O/0792/23

TRADE MARKS ACT 1994

IN THE MATTER OF
TRADE MARK APPLICATION NO. UK3694645
IN THE NAME OF CAFEA GMBH
TO REGISTER AS A TRADE MARK

NATUREAL

IN CLASSES 29 AND 30

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 430391
BY NATURLI' FOODS A/S

BACKGROUND AND PLEADINGS

1. On 14 September 2021, CAFEA GmbH ("the applicant") applied to register trade mark number UK3694645 for the mark **NATUREAL** in the United Kingdom. The application was accepted and was published for opposition purposes on 22 October 2021, in respect of goods in classes 29, 30 and 32.

2. Following requests by the applicant for the specifications to be amended, the application now pertains to the following goods in classes 29 and 30 only:

Class 29: *Coffee whiteners, milk mix beverages containing predominantly milk and/or milk powder, also with the addition of coffee and/or tea and/or cocoa and/or chocolate and/or malt and/or malt products and/or sweeteners and/or flavouring agents, all the aforementioned goods also as instant products or concentrate; calorie-reduced milk foodstuffs and milk mix beverages containing predominantly or half milk, also with the addition of cocoa and/or malt and/or chocolate, all the aforementioned goods also as instant products or concentrate, mixed milk beverages containing milk, also with the addition of milk products, also as instant products or as concentrate energy drinks, also with added tea and/or flavouring agents, all goods also in instant form or as concentrate.*

Class 30: *Coffee, coffee extracts, coffee surrogates, coffee substitutes, cereal coffee, chicory coffee, malt coffee as well as mixtures of these goods, all the aforementioned products also in instant form or as a concentrate; cocoa, chocolate; cocoa-containing beverages, chocolate, chocolate-containing beverages, chocolate and sugar products, in particular bars, also with the addition of milk products and/or fruit products and/or malt and/or malt products and/or honey and/or nuts and/or cereal products; fine bakery and confectionery products.*

3. The application is opposed by NATURLI' FOODS A/S ("the opponent"). The opposition was filed on 20 January 2022 and is based upon Section 5(2)(b) of the

Trade Marks Act 1994 (“the Act”). The opposition is directed against all of the goods in the application. The opponent relies upon the following two marks:

NATURLI'

UK trade mark registration number 3695102

UK Filing date: 15 September 2021, filed pursuant to Article 59 of the Withdrawal Agreement between the United Kingdom and the European Union, with an EU filing date of 06 February 2019

UK Registration date: 21 January 2022

Registered in Classes 29, 30, 32 and 35.

Relying on all goods and services, as shown in the table under paragraph 18 of this decision.

(“Mark 1”); and

International Registration No.: WO0000001450909

International Registration date: 03 December 2018

UK Date of Designation: 03 December 2018

Date protection conferred in the UK: 02 May 2019

Protected in Classes 29, 30 and 35

Relying on all goods and services, as shown at Annex A of this decision.

(“Mark 2”).

4. The opponent submits that the contested mark and the two earlier marks are visually and phonetically similar to at least a moderate degree and share the same conceptual meaning. Further, it submits that the contested goods are at least similar to those of the earlier registration/designation, and that in view of the similarity between the marks and the goods that there exists on the part of the public an unavoidable likelihood of confusion, contrary to the provisions of Section 5(2)(b) and that registration of the applied-for mark should be refused.

5. The applicant filed a counterstatement denying that either of the earlier marks are similar to the mark applied for, and it denies a likelihood of confusion, including a likelihood of association.

6. Both parties filed written submissions which will be referred to as and where appropriate during this decision. Neither party elected to file evidence and neither party requested a hearing, therefore this decision is taken following careful consideration of the papers.[1]

7. In these proceedings, the opponent is represented by Patrade AS and the applicant is represented by Potter Clarkson LLP.[2]

Preliminary Issues

8. On 16 September 2022, the opponent filed written submissions which included evidence in reply, however, the applicant had not filed any evidence of fact. In a letter dated 24 October 2022, the Tribunal confirmed that a request to file evidence, alongside the reasons therefor, should be made by 7 November 2022. On 23 January 2023, the opponent filed a witness statement alongside three exhibits. In the official letter dated 17 March 2023, the Tribunal acknowledged receipt of the evidence and covering correspondence, however, on review, as the opponent had not provided any explanation in respect of the materiality of the evidence, nor any reasons as to why the evidence was not filed earlier, the Tribunal considered it unfair to the applicant to subject it to the burden of evidence at such a late stage. As it further considered that refusal to allow the evidence into the proceedings would not be particularly prejudicial to the opponent, the Tribunal issued the preliminary view that the evidence should not be allowed. The preliminary view went unchallenged by the opponent, therefore I will take no consideration of the evidence when making my decision.

