin (the representatives for the opponent), dated 5 December 2023. Mr Egan's statement is accompanied by 4 exhibits (WE1-WE4).

8. I have taken all of the evidence and submissions into consideration in reaching my decision and will refer to them where necessary below.

DECISION

Section 5(2)(b)

9. Section 5(2)(b) reads as follows:

"5(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 of association with the earlier trade mark."

10. The opponent's earlier mark had not completed its registration process more than five years before the relevant date (the priority date of the IR in issue). Accordingly, the use provisions at section 6A of the Act do not apply. The opponent may rely on all of the goods it has identified without demonstrating that it has used the mark.

Section 5(2)(b) case law

11. 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 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

12. The competing goods are as follows:

Opponent's goods	**Holder's goods**
Class 1 Trace elements (Preparations of -) for plants; Manures; Seaweeds [fertilizers]; Compost; Seaweed extracts for use as a fertilizer; Seaweeds for use in the field of soil and plant nutrition and health; Nutrients for algae; Growing substrates; Seaweed meal (fertiliser); bio stimulants; Foliar fertilisers. Class 5 Phytosanitary preparations; Biocides; Disinfectants; Fungicides; Biological fungicides; Fungicides, herbicides; Fungicides for agricultural use; Fungicides for domestic use; Fungicides for horticultural use; Germicides; Herbicides; Aquatic herbicides; Herbicide for agricultural use; Herbicides for domestic use; Biological herbicides; Insecticides; Insecticides for agricultural use; Insecticides for domestic use; Parasiticides; Pesticides; Agricultural pesticides; Domestic pesticides;	Class 1 Polymers and polymer formulations, including to replace paper products and bioplastics. Class 8 Compostable and biodegradable eating utensils, cutlery, serving utensils and serving cutlery; biodegradable articles, namely, utensils, cutlery, serving utensils and serving cutlery, the aforesaid formed of seaweed-containing materials. Class 21 Compostable and biodegradable drinking straws, cups, lids, drinkware, dishware; biodegradable articles, namely, vessels, drinkware, straws, stirrers, packaging; biodegradable articles, namely, vessels, drinkware, straws, stirrers, packaging, the aforesaid formed of seaweed-containing materials; pots for planting; seed starting pods.

Pesticides for horticultural use; Pesticides for industrial purposes; Insecticidal veterinary washes; Preparations for destroying vermin; Vermin destroying preparations; Larvae exterminating preparations; Slug exterminating preparations; Preparations for destroying rodents; Mice (Preparations for destroying -); Veterinary preparations. <u>Class 31</u> Animal foodstuffs; Feed for animals based on seaweed and clay; Agricultural, horticultural and forestry products (neither prepared, nor processed); Fodder; Algae, unprocessed, for human or animal consumption; Fortifiers for animal fodder, not for medical purposes; Strengthening animal forage; Cereal seeds, unprocessed; By-products of the processing of cereals, for animal consumption; Distillery waste for animal consumption; Seeds; Grains for animal consumption, Pet food; Edible chews for animals.	

13. When making the comparison, 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:

"In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary."

14. Guidance on this issue has come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

(a) The respective 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.

15. In *Gérard Meric v OHIM*, 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 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."

16. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM,* Case T-325/06, the GC stated that "complementary" means:

> "… there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think the responsibility for those goods lies with the same undertaking."

Class 1

Polymers and polymer formulations, including to replace paper products and bioplastics.

17. As correctly noted by the opponent, the word "including" in the above specification does not limit the scope of protection, but is used to list examples of the types of goods that would fall within that term. Therefore, the holder's above term "polymers and polymer formulations" is not limited to any specific type.

18. The opponent has provided the definition of a polymer from the Encyclopaedia Britannica dated 5 December 2023 exhibited in **WE1**. It is defined as "any of a class of natural or synthetic substances composed of very large molecules, called macromolecules, which are multiples of simpler chemical units called Monomers". It also states that polymers "make up many of the materials in living organisms, including, for example, proteins, cellulose and nucleic acids" and "they constitute the basis of materials such as diamond, quartz and feldspar, and such man-made materials as concrete, glass, paper, plastics and rubbers". The opponent has also provided the following three exhibits:

a) **Exhibit WE2** contains a study from The Royal Study of Chemistry dated 14 October 2021. I note that in the introduction of this study it states that "herein,

a novel concept is introduced, where a polymer is used as a source of fertilizer". I note that if a concept is novel, it means that it is new, original and never seen before.

b) **Exhibit WE3** contains a paper from 2021 published by the American Chemical Society which found that polymers have been shown to have application in the agricultural industries, and therefore can increase the efficiency of pesticides and herbicides.

c) **Exhibit WE4** contains a paper from MDPI dated 2022. The paper discusses how polymers can be used to create or improve edible film or coatings for animal foodstuffs and feed.

