

O/0750/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003728524

BY SELLIX S.R.L.

TO REGISTER THE FOLLOWING TRADE MARK:



Sellix

IN CLASSES 35, 38 AND 42

AND IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 431891

BY SELLSY

BACKGROUND AND PLEADINGS

1. On 2 December 2021, SELLIX S.r.l. (“the applicant”) applied to register the trade mark shown on the cover page of this decision, in the UK. The application was published for opposition purposes on 17 December 2021 and registration is sought for the services set out in paragraph **30** below. A priority date of 30 November 2021 is claimed from EUTM no. 018611077.

2. On 16 March 2022, the application was opposed by Sellsy (“the opponent”) based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opponent relies upon the following trade marks:



UKTM no. 3665216

Filing date 6 July 2021; registration date 5 November 2021
 (“the First Earlier Mark”)

SELLSY

UKTM no. 913557152¹

Filing date 12 December 2014; registration date 20 April 2015
 (“the Second Earlier Mark”)

3. The opponent relies upon all goods and services for which the earlier marks are registered, as follows:

¹ On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all rights holders with an existing EUTM. As a result of the opponent having an EUTM being protected as at the end of the Implementation Period, a comparable UK trade mark was automatically created. The comparable trade mark shown here is now recorded on the UK trade mark register, has the same legal status as if it had been applied for and registered under UK law, and retains its original filing dates.

- Class 9 Financial management software; Computer software for inter-network accounting in the telecommunications field; Calculators; Electronic cash registers; Computer software for document management; Computer software for database management; Computer software for accounting, invoicing, project management, stock management and customer relations.
- Class 35 Computerised accounting; Inventory management services; Accounting services; Computerised business records keeping; Computerised file management; Data management services; Data entry and data processing; Computerised business information processing services; Advertising; Public relations consultancy; Dissemination of advertisements.
- Class 38 Communication of information by electronic means; Data communication by electronic means; Telematic data transmission and file transfer; Data transmission services over telecommunications networks.
- Class 42 Electronic data storage; Services for the design of computer software; Software as a service [SaaS]; Application service provider (ASP); Hosting of digital content on the internet; Rental of application software; Providing temporary use of non-downloadable computer software for preparing invoices over computer networks, intranets and the internet; Platform as a Service [PaaS]; Providing of temporary access to non-downloadable computer software for accounting, invoicing, project management, stock management and customer relations.

4. The opponent claims that the marks are similar and that the goods and services are identical or similar, with the result that there is a likelihood of confusion.

5. The applicant filed a counterstatement denying the claims made and putting the opponent to proof of use of the Second Earlier Mark.

6. The applicant is represented by Lane IP Limited and the opponent is represented by Palmer Biggs IP Solicitors.

7. Both parties filed evidence. The opponent did not file evidence in reply. Neither party requested a hearing and only the applicant filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

EVIDENCE AND SUBMISSIONS

8. The opponent filed evidence in chief in the form of the witness statement of Alain Mevellec dated 20 September 2022, which is accompanied by 24 exhibits. Mr Mevellec is a founding partner of the opponent. Mr Mevellec's evidence goes to the use that has been made of the Second Earlier Mark in the EU.

9. The opponent's evidence was accompanied by written submissions dated 30 September 2022.

10. The applicant filed evidence in the form of the witness statement of Steven Jennings dated 15 March 2023, which is accompanied by 5 exhibits. The applicant's evidence goes to the distinctiveness of the prefix SELL- for the relevant goods and services.

11. The applicant filed written submissions in lieu dated 16 May 2023.

12. I have taken the evidence and submissions into account in reaching my decision and will refer to them below where necessary.

RELEVANCE OF EU LAW

13. Although the UK has left the EU, 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 Act relied upon in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

DECISION

14. Section 5(2)(b) of the Act 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.”

15. Section 5A of the Act is as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

16. The trade marks upon which the opponent relies qualify as earlier trade marks pursuant to section 6 of the Act. As the First Earlier Mark had not completed its registration process more than 5 years before the priority date of the mark in issue, it is not subject to proof of use. However, as the Second Earlier Mark had completed its registration process by that date, it is subject to proof of use pursuant to section 6A of the Act.

Proof of use

17. I will begin by assessing whether there has been genuine use of the Second Earlier Mark. The relevant statutory provisions of the Act are as follows:

“(1) This section applies where:

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

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

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

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

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

(3) The use conditions are met if –

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

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

(4) For these purposes -

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

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

(5)-(5A) [Repealed]

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

18. Section 100 of the Act states that:

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

19. As the Second Earlier Mark is a comparable mark, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:

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

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

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

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

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

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

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

20. Pursuant to section 6A of the Act, the relevant period for assessing whether there has been genuine use of the Second Earlier Mark is the five-year period ending with the priority date of the application in issue i.e. 1 December 2016 to 30 November 2021. By virtue of the above provisions, use in the EU will be relevant from 1 December 2016 to 31 December 2020 (IP Completion Day). Thereafter, only use in the UK will be relevant.

21. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J (as he then was) summarised the law relating to genuine use as follows:

“114. [...] The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm*

Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

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

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

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

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

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

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

22. Proven use of a mark which fails to establish that “the commercial exploitation of the mark is real” because the use would not be “viewed as warranted in the economic

sector concerned to maintain or create a share in the market for the goods or services protected by the mark” is, therefore, not genuine use.

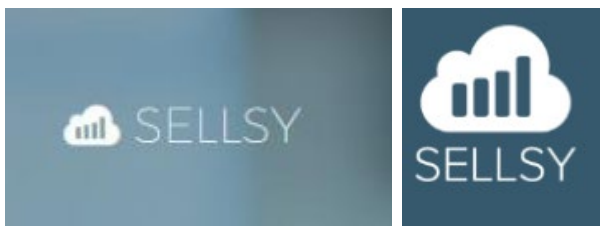
23. I note the following from the opponent’s evidence:

a) Mr Mevellec describes the opponent’s business as follows:

“The company is a software development company specialising in offering simple, effective and secure digital management solutions to, predominantly, entrepreneurs and various type of entities (particularly start-ups and small and medium enterprises (SMEs)). Its software products and solutions are particularly convenient and appealing to users as they combine customer relationship management (CRM), billing and accounting tools in a single interface.”

b) By the end of 2020, the opponent had over 4,500 clients based in France. It also had over 180 other clients based in other EU countries including Belgium, Germany, Luxembourg, Spain, Hungary, the UK and Poland.²

c) The opponent’s mark appears as follows on its website during the relevant period, in addition to the word only form:³



d) The opponent’s website, in 2017, stated: “Welcome to Sellsy, the online software to manage your sales”.⁴ A page from 2019, states “Get rid of

² Exhibit AM2

³ Exhibit AM5

⁴ Exhibit AM5

administrative overhead with an online solution that automates your accounting”. (my emphasis)

- e) The website also offers the customer the opportunity to “configure the tool according to your needs” and offers a team to support customers’ use of the software product.⁵
- f) The opponent promotes its activities through social media channels.
- g) The opponent attended various trade shows in the UK to promote its business during the relevant period.⁶ The opponent paid approximately €20,000 for attendance at these events, which were attended by a total of almost 35,000 visitors.⁷
- h) The opponent has provided the following worldwide turnover figures:

2017	€3,386,868
2018	€4,416,428
2019	€5,564,582
2020	€6,700,545

No breakdown is given by region/country, but Mr Mevellec does confirm that 97% of the turnover relates to the French market.

- i) For the period 1 January 2021 to 30 November 2021, the opponent’s UK-turnover was €21,634.
- j) Invoices have been provided to UK-based customers dated between 18 July 2018 and 8 November 2021.⁸ They are located in various parts of the UK. All

⁵ Exhibit AM5

⁶ Exhibit AM15

⁷ Exhibit AM16

⁸ Exhibit AM24

of the invoices appear to relate to a 12-month subscription, which appears to relate to services.

24. I am satisfied that the Second Earlier Mark has been used as registered. I am also satisfied that use of the composite marks shown above are also use of the Second Earlier Mark as registered, retaining its independent use as indicator of origin, and are use upon which the opponent can rely.⁹

25. Clearly, the opponent has a reasonably large customer base in the EU, predominantly in France. It has engaged in promotional activities and has a reasonable turnover during the relevant period (most of which relates to the French market). Taking all of the above evidence as a whole into account, I am satisfied that there has been genuine use during the relevant period.

26. I must now consider whether, or the extent to which, the evidence shows use of the Second Earlier Mark in relation to the goods and services relied upon. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. (as he then was) as the Appointed Person summed up the law as being:

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

27. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows:

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the

⁹ *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12

specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

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

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

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

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

28. The opponent's evidence appears to me, to identify a business that sells online non-downloadable software in the field of customer relationship and business management. None of the evidence shows the sale of software goods per se, but rather relate to online software and subscription payments. I note that the opponent describes itself as a software development company, but there does not appear to be any evidence of the opponent provided the service of a software developer i.e. taking information from a client about their requirements and providing a tailored software solution. Rather, the opponent has developed an online software offering which it retails to its customers, as part of various packages. Consequently, I consider the following to be a fair specification for the Second Earlier Mark:

Class 42 Providing temporary use of non-downloadable computer software for preparing invoices over computer networks, intranets and the internet; Providing of temporary access to non-downloadable computer software for accounting, invoicing, project management, stock management and customer relations.

Section 5(2)(b) – case law

29. 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 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 to mind the earlier mark, 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 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

30. In light of my findings above, the competing goods and services are as follows:

Opponent's goods and services	Applicant's services
<p>The First Earlier Mark</p> <p><u>Class 9</u> Financial management software; Computer software for inter-network accounting in the telecommunications field; Calculators; Electronic cash registers; Computer software for document management; Computer software for database management; Computer software for accounting, invoicing, project management, stock management and customer relations.</p> <p><u>Class 35</u> Computerised accounting; Inventory management services; Accounting services; Computerised business records keeping; Computerised file management; Data management services; Data entry and data processing; Computerised business information processing services;</p>	<p><u>Class 35</u> Advertising; Business management services relating to electronic commerce; Advertising services for the promotion of e-commerce; Provision of information and advisory services relating to e-commerce; Retail services in relation to computer software; Provision of information relating to commerce; Marketing the goods and services of others; Management of business offices for others; Dissemination of advertising for others via an on-line communications network on the internet; Arranging of buying and selling contracts for third parties; Promoting the sale of the services [on behalf of others] by arranging advertisements; Sales promotion for others; Promoting the goods and services of others via a global computer network; Promoting the goods and services of others via computer and</p>

<p>Advertising; Public relations consultancy; Dissemination of advertisements.</p>	<p>communication networks; Advertising of the goods of other vendors, enabling customers to conveniently view and compare the goods of those vendors; Advertising by transmission of on-line publicity for third parties through electronic communications networks; Advertisement for others on the Internet; The bringing together, for the benefit of others, of a variety of telecommunications services, enabling consumers to conveniently compare and purchase those services; Negotiation of commercial transactions for third parties.</p>
<p><u>Class 38</u> Communication of information by electronic means; Data communication by electronic means; Telematic data transmission and file transfer; Data transmission services over telecommunications networks.</p>	<p><u>Class 38</u> Telecommunications services; Providing access to e-commerce platforms on the Internet; Providing access to platforms on the Internet; Telecommunication services provided via Internet platforms and portals; Providing user access to platforms on the Internet; Telecommunication services provided via platforms and portals on the Internet and other media; Providing third party users with access to telecommunication infrastructure; Providing access to Internet portals for third parties; Telecommunications services relating to electronic commerce; Signal transmission for electronic commerce via</p>
<p><u>Class 42</u> Electronic data storage; Services for the design of computer software; Software as a service [SaaS]; Application service provider (ASP); Hosting of digital content on the internet; Rental of application software; Providing temporary use of non-downloadable computer software for preparing invoices over computer networks, intranets and the internet; Platform as a Service [PaaS]; Providing of temporary access to non-downloadable computer software for accounting, invoicing, project management, stock management and customer relations.</p>	<p><u>Class 38</u> Telecommunications services; Providing access to e-commerce platforms on the Internet; Providing access to platforms on the Internet; Telecommunication services provided via Internet platforms and portals; Providing user access to platforms on the Internet; Telecommunication services provided via platforms and portals on the Internet and other media; Providing third party users with access to telecommunication infrastructure; Providing access to Internet portals for third parties; Telecommunications services relating to electronic commerce; Signal transmission for electronic commerce via</p>
<p>The Second Earlier Mark <u>Class 42</u> Providing temporary use of non-downloadable computer software for</p>	

preparing invoices over computer networks, intranets and the internet; Providing of temporary access to non-downloadable computer software for accounting, invoicing, project management, stock management and customer relations.

telecommunication systems and data communication systems.

Class 42

Software design and development; Software as a service [SaaS]; Design and development of software in the field of mobile applications; Programming of software for e-commerce platforms; Consultancy relating to the creation and design of websites for e-commerce; Maintenance of software used in the field of e-commerce; Constructing an internet platform for electronic commerce; Hosting of e-commerce platforms on the Internet; Consultancy services relating to software used in the field of e-commerce; User authentication services using technology for e-commerce transactions; Providing user authentication services using biometric hardware and software technology for e-commerce transactions; Development of computer platforms; Hosting platforms on the Internet; Programming of software for Internet platforms; Creation of computing platforms for third parties; Hosting of communication platforms on the internet; Platform as a service [PaaS]; Updating websites for others; Creating and maintaining web sites for others; Creating, maintaining and hosting the websites of others; Software design for

	others; Hosting on-line web facilities for others; Hosting computer sites [web sites]; Design and development of new technology for others.
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31. When making the comparison, all relevant factors relating to the goods and services 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.”

32. Guidance on this issue has also 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.

33. 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 Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court (“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 that the responsibility for those goods lies with the same undertaking.”

34. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.

Class 35

Advertising; Advertising services for the promotion of e-commerce; Marketing the goods and services of others; Dissemination of advertising for others via an on-line communications network on the internet; Promoting the sale of the services [on behalf of others] by arranging advertisements; Sales promotion for others; Promoting the goods and services of others via a global computer network; Promoting the goods and services of others via computer and communication networks; Advertising of the goods of other vendors, enabling customers to conveniently view and compare the goods of those vendors; Advertising by transmission of on-line publicity for third parties through electronic communications networks; Advertisement for others on the Internet.

35. These services are identical on the principle outlined in *Meric* to “advertising” in the specification of the First Earlier Mark.

36. These services differ in nature, purpose and method of use to the services in the specification of the Second Earlier Mark. I accept that there may be some overlap in user. However, I consider it unlikely that there would be any overlap in trade channels and I have no evidence that there would be. I do not consider the services to be in competition or complementary. Consequently, I consider them to be dissimilar.

Business management services relating to electronic commerce.

37. This could include “inventory management services” in the specification of the First Earlier Mark. Consequently, I consider the services to be identical on the principle outlined in *Meric*.

38. These services differ in method of use and nature with the services in the specification of the Second Earlier Mark. I accept that there would be an overlap in users. Whilst the opponent provides software services which are related to business

management (i.e. they provide the user with facilities to help manage their business), I consider it unlikely that there will be an overlap in trade channels as the provision of software and the provision of business management services are distinct sectors. I have no evidence before me to the contrary. There will be an overlap in purpose and there may be some competition. Consequently, I consider the services to be similar to a medium degree.

Provision of information and advisory services relating to e-commerce; Provision of information relating to commerce.

39. These services relate to the provision of information regarding ecommerce. I can see no obvious point of overlap in trade channels, method of use, purpose or nature with the specifications of the First and Second Earlier Marks. The users will clearly overlap. However, there is no competition or complementarity. Consequently, I consider these services to be dissimilar.

Management of business offices for others.

40. I can see no obvious point of overlap with the specification of the First Earlier Mark, other than the fact that the services might all be used by businesses. This is not sufficient on its own for a finding of similarity. Consequently, I consider the services to be dissimilar.

41. These services involve the management of physical office spaces for others. I do not consider that this would involve managing any aspects of the business itself (as opposed to the physical premises). Consequently, I do not consider there to be an overlap in purpose with the services of the Second Earlier Mark. The nature, method of use and trade channels will also differ. The users will clearly overlap. However, there is no competition or complementarity. Consequently, I consider the services to be dissimilar.

Retail services in relation to computer software.

42. I accept that the businesses that provide retail services in relation to software are also likely to provide software products (both goods and services). Consequently, there is an overlap in trade channels with “financial management software” in the specification of the First Earlier Mark and the services of the Second Earlier Mark. Clearly, there will be an overlap in users. The method of use, nature and purpose of the goods and services differ. However, they are complementary. There is no competition. Consequently, I consider the goods and services to be similar to a medium degree.

The bringing together, for the benefit of others, of a variety of telecommunications services, enabling consumers to conveniently compare and purchase those services.

43. These services will overlap in trade channels and user with “data transmission services over telecommunications networks” in the specification of the First Earlier Mark. This is because the same businesses that provide telecoms services are also likely to provide retail in relation to those services. The services differ in nature, purpose and method of use. However, they are complementary. Consequently, I consider the services to be similar to a medium degree.

44. These services do not relate in any way to the software services of the Second Earlier Mark. Consequently, I can see no reason for there to be any overlap in trade channels. The users will clearly overlap. However, the nature, method of use and purpose of the services differ. There is no competition or complementarity. Consequently, they are dissimilar.

Arranging of buying and selling contracts for third parties; Negotiation of commercial transactions for third parties.

45. These are commercial intermediary services. I can see no reason for there to be any overlap in trade channels with the specifications of the First and Second Earlier Marks and I have no evidence before me to support such a finding. The method of use, purpose and nature of the services clearly differ. There is no competition or

complementarity. Any overlap in users is insufficient on its own for a finding of similarity. Consequently, I consider the services to be dissimilar.

Class 38

46. The applicant's class 38 services are all telecommunications services. They will be identical or highly similar to "data transmission services over telecommunications networks" in the specification of the First Earlier Mark. Even where they are not identical, there will be an overlap in trade channels, users, purpose, method of use and nature. They will be highly similar.

47. There is no overlap in nature, method of use or purpose with the specification of the Second Earlier Mark. In my view, there is unlikely to be any overlap in trade channels with the opponent's goods and I have no evidence before me that there would be. There is no competition or complementarity. Any overlap in user is not sufficient on its own for a finding of similarity. I consider the services to be dissimilar.

Class 42

Software design and development; Design and development of software in the field of mobile applications; Programming of software for e-commerce platforms; Programming of software for Internet platforms; Software design for others; Design and development of new technology for others.

48. These services will be identical or highly similar to "services for the design of computer software" in the specification of the First Earlier Mark. Even where they are not identical, they will overlap in nature, method of use, purpose, trade channels and users and will be highly similar.

49. These services are likely to overlap in purpose with the specification of the Second Earlier Mark, because they all aim to provide software solutions for the users' particular requirements. The nature and method of use of the services will differ. There may be some limited overlap in trade channels, where businesses provide both bespoke software and complete software products that are ready to purchase. If that is the

case, then there will be complementarity because the design/development of the software is important to the software itself and the public would perceive the services as originating from the same undertaking. Even where there is no overlap in trade channels, the common purpose will result in competition. In my view, the services are similar to a medium degree.

Maintenance of software used in the field of e-commerce; Consultancy services relating to software used in the field of e-commerce;

50. These are all services which could include consultancy and maintenance of software. Consequently, I consider it likely that there will be an overlap in trade channels with the First Earlier Mark's software goods and the services of the Second Earlier Mark, because the same businesses are likely to offer the software and provide design and consultancy relating to that software. The method of use, nature and purpose of the services differ. In my view, they are complementary. Consequently, I consider them to be similar to a medium degree.

Software as a service [SaaS].

51. This service appears identically in the specification of the First Earlier Mark.

52. This is a particular method of providing non-downloadable software through the cloud. In my view, this is identical on the principle outlined in *Meric* to the specification of the Second Earlier Mark. However, even if I am wrong in that finding, there will be an overlap in method of use, purpose, nature, trade channels and user. The services will be in competition. Consequently, they are highly similar.

Consultancy relating to the creation and design of websites for e-commerce; Creation of computing platforms for third parties; Constructing an internet platform for electronic commerce; Hosting of e-commerce platforms on the Internet; Development of computer platforms; Hosting platforms on the Internet; Hosting of communication platforms on the internet; Platform as a service [PaaS]; Updating websites for others; Creating and maintaining web sites for others; Creating, maintaining and hosting the

websites of others; Hosting on-line web facilities for others; Hosting computer sites [web sites];

53. These services are identical or highly similar to “hosting of digital content on the internet” and “Platform as a service [PaaS]” in the specification of the First Earlier Mark. Even where they are not identical, they will overlap in trade channels, method of use, nature, purpose and users and will be highly similar.

54. There may be an overlap in method of use and nature with the specification of the Second Earlier Mark because they may all be provided via online access. The purpose of the services clearly differ. I have no evidence that there would be an overlap in trade channels. Clearly, the users will overlap. I do not consider the services to be in competition or complementary. Consequently, I consider the services to be similar to a low degree.

User authentication services using technology for e-commerce transactions; Providing user authentication services using biometric hardware and software technology for e-commerce transactions.

55. I can see no reason for there to be an overlap in trade channels between providers of user authentication services and the goods and services covered by the First and Second Earlier Marks. I have no evidence before me to the contrary. The method of use, purpose and nature of the goods and services clearly differ. There is no competition or complementarity. An overlap in user alone is not sufficient for a finding of similarity. Consequently, I consider the services to be dissimilar.

The average consumer and the nature of the purchasing act

56. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties’ goods and services. I must then determine the manner in which the goods and services 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.”

57. The average consumer for the goods and services is most likely to be a business user, although may include members of the general public. The opponent submits that the average consumer will pay “at least a medium degree of attention” during the purchasing process and the applicant submits that the average consumer will pay a high level of attention. In my view, the goods and services are likely to vary in cost, but will be reasonably infrequent purchases. Various factors will be taken into account such as reputation of the provider, ease of access/use and suitability for particular requirements. Even for goods or services that might be used more frequently and be of lower (or no) cost, such as some types of software, the average consumer is likely to consider factors such as financial security and functionality. Consequently, I consider that a reasonably high degree of attention will be paid during the purchasing process (although not the highest degree).

58. The services are likely to be purchased following perusal of signage on physical premises, advertisements and/or websites. Consequently, I consider that the purchasing process will be predominantly visual. However, I do not discount an aural component to the purchase given that word-of-mouth recommendations may also play a part.

Comparison of trade marks



59. 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.”

60. 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.

61. The respective trade marks are shown below:

Opponent' trade marks	Applicant's trade mark
 <p data-bbox="331 1585 657 1624">(the First Earlier Mark)</p> <p data-bbox="432 1693 557 1727">SELLSY</p> <p data-bbox="309 1749 679 1787">(the Second Earlier Mark)</p>	

Overall Impression

62. The applicant's mark consists of the invented word SELLIX, presented in a bold title case font with a double arrow device incorporated into the letter S. The overall impression lies in the combination of these elements, with the word itself playing the greater role. The First Earlier Mark consists of the word SELLSY in a lower case, dark blue font, alongside a cloud device. The overall impression of the mark lies in the combination of these elements, with the word itself playing the greater role as the relevant public is more likely to keep verbal elements in mind to identify and quote the mark instead of describing its figurative element. The Second Earlier Mark consists of the word SELLSY. There are no other elements to contribute to the overall impression, which lies in the word itself.

Visual Comparison

63. The Second Earlier Mark and the applicant's mark overlap in their first four letters – SELL. However, the suffixes act as points of difference, being -IX in the applicant's mark and -SY in the Second Earlier Mark. The double arrow device in the applicant's mark also acts as a point of visual difference. In my view, the marks are similar to a medium degree.

64. The same is true in relation to the comparison with the First Earlier Mark. However, there is an additional difference created by the differing fonts and the addition of the cloud device. Consequently, I consider the marks to be visually similar to a low degree.

Aural Comparison

65. The applicant's mark is likely to be pronounced SELL-IKS. As the device in the First Earlier Mark will not be articulated, both the First Earlier Mark and the Second Earlier Mark are likely to be pronounced SELL-SEE. Consequently, I consider there to be a medium degree of aural similarity.

Conceptual Comparison

66. Both marks are invented words. The dictionary word SELL appears at the beginning of each of the marks. This is likely to be recognised as a reference to a product or service which assists in selling in some way. This is the only element of the marks likely to convey any meaning, and the meaning conveyed is identical.

Distinctive character of the earlier marks

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

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-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 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).”

68. 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 distinctive character of a mark can be enhanced by virtue of the use that has been made of them.

69. The Second Earlier Mark consists of the invented word SELLSY. Although it is an invented word, I consider there to be some allusion to a product or service which assists in selling something. Consequently, I consider the Second Earlier Mark to be distinctive to a medium degree. The same is true of the First Earlier Mark, although I consider the cloud to add some degree of distinctiveness (although not much for cloud-based services). Consequently, I consider the First Earlier Mark to be inherently distinctive to between a medium and high degree.

70. The opponent has also filed evidence of use. Consequently, I will consider whether the distinctiveness of the earlier marks has been enhanced through use. I have summarised the opponent's evidence of use above. The relevant market for assessing enhanced distinctiveness is the UK market. Clearly, the majority of the evidence relates to use outside of the UK. The opponent clearly has customers in the UK.¹⁰ Over the duration of the business, the opponent has had 73 customers based in the UK.¹¹ The opponent has operated a bilingual (French and English) website since June 2013. However, it appears that a very small proportion of the opponent's turnover could relate to sales in the UK (no specific figures are given for the years prior to 2021, and 97% of those figures provided relate to the French market). Between 1 January 2021 and 30 November 2021, the opponent generated turnover of just less than €22,000. The opponent has also undertaken promotional activities in the UK, such as attending various trade shows.¹² Whilst there are clearly activities taking place in the UK, I do not consider the use to be sufficient to justify a finding of enhanced distinctiveness.

¹⁰ Exhibit AM2

¹¹ Exhibit AM3

¹² Exhibit AM15

71. For the avoidance of doubt, I have reviewed the applicant's evidence which is aimed at showing that various businesses use SELL as part of their names, in the same field as the opponent. However, it is not clear to me that all of these examples are in the same field as the opponent (for example, one appears to offer emotional intelligence training for business) and they do not all appear to be targeted at the UK market (pricing is given in EUR or USD).¹³ Consequently, I do not consider that this evidence assists the applicant.

Likelihood of confusion

72. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertaking 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 goods and services may be offset by a greater degree of similarity between the marks and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier marks, the average consumer for the goods and services and the nature of the purchasing act. 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.

73. I have found as follows:

- a) The goods and services vary from being similar to a low degree to identical (except those that I have found to be dissimilar).
- b) The average consumer will be predominantly business users, but may include some members of the general public.

¹³ Exhibit SJJ3

- c) The average consumer will pay a reasonably high degree of attention during the purchasing process.
- d) The purchasing process will be predominantly visual, although I do not discount an aural component.
- e) The First Earlier Mark and the applicant's mark are visually similar to a low degree, aurally similar to a medium degree and any conceptual meaning conveyed will be identical.
- f) The Second Earlier Mark and the applicant's mark are visually and aurally similar to a medium degree. Again, any conceptual meaning conveyed will be identical.
- g) The First Earlier Mark is inherently distinctive to between a medium and high degree and the Second Earlier Mark is inherently distinctive to a medium degree.

74. Where I have found the goods and services to be dissimilar, there can be no likelihood of confusion.

75. Where I have found identity and some degree of similarity, bearing in mind that the purchasing process is predominantly visual, and the marks are, at best, visually similar to a medium degree, I can see no reason for the marks to be mistakenly recalled or misremembered as each other, even where they are used on identical goods or services. I accept the opponent's submission that as a general rule, consumers tend to pay more attention to the beginning of marks than the end. However, given that the first four letters (SELL) in the marks are likely to be seen as alluding to goods/services assisting with selling something, I consider that the average consumer will place more weight upon the ending of the marks. Further, the differing stylisation and device in the First Earlier Marks acts as an additional point of difference. In my view, there is no likelihood of direct confusion.

76. Having identified the differences between the marks, I can see no reason for the average consumer to conclude that they come from the same or linked undertakings. The differing suffixes, -SY and -IX are not natural brand extensions of each other and the common element is not so distinctive that you would expect only one undertaking to be using it. Consequently, I do not consider there to be a likelihood of indirect confusion.

CONCLUSION

77. The opposition is unsuccessful, and the application may proceed to registration.

COSTS

78. The applicant has been successful and is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. In its written submissions in lieu, the applicant stated as follows:

“With regard to the issue of costs the Applicant believes that as much of the ‘evidence’ was duplicative, in French, that some of the evidence was not admitted that it had been translated, the Applicant believes that these facts should lead to an award of costs in their favour at the upper end of the scale.”

79. It is true that there were some initial issues with the opponent’s evidence as filed. These (minor) issues were remedied within the time frame provided, and I see no reason for this to have put the applicant to any particular increase in expense. I also do not consider the evidence filed by the opponent to be particularly unusual or burdensome in its format or scope. Consequently, I decline to award costs at the higher end of the scale and will assess the sum of costs that I consider to be appropriate in the usual way. With that in mind, I award the applicant the sum of **£1,350**, calculated as follows:

Considering the Notice of opposition and
preparing a counterstatement

£250

Considering the opponent's evidence and preparing evidence	£750
Written submissions in lieu	£350
Total	£1,350

80. I therefore order Sellsy to pay SELLIX S.r.l. the sum of £1,350. This sum should 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 8th day of August 2023

S WILSON
For the Registrar