[1] See Preliminary Issues regarding the filing of evidence.
[2] Form TM33 appointing Potter Clarkson LLP as representatives to the applicant, replacing previous representatives Murgitroyd & Company, was filed on 11 April 2023.

DECISION

9. Although the UK has left the European Union, 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 on in these proceedings are derived from an EU Directive. Therefore, this decision contains references to the trade mark case-law of the European courts.

Section 5(2)(b)

10. Section 5(2)(b) is relied on and read 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".

11. Section 5A states:

> "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."

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

> "6.- (1) In this Act an "earlier trade mark" means –

(a) a registered trade mark or international trade mark (UK) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

..."

13. Each of the trade marks upon which the opponent relies qualifies as an earlier trade mark under the above provisions. As neither of the trade marks had been registered/protected for more than five years at the date the application was filed, they are not subject to the use provisions contained in section 6A of the Act. The opponent is, therefore, entitled to rely upon them in relation to all of the goods and services indicated without having to prove that genuine use has been made of them.

My approach

14. I note that both the earlier marks comprise the same single word "**NATURLI'**", albeit that the opponent's Mark 1 is a "word" mark, while its Mark 2 is a stylised version of the word which also contains an additional device element. Furthermore, the goods and services being relied upon in classes 29, 30 and 35 under each earlier mark are virtually identical, with any variations in the specifications of the individual marks not considered to be significant in relation to the opposed goods of the applicant, while Mark 1 also relies on additional goods under Class 32.

15. The contested mark is a "word" mark, with no stylisation. I consider it appropriate to focus my assessment under Section 5(2)(b) on the opponent's Mark 1 only, which I will refer to as "the opponent's mark". In the event that I find there to be a likelihood of confusion between these marks, I do not consider that assessing the remaining mark would improve the opponent's position. If, however, I find no likelihood of confusion between the marks, it follows that the same finding will apply to the remaining earlier Mark 2 on the basis that it obviously shares a lesser degree of similarity with the contested application due to the stylisation. If required, I will

address this point further when considering any final remarks at the conclusion of this decision.

16. I am guided by the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v Office for 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-334/05P 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

17. Section 60A of the Act provides:

"(1) For the purposes of this Act goods and services —

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification;

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the “Nice Classification” means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1979.”

18. The goods and services to be compared are:

Opponent’s goods and services	**Applicant’s goods**
Class 29 *Dairy products and dairy substitutes including soya milk (milk substitute), rice milk (milk substitute), milk beverages based on soya milk or rice milk; Nut milk, oat milk, Coconut milk for culinary purposes; Sour cream substitutes; Soya yoghurt; Soy-based snack foods; Soybean oil for cooking; Nut oils; Coconut oil; Beans; Tofu; Tofu-based snacks; Falafel; Vegetable-based meat substitutes, prepared meals consisting primarily of meat substitutes, fish substitutes and poultry substitutes.*	Class 29 *Coffee whiteners, milk mix beverages containing predominantly milk and/or milk powder, also with the addition of coffee and/or tea and/or cocoa and/or chocolate and/or malt and/or malt products and/or sweeteners and/or flavouring agents, all the aforementioned goods also as instant products or concentrate; calorie-reduced milk foodstuffs and milk mix beverages containing predominantly or half milk, also with the addition of cocoa and/or malt and/or chocolate, all the aforementioned goods also as instant products or concentrate, mixed milk beverages containing milk, also with the addition of milk products, also as instant products or as concentrate energy drinks, also with added tea and/or flavouring agents, all goods also in instant form or as concentrate.*
Class 30 *Desserts based on soya milk or rice milk (confectionery); Coated nuts [confectionery]; Snack bars containing a*	Class 30 *Coffee, coffee extracts, coffee surrogates, coffee substitutes, cereal coffee, chicory coffee, malt coffee as well as mixtures of*

mixture of grains; Ices based on soya milk or rice milk; Foodstuffs made of rice; Cocoa-based beverages; Extracts of cocoa for use as flavours in beverages; Processed grains, starches, and goods made thereof, baking preparations and yeasts.	*these goods, all the aforementioned products also in instant form or as a concentrate; cocoa, chocolate; cocoa-containing beverages, chocolate, chocolate-containing beverages, chocolate and sugar products, in particular bars, also with the addition of milk products and/or fruit products and/or malt and/or malt products and/or honey and/or nuts and/or cereal products; fine bakery and confectionery products.*
Class 32 *Rice-based beverages, other than milk substitutes; Nut and soy based beverages.*	
Class 35 *Wholesale services in relation to foodstuffs; Retail services in relation to foodstuffs; retail and wholesale services (including online) in relation to foodstuffs.*	

19. In *Gérard Meric v OHIM,* Case T-133/05, the General Court ("GC") stated that:

> "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".[3]

[3] Paragraph 29

20. In *Canon*, Case C-39/97, the Court of Justice of the European Union ("CJEU") stated that:

> "In assessing the similarity of the goods or services concerned, … 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".[4]

21. Additionally, the factors for assessing similarity between goods and services identified in *British Sugar Plc v James Robertson & Sons Limited* ("*Treat*") [1996] R.P.C. 281 include an assessment of users and of the channels of trade of the respective goods or services.