19. To support the above exhibits, within its written submissions, the opponent lists the following selection of EUIPO and USPTO cases contained in Annexes 4 to 7:

1. **R 613/2020-2 EFISER GOLD EUIPO decision**: after listing the parties goods, which included "polymers for use in manufacturing agricultural chemicals" vs "fertilisers", the Second Board of Appeal simply endorses "the reasoning set out in the contested decision". After obtaining and reading the contested decision (B 3 074 177), I note that the EUIPO found the above goods were similar "since they have the same nature" and "normally coincide in producer, relevant public, distribution channels and method of use".
2. **75/681.024 UPSTART USPTO decision**: the goods in contention were "polymer coatings to improve the longevity and germination of legume seeds" vs "fertilisers". The goods were found to be similar on the basis that "the same persons will, after their seeds have germinated into seedlings, be prospective purchases of fertilisers for use in their cultivation or transplanting of the seedlings. In short, [the goods] appear to be complementary products that would be used by a common class of consumers".
3. **7926771 IPE USPTO decision**: the goods in contention were compost and fertilisers vs "unprocessed polymers" and "unprocessed plastics". The decision states that "the attached internet evidence demonstrates that plastics are widely used in the agricultural industry". The evidence, which was also contained within the annex to the USPTO decision, refers to plastics that are used in

farming such as to wrap forage, cover greenhouses, the use of maple tubing in nursery containers, and the containers of pesticides being made from plastic.

4. **B 2 827 144 CHITOPLANT EUIPO decision**: "cationic polymers" were found to be similar to "chemicals used in agriculture, horticulture and forestry" "because they have the same nature and could also have the same producers".

20. Firstly, this Tribunal is not bound by decisions of the EUIPO or USPTO. Secondly, and for the sake of completeness, in both EUIPO decisions, there is no detailed reasoning as to why they found the goods overlapped in the above factors, and therefore I am unable to determine why such conclusions were reached. Thirdly, whilst the UPSTART USPTO decision found the goods to be "complementary", I do not consider that US complementarity requirements mirror the UK case law cited above. Lastly, whilst the evidence provided within the IPE USPTO decision may show that plastics and fertilisers are used within the agricultural industry as a whole, I consider that the plastics listed within the evidence are those which have been processed into sheets, tubes and containers (which are different to the holder's polymers), and none of the other *Treat* factors appear to be considered or satisfied.[2] Therefore, taking all of the above into account, I do not consider that this evidence assists the opponent.

21. It is clear from the above that the opponent is comparing its class 1, 5 and 31 goods to the holder's "polymers and polymer formulations" in class 1. I will therefore conduct a comparison on all of these.

Class 1 vs Class 1

22. Based on the above definition of polymers, the opponent submits that its class 1 goods can be categorised as plants or products derived from plants, fertilizers and products of similar qualities, and therefore "these goods can be described as or include polymers". However, I am unsure how the opponent's class 1 goods can be described as polymers. **Exhibit WE1** does not list the opponent's fertilisers, seaweed extract, seaweed, nutrients, substrates and stimulants as types of polymers (or that polymers constitute the basis of such materials). Paragraphs 37 to 39 of the opponent's

[2] Whilst it is noted the USPTO will not be bound by *Treat,* I am.

submissions, which explains the difference between natural, artificial and synthetic polymers, does not list the opponent's above goods. Therefore, without any evidence before me to confirm that the opponent's goods are composed of macromolecules and monomers (which **exhibit WE1** states that polymers are consisted of), I am unable to conclude that the opponent's goods are polymers. On this basis, I do not consider that the opponent's goods overlap in nature, method of use and purpose with the holder's "polymers".

23. I do not have any evidence before me as to what undertakings sell "polymers", however, based on the definition provided within **WE1**, I consider that synthetic polymer goods would be created and sold by concrete, glass, paper, plastic and rubber specialists, and natural polymers such as nucleic acids may be created and sold by medical specialists. The opponent's goods would be sold by garden centres and therefore the goods clearly do not overlap in trade channels.

24. If the holder's goods could be processed and made into the opponent's fertiliser, whilst arguable that the goods may be important or indispensable to one another, I do not consider that the average consumer would assume that the goods derive from the same undertaking. Therefore, the goods are not complementary in the way described by the case law cited above. I also consider that whilst the research evidence in **exhibit WE2** above shows polymers could be used as a source of fertilizer (albeit this was a novel concept researched in 2021), that this is not enough evidence on its own to establish that the goods are actually in competition. Therefore, taking the above into account, the goods are clearly dissimilar.

25. For the sake of completeness, if the opponent's goods were composed of, contain, or are made from polymers, *Les Éditions Albert René v OHIM*[3] sets out that just because a particular good is used as a part, element or component of another, it should not result in a finding of identity/similarity between those goods. It does not mean that there can never be similarity between such goods where there is overlap in the factors identified in *Treat*. However, as noted above, the goods do no overlap in *Treat* factors and thus this reaffirms my finding of dissimilarity.

[3] Case T-336/03

Class 5 vs Class 1

26. The opponent's class 5 goods are all types of fungicides, germicides, herbicides and pesticides, which are all goods that are used to kill fungus, germs, plants and pests. These goods clearly do not overlap in nature, method of use and purpose with the holder's polymers. I also do not consider that there would be an overlap in trade channels as the opponent's goods would be sold by garden centres, whereas the holder's goods would be created and sold by concrete, glass, paper, plastic and rubber specialists, or medical specialists. The goods are also clearly not in competition. Whilst **exhibit EW3** shows that polymers can increase efficiency of pesticides and herbicides, I do not consider that this is enough to show that the goods are important or indispensable to one another. Moreover, the average consumer would not assume that the goods derive from the same undertaking. Therefore, they are not complementary in the way described by the case law cited above. On this basis, I find the goods are dissimilar.

Class 31 vs Class 1

27. The MDPI paper evidence provided at **exhibit EW4** commenting on the use of polymers for the packaging of animal foodstuffs and feed does not assist the opponent on the basis that its class 31 goods are the animal foodstuffs and feed itself. Thus, the opponent's goods clearly do not overlap in nature, method of use and purpose with the holder's polymers. I also do not consider that there would be an overlap in trade channels as the opponent's goods would be sold by animal foodstuff undertakings, and pet stores, whereas the holder's goods would be sold by the above forementioned specialists. The goods are also clearly not in competition, nor are they complementary in the way described by the case law cited above. Consequently, the goods are dissimilar.

<u>Class 8</u>

Compostable and biodegradable eating utensils, cutlery, serving utensils and serving cutlery; biodegradable articles, namely, utensils, cutlery, serving utensils and serving cutlery, the aforesaid formed of seaweed-containing materials.

28. The opponent submits that the word “utensils” “is broad and could cover a wide array of tools and instruments used in the fertilization, pest and contamination control and animal foodstuffs and feed industries”. However, the Nice Classifications lists “utensils” in class 8 as kitchen and serving utensils,[4] and I note that the word “utensils” is usually defined by its use within the household only. On this basis, I understand “utensils” in the holder’s specification to mean kitchen and serving utensils only.

29. The opponent highlights that the holder’s above goods are made from seaweed-containing materials, that its earlier mark “includes seaweed-based materials in classes 1, 5 and 31”, and as such, the respective natures are the same. I therefore consider that the best-case comparison of the holder’s above goods is with the opponent’s “seaweeds [fertilizers]”. However, once again, I bear in mind the case of *Les Éditions Albert René v OHIM*. Clearly, the goods do not overlap in nature (seaweed vs compostable utensils), and I do not consider there would be an overlap in trade channels, as the opponent’s goods would be brought from fertiliser specialists, or sold in garden centres, whereas the holder’s goods would be brought from companies that specialise in compostable and biodegradable catering disposables. The goods clearly do not overlap in purpose and method of use, as the opponent’s seaweed is used for fertilization and the primary purpose of the holder’s goods to facilitate the consumption of food. I appreciate that the holder’s goods have a secondary purpose, being compostable, and that compost contains similar nutrients that are found in fertiliser. However, I do not consider that this is enough to establish that the goods are in competition, or that they are similar to one another. I therefore find the goods are dissimilar.

Class 21

Seed starting pods.

30. The holder’s above goods are pods of soil which are added and expanded in water, which activates them, which allows the user to plant and grow seeds. I therefore do

[4] *Altecnic Ltd’s Trade Mark Application* [2002] RPC 34 and *Pathway IP Sarl (formerly Regus No. 2 Sarl) v Easygroup Ltd (formerly Easygroup IP Licensing Limited),* [2018] EWHC 3608 (Ch)

not consider that these goods overlap in nature and method of use with the opponent's "compost", which is sold in its ready-to-use state, and is made from recycled organic matter, such as decomposing food waste and plants, which is either used by itself in pots, or added to soil, to improve and enrich it, which in turn helps plants grow. However, the goods will overlap in purpose, and I consider that they will all be sold within garden centres. The goods will also overlap in user. Whilst the goods are not complementary, there may be a degree of competition between them because the user may choose to grow its seeds using the holder's seed starting pods, or they may plant their seeds directly in compost, or in soil mixed with the opponent's compost. I therefore consider that the goods are similar to between a low and medium degree.

Pots for planting.

31. I do not consider that the holder's above goods are similar to the opponent's goods. I find that the opponent's best-case comparison is with "compost", on the basis that all of the goods will be distributed in garden centres (but they will not necessarily be sold in close proximity). However, I do not consider that this by itself is sufficient to establish similarity. It clear that the goods do not overlap in nature, method of use and purpose. The holder's goods are pots, which are typically made from plastic or biodegradable paper, that holds seeds and plants. Compost is made from recycled organic matter, such as decomposing food waste and plants, which is either used by itself in pots, or added to soil, to improve and enrich it, which helps plants grow. While the goods can be used together, the difference in their physical nature leads me to find that the average consumer would not think that they came from the same undertaking. Therefore the goods are not complementary in the way described by the case law cited above, nor are they in competition. Consequently, I find that they are dissimilar.

Compostable and biodegradable drinking straws, cups, lids, drinkware, dishware; biodegradable articles, namely, vessels, drinkware, straws, stirrers, packaging; biodegradable articles, namely, vessels, drinkware, straws, stirrers, packaging, the aforesaid formed of seaweed-containing materials.

32. The opponent states that the holder's above goods "have potential application in the fertilization, pest and contamination control and the animal foodstuffs and feed

industries and therefore have the same or similar relevant public, intended purpose and channels of trade" with its class 1, 5 and 31 goods. However, without any further submissions or evidence before me, as to how cups, lids and straws, for example, could be used in pest and contamination control, or how it relates to the animal foodstuffs and feed industries, I cannot agree with such a submission.

33. The primary purpose of the holder's above goods are to hold and allow the user (humans) to drink a beverage or eat food. I therefore do not consider that this overlaps in nature, method of use and purpose with the opponent's fertilizer, pesticide and animal foodstuffs goods. The goods will not be sold by the same undertakings. The holder's goods will be created and sold by companies that specialise in compostable and biodegradable catering disposables whereas the opponent's goods would be brought from fertiliser companies, pesticide companies and animal foodstuff specialists, which would also be sold in garden centres and pet stores. The goods are clearly neither in competition nor complementary. I therefore find the goods are dissimilar.

34. It is a prerequisite of section 5(2)(b) that the goods be identical or at least similar. The opposition will, therefore, fail in respect of the goods that I have found to be dissimilar.[5] The opposition under section 5(2)(b) fails for the following goods:

Class 1 Polymers and polymer formulations, including to replace paper products and bioplastics.

Class 8 Compostable and biodegradable eating utensils, cutlery, serving utensils and serving cutlery; biodegradable articles, namely, utensils, cutlery, serving utensils and serving cutlery, the aforesaid formed of seaweed-containing materials.

Class 21 Compostable and biodegradable drinking straws, cups, lids, drinkware, dishware; biodegradable articles, namely, vessels, drinkware, straws, stirrers, packaging; biodegradable articles, namely, vessels, drinkware,

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

straws, stirrers, packaging, the aforesaid formed of seaweed-containing materials; pots for planting.

The average consumer and the nature of the purchasing act

35. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which the goods are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J (as he then was) described the average consumer in these terms:

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

36. The average consumer for the goods will be members of the general public, however, I do not discount that it could also include a professional user such as a gardener, agriculturalist or horticulturalist. The cost of the goods in question is likely to be relatively low and they will be purchased relatively frequently. The average consumer will take various factors into consideration such as the cost, quality and the suitability for their specific needs. Therefore, the level of attention paid during the purchasing process for the goods will be medium.

37. The goods are likely to be obtained by self-selection from the shelves of a garden centre or online equivalent. Alternatively, the goods may be purchased following perusal of advertisements. Visual considerations are, therefore, likely to dominate the selection process. However, I do not discount that there may also be an aural component to the purchase through advice sought from a sales assistant.

Comparison of the trade marks

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

39. 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.

40. The respective trade marks are shown below:

Opponent's trade mark	Holder's IR
	SEA TECH

41. The opponent's mark consists of an elongated, sideways, teardrop device which is separated by a white waved line. The left-hand side of this device is green, with a depiction of a type of plant within it. The right-hand side of the device is filled in solid purple. Underneath this device, is the single word "SEATECH", which consists of the word SEA" presented in black, and the word "TECH" presented in purple. The eye is naturally drawn to the element of the mark that can be read, and therefore, I consider that the word "SEATECH" plays a greater role in the overall impression, with the teardrop device playing a lesser role.

42. The holder's IR consists of the words "SEA TECH". I consider that the overall impression lies in the combination of these elements.

43. Visually, the marks coincide in the words "SEA" and "TECH". This acts as a visual point of similarity. However, these words are presented with a physical space between them in the holder's IR, whereas these words are separated by the use of colour in the opponent's mark. The opponent's mark also consists of a teardrop device which acts as a point of visual difference. Therefore, taking the above into account, I consider that the marks are visually similar to a medium degree.

44. Aurally, the teardrop device in the opponent's mark will not be articulated. Therefore the opponent's mark is likely to be pronounced as SEE-TECH, and the holder's IR is likely to be pronounced as SEE-TECH. On this basis, the marks are aurally identical.

45. Conceptually, the holder's IR consists of the ordinary dictionary word "SEA" and the word "TECH". The opponent submits that the word "TECH" is an abbreviation of the word technology. I agree that a significant proportion of average consumers will understand the word "TECH" is the abbreviation of the word technology, and therefore the holder's IR as a whole will convey the concept of "sea technology".

46. Whilst I note that the opponent's mark consists of the word "SEATECH", as highlighted above, this is composed of the word "SEA" presented in black and the word "TECH" presented in purple, which creates a separation between them. I also bear in mind that in *Usinor SA v OHIM,* Case T-189/05, the General Court found that:

> "62. In the third place, as regards the conceptual comparison, it must be noted that while the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Lloyd Schuhfabrik Meyer*, paragraph 25), he will nevertheless, perceiving a verbal sign, break it down into verbal elements which, for him, suggest a concrete meaning or which resemble words known to him (Case T-356/02 *Vitakraft-Werke Wührmann* v *OHIM – Krafft (VITAKRAFT)* [2004] ECR II-3445, paragraph 51, and Case T-256/04 *Mundipharma* v *OHIM – Altana Pharma (RESPICUR)* [2007] ECR II-0000, paragraph 57)."

47. On this basis, I consider the average consumer will recognise the words "SEA" and "TECH" in the opponent's mark, which will be assigned the same conceptual meaning as the holder's IR, "sea technology". I also do not consider that the teardrop device adds to the conceptual message of the mark. On this basis, I find that both marks evoke the concept of "sea technology" and thus they are conceptually identical.

Distinctive character of the earlier trade mark

48. 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 C108/97 and C-109/97 Windsurfing Chiemsee v Huber and Attenberger [1999] ECR 1-2779, 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 promotion of 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)."

49. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods and services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

50. As the opponent has not filed any evidence to show that the distinctiveness of its mark has been enhanced through use, I only have the inherent position to consider.

51. The opponent's mark consists of the word "SEATECH", which conceptually, as noted above, evokes the meaning of "sea technology". This is neither allusive nor descriptive of the opponent's compost goods. I also note that the opponent's mark consists of the teardrop device, which I consider only slightly adds to the distinctiveness of the mark. As a whole, I consider that the opponent's mark is inherently distinctive to between a medium and high degree.

Likelihood of confusion

52. 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 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 vice versa. 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.

53. The following factors must be considered to determine if a likelihood of confusion can be established:

- I have found the marks to be visually similar to a medium degree.
- I have found the marks to be aurally identical.
- I have found the marks to be conceptually identical.
- I have found the opponent's earlier mark to be inherently distinctive to between a medium and high degree.
- I have identified the average consumer as the general public, and professionals such as gardeners, agriculturalists or horticulturalists who will select the goods primarily by visual means, although I do not discount an aural component.
- I have concluded that a medium degree of attention will be paid during the purchasing process.
- The parties' goods are similar to between a low and medium degree.

54. Taking all of the above into account, considering the principle of imperfect recollection, and bearing in mind that both marks consist of, or include the words SEATECH/SEA TECH (which play a greater role in the overall impression of the opponent's mark), I consider that there is a likelihood of direct confusion. Whilst these words are separated by a space in the holder's IR, this would be easily overlooked or misremembered. I also consider that the tear drop device in the opponent's mark would be easily overlooked by the average consumer, especially as it plays a lesser role in the overall impression. Furthermore, given that the average consumer rarely has the opportunity to compare marks side-by-side and will instead encounter them in different settings at different times, to my mind, the medium degree of visual similarity between the marks will lead the average consumer to mistake one mark for the other, especially as the purchasing process is predominantly visual. Even where aural

considerations apply, the identical pronunciation between the marks will have the same result. I also note that the marks are conceptually identical, meaning there is no conceptual hook to differentiate them. I therefore find that there is a likelihood of direct confusion, even on the goods that are similar to between a low and medium degree, due to the effect of the interdependency principle.

55. It now falls to me to consider the likelihood of indirect confusion. Indirect confusion was described in the following terms by Iain Purvis Q.C., (as he was then) sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

> "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)".

56. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

57. I consider that the shared common use of SEATECH/SEA TECH in the parties' marks will lead the average consumer to conclude that they originate from the same or economically linked undertakings. Whilst there is a space between the words in the holder's IR, the average consumer could still imperfectly recall the words without a space. However, if the consumer did remember a space between these words, the words are still separated by the use of colour in the opponent's mark (SEA presented in black and TECH presented in purple). Therefore, the consumer may perceive the opponent's mark as an updated presentation/stylisation of the holder's IR, alongside the use of the minimally stylised typeface of the opponent's mark and the teardrop device.[6] I consider that it is not uncommon for undertakings to re-brand themselves from time to time to accommodate changes in marketing considerations. Therefore, taking the above into account, I find there to be a likelihood of indirect confusion, even

[6] See *Colloseum Holdings AG v Levi Strauss & Co*., Case C-12/12, regarding "wrong way round confusion", referring to Comic Enterprises. In that case Kitchin LJ explained that "right way round" or "wrong way round" confusion may be a consequence of nothing more meaningful than the order in which the consumer happened to come across the mark and the sign. He explain further that in both instances the consumer thinks that the goods or services in issue come from the same undertaking or economically linked undertakings, and they may be equally damaging to the distinctiveness and functions of the mark.

on the goods that are similar to between a low and medium degree, due to the effect of the interdependency principle.

CONCLUSION

58. The opposition is partially successful in respect of the following goods, for which the application is refused:

Class 21	Seed starting pods.

59. The IR will be designated for protection in the UK in respect of the following goods for which the opposition has been unsuccessful:

Class 1	Polymers and polymer formulations, including to replace paper products and bioplastics.
Class 8	Compostable and biodegradable eating utensils, cutlery, serving utensils and serving cutlery; biodegradable articles, namely, utensils, cutlery, serving utensils and serving cutlery, the aforesaid formed of seaweed-containing materials.
Class 21	Compostable and biodegradable drinking straws, cups, lids, drinkware, dishware; biodegradable articles, namely, vessels, drinkware, straws, stirrers, packaging; biodegradable articles, namely, vessels, drinkware, straws, stirrers, packaging, the aforesaid formed of seaweed-containing materials; pots for planting.

COSTS

60. In these proceedings, the holder has enjoyed a greater degree of success and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 1/2023. In the circumstances, I award the holder the sum of **£200** as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Considering the Notice of opposition and preparing a counterstatement	£200
Total	**£200**

61. I therefore order OLMIX, société anonyme to pay Loliware Inc the sum of £200. This sum is to be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 23rd day of December 2024

L FAYTER

For the Registrar