O/0687/23

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO. 3692282
BY CPS TECHNOLOGY HOLDINGS LLC

TO REGISTER:

DELKOR

AS A TRADE MARK IN CLASS 9

AND

IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 431689 BY
VERKOR

BACKGROUND AND PLEADINGS

1. On 9 September 2021, CPS Technology Holdings LLC ("the applicant") applied to register **DELKOR** as a trade mark in the United Kingdom in respect of the following goods:

> *Class 9*
> *Automotive batteries; galvanic cells; accumulators; fuel cells; Battery testers; battery cables and wires; battery cases; battery trays; battery boxes; battery monitoring apparatus; battery guards, converters, inverters, electric connectors, electrical terminal boxes, electrical adapters, extension cables, terminal protector rings, alligator clips, electrical socket adapters, electrical charging plugs, battery jumper cables, electrical plugs, battery mounting kits; battery chargers.*

2. On 9 March 2022, the application was opposed by VERKOR ("the opponent"). The opposition is based on section 5(2)(b) of the Trade Marks Act 1994 ("the Act") and concerns all the goods in the application. The opponent is relying on UKTM No. 3564287, **VERKOR**, which has a filing date of 4 December 2020 and was registered on 16 April 2021. It has a priority date of 27 July 2020. The mark is registered for the following goods and services and the opponent is relying on all of them:

> *Class 9*
> *Electric batteries.*
>
> *Class 12*
> *Electric vehicles.*
>
> *Class 42*
> *Research and development of new products of others; consultancy in the design and development of computer hardware.*

3. This mark qualifies as an earlier mark under section 6(1) by virtue of its earlier filing date. As it completed its registration process less than five years before the application

date of the contested mark, the opponent may rely on all the goods and services for which the earlier mark stands registered.

4. The opponent claims that the marks are visually and aurally similar, while being conceptually neutral. It also claims that the goods are identical or similar and that there is a likelihood of confusion, which includes a likelihood of association.

5. The applicant filed a defence and counterstatement denying the claims made, although it admitted that *Automotive batteries* in the contested application were identical or similar to the earlier *Electric batteries*. In particular, it claimed that the marks were dissimilar.

6. Neither party requested a hearing or filed written submissions in lieu. In these proceedings, the opponent is represented by Wynne-Jones IP Limited and the applicant by CAM Trade Marks & IP Services.

EVIDENCE AND SUBMISSIONS

7. Only the applicant filed evidence in these proceedings. It comes from Dr Roman Cholij, a Chartered Trade Mark Attorney and head of the applicant's representative. His witness statement is dated 21 December 2022 and is a vehicle for filing two decisions of the European Union Intellectual Property Office ("EUIPO"). At the same time, the applicant filed submissions.

DECISION

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

> "A trade mark shall not be registered if because –
>
> …

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

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

9. I am guided by the following principles, gleaned from the decisions of the Court of Justice of the European Union ("CJEU") in *SABEL BV v Puma AG* (Case C-251/95), *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* (Case C-39/97), *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* (Case C-342/97), *Marca Mode CV v Adidas AG & Adidas Benelux BV* (Case C-425/98), *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (Case C-3/03), *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH* (Case C-120/04), *Shaker di L. Laudato & C. Sas v OHIM* (Case C-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):[1]

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

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

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

[1] Section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to refer to the trade mark case-law of EU courts, although the UK has left the EU.

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

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

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

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

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

i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; and

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

Comparison of goods and services

10. It is settled case law that I must make my comparison of the goods and services on the basis of all relevant factors. These may include the nature of the goods and

services, their purpose, their users and method of use, the trade channels through which they reach the market, and whether they are in competition with each other or are complementary: see *Canon*, paragraph 23, and *British Sugar Plc v James Robertson & Sons Limited (TREAT Trade Mark)* [1996] RPC 281 at [296]. Goods and services are complementary when

> "… 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 that the responsibility for those goods lies with the same undertaking."[2]

11. The goods and services to be compared are shown in the table below:

Contested goods	**Earlier goods and services**
Class 9 *Automotive batteries; galvanic cells; accumulators; fuel cells; Battery testers; battery cables and wires; battery case; battery trays; battery boxes; battery monitoring apparatus; battery guards, converters, inverters, electric connectors, electric terminal boxes, electrical adapters, extension cables, terminal protector rings, alligator clips, electrical socket adapters, electrical charging plugs, battery jumper cables, electrical plugs, battery mounting kits; battery chargers.*	*Class 9* *Electric batteries.*
	Class 12 *Electric vehicles.*

[2] *Boston Scientific Ltd v OHIM*, Case T-325/06, paragraph 82.

Contested goods	Earlier goods and services
	<u>*Class 42*</u> *Research and development of new products of others; consultancy in the design and development of computer hardware.*

12. I have already noted that the applicant admits that its *Automotive batteries* are identical or similar to the opponent's *Electric batteries*. I remind myself that goods may be identical when the goods designated by the earlier mark are included in a broader category designated by the later mark, or vice versa: see *Gérard Meric v OHIM*, Case T-133/05, paragraph 29. The opponent's *Electric batteries* includes ones that are intended for use in motor vehicles and so the goods are identical on this principle.

13. As some of the contested goods are identical to some of the goods on which the opposition is based, I will not at this stage undertake a full comparison of the goods and services listed above. The examination of the opposition will proceed on the basis that the contested goods or services are identical to those covered by the earlier trade mark. If the opposition fails, even where the goods or services are identical, it follows that the opposition will also fail where the goods or services are only similar.

14. I shall return to the remaining goods and services should that prove necessary.

Average consumer and the purchasing process

15. In *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors* [2014] EWHC 439 (Ch), 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.”[3]

16. The applicant submits that the average consumer is either a member of the general public or a tradesperson supplying the goods in the electric vehicle industry sector. In its view, both would be paying a high degree of attention, given the nature of the goods and the high costs associated with electric vehicles. In my view, the terms *Automotive batteries* and *Electric batteries* are not necessarily restricted to batteries used in electric cars, as I understand batteries are important components of even petrol and diesel vehicles, and all batteries are sources of electric power.

17. Automotive batteries may be purchased by members of the general public, but it is more likely that they will be sold to garages, mechanics, breakdown services, and manufacturers of motor vehicles. The member of the general public will buy them from a specialist dealer or retailer, while those in the trade may also buy them direct from the manufacturer. Either way, the average consumer is likely to see the mark in use in printed material such as brochures and catalogues, or on websites. They may also discuss their purchases with sales staff or order them over the telephone, so I must also take into account the aural aspects of the marks.

18. For a member of the general public, purchases of automotive batteries will be infrequent and will be made when their current automotive battery fails. This means that it is likely that a purchase will need to be made relatively quickly. I have no evidence on the cost of the goods, but, given the importance of a safe and reliable means of transport, I consider the average consumer will pay a degree of attention that is above medium. Those in the trade will buy automotive batteries more frequently. I consider that the level of attention they will be paying will be high, as the quality of the goods is likely to have an impact on their own reputation.

[3] Paragraph 60.

Comparison of marks

19. It is clear from *SABEL* (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 in *Bimbo* that:

> "… it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."[4]

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

21. The respective marks are shown below:

Contested mark	**Earlier mark**
DELKOR	VERKOR

22. Both marks are made up of a single word. There are no other elements that could contribute to the overall impression of those marks.

23. The applicant has drawn my attention to two decisions of the Opposition Division of the EUIPO. These are the decision of 26 August 2002 in Opposition No. B 140 154

[4] Paragraph 34.

and that of 30 June 2020 in Opposition No. B 3 080 544.[5] In the first of these, the competing marks were **VEQTOR** and **HEKTOR**; in the second, **TAMOWA** and **RIMOWA**. In both cases, the EUIPO found the marks were not sufficiently similar to result in a likelihood of confusion. I have read both of these decisions, but they are not binding on me, and I will make my decision based on all the pleadings and submissions.

Visual comparison

24. Each mark consists of a six-letter word and the second and the last three of those letters ("E", "-KOR") are identical. The average consumer tends to pay more attention to the beginning of marks than to the end: see *El Corte Inglés SA v OHIM*, Cases T-183/02 and T-184/02, paragraphs 81-83. To English speakers, "E" is a common letter, and so the fact that it is the second letter of both marks does not detract from the differences in the first half of the mark. I find that the marks are visually similar to a low degree.

Aural comparison

25. The contested mark will be pronounced "DELL-KORE", while the earlier mark will be pronounced as "VUR-KORE". The first syllable is therefore different (with a different vowel sound), while the second is identical. Keeping in mind the decision in *El Corte Inglés*, I find that the marks are aurally similar to a low degree.

Conceptual comparison

26. The average consumer would perceive both marks as invented words and as such there is no conceptual comparison to be made.

Distinctive character of the earlier mark

27. In *Lloyd Schuhfabrik Meyer*, the CJEU stated that:

[5] Exhibits RC1 and RC2.

> "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 Alternberger* [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)."

28. Registered trade marks possess varying degrees of inherent distinctive character. Marks that are suggestive of, or allude to, a characteristic of the goods or services would sit at the lower end of a spectrum of distinctiveness, while those marks that are invented words with no allusive qualities would sit towards the top.

29. Earlier in my decision, I found that "VERKOR" would be perceived as an invented word. It therefore has a high degree of inherent distinctive character. I have no evidence on which I can base an assessment of whether this inherent distinctive character has been enhanced through use.

Conclusions on likelihood of confusion

30. There is no arithmetical formula to apply in determining whether there is a likelihood of confusion. It is a global assessment where a number of factors need to

be borne in mind. I must also take account of the interdependency principle, i.e. that a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods or services or vice versa. I keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them they have in their mind.

31. There are two types of confusion: direct and indirect. In *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, Iain Purvis QC, sitting as the Appointed Person, explained that:

> "Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but analysed in formal terms, is something along the following lines: 'The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark."[6]

32. I remind myself that I am proceeding on the basis that the contested goods are identical to the applicant's goods. I found that the earlier mark had a high degree of inherent distinctive character and that the marks were visually and aurally similar to a low degree. The average consumer would be paying a higher than average degree of attention.

33. In my view the differences between the marks are sufficient for the average consumer not to mistake one for another and so be directly confused. I believe this

[6] Paragraph 16.

would be the case even if the average consumer were only paying a medium degree of attention, as it is in the beginning of the marks that the differences lie. Having made this finding, I will go on to consider whether there is a likelihood of indirect confusion.

34. In *LA Sugar*, Mr Purvis gave a number of examples of when a consumer might recognise the differences between the marks but assume that there was a connection between them and thus be indirectly confused:

> "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)."[7]

35. In *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ commented that:

[7] Paragraph 17.

> "This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition."[8]

36. He also said:

> "As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/291/16) at [16] 'a finding of likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion'. Mr Mellor went on to say that, if there is no likelihood of direct confusion, 'one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion'. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."[9]

37. I see no reason why the average consumer would assume that **DELKOR** was a natural brand extension, sub-brand or even a rebranding of **VERKOR**. The similarity lies in a shared second syllable, but I do not consider that this is a proper basis for me to find that there is a likelihood of indirect confusion.

38. As I have found no likelihood of confusion where the goods are identical, I would also find no likelihood of confusion where the goods are merely similar. The opposition fails in its entirety.

OUTCOME

39. The opposition has failed. Application No. 3692282 will proceed to registration.

[8] Paragraph 12.
[9] Paragraph 13.

COSTS

40. The applicant has been successful and is entitled to a contribution towards the costs it has incurred during these proceedings, according to the scale set out in Tribunal Practice notice No. 2/2016. In the circumstances, I award the applicant the sum of £750, which has been calculated as follows:

> *Preparing a statement and considering the other side's statement: £250*
> *Preparing evidence and submissions during the evidence rounds: £500*
> ***TOTAL: £750***

41. I therefore order VERKOR to pay CPS Technology Holdings LLC the sum of £750, which should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 19th day of July 2023

Clare Boucher
For the Registrar,
Comptroller-General