22. 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 that the responsibility for those goods lies with the same undertaking".[5]

23. For the purposes of considering the issue of similarity of goods, it is permissible to consider groups of terms collectively where appropriate. In *Separode Trade Mark*, BL O-399-10, Mr Geoffrey Hobbs QC (as he then was), sitting as the Appointed Person, said:

> "The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the

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[4] Paragraph 23
[5] Paragraph 82

> extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision."[6]

24. While making my comparison, I bear in mind the comments of Floyd J. (as he then was) in *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch):

> "… Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise. … Nevertheless the principle should not be taken too far. ... Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."[7]

25. In its written submissions, the opponent submits that all the contested goods consist of grocery products relating to the milk and milk substitutes for which the earlier mark is registered, and are either identical, or at least highly similar to the opponent's goods.

26. The applicant submits that the opponent's goods are dissimilar to the contested goods, or are similar only to a very low degree.

<u>Contested goods in Class 29</u>

Coffee whiteners.

27. To my mind, the main purpose of "*coffee whiteners"* would be as a usually non-dairy substitute for milk or cream which is added to coffee. As such, I consider it to be encompassed by the opponent's broad term *"… dairy substitutes …"*, and it is therefore identical as per the principle outlined by *Meric*. If I have given too much

[6] Paragraph 5
[7] Paragraph 12

weight to what would be encompassed under the term "*dairy substitutes* ", then the competing goods are highly similar in purpose and method of use, with an overlap in users and trade channels.

Milk mix beverages containing predominantly milk and/or milk powder, also with the addition of coffee and/or tea and/or cocoa and/or chocolate and/or malt and/or malt products and/or sweeteners and/or flavouring agents, all the aforementioned goods also as instant products or concentrate; calorie-reduced milk foodstuffs and milk mix beverages containing predominantly or half milk, also with the addition of cocoa and/or malt and/or chocolate, all the aforementioned goods also as instant products or concentrate, mixed milk beverages containing milk, also with the addition of milk products, also as instant products or as concentrate energy drinks, also with added tea and/or flavouring agents, all goods also in instant form or as concentrate.

28. All of the applicant's goods in Class 29 are connected to beverages which contain milk or milk powder as well as added ingredients such as tea, coffee and cocoa. I perceive the opponent's broad term "*Dairy products and dairy substitutes …"* to include goods such as milk, cream, butter and cheese. Milk may be consumed on its own as a beverage, or added to other beverages, and as such, the competing goods are similar in nature, method of use and purpose (i.e. as a liquid refreshment). However, I am mindful of the guidance given in *YouView* not to apply too liberal an interpretation. While milk seems to be an integral ingredient of the contested goods, I do not consider that the average consumer would automatically expect the competing goods to originate from the same undertaking, although there will be an overlap in users and in channels of trade. Overall, I consider the applicant's goods in Class 29 to be similar to the opponent's "*Dairy products and dairy substitutes …"* to a medium degree.

Contested goods in Class 30

Cocoa-containing beverages, …

29. The applicant's *"cocoa-containing beverages"* are self-evidently identical to the opponent's "*Cocoa-based beverages"*.

Confectionery products

30. The applicant's broad term "*Confectionery products"* covers the opponent's *"Coated nuts [confectionery]"*, rendering them *Meric* identical.

Cocoa, chocolate.

31. While I acknowledge the guidance given in *YouView,* both cocoa and chocolate may be found in various formats, including, inter alia, as a ready-made beverage, or in powder form which is used as an ingredient to make such beverages.. As the applicant has not provided an interpretation of what is meant by these goods, I can only conclude that given the broad specification, the above goods would encompass the earlier "*Cocoa-based beverages",* and as such they must be considered identical as per *Meric*, or at the very least similar to a high degree.

Chocolate-containing beverages, … also with the addition of milk products and/or fruit products and/or malt and/or malt products and/or honey and/or nuts and/or cereal products.

32. To my understanding, cocoa beans are used to make both cocoa and chocolate, although the method of production is not the same, and the finished products differ in intensity. However, the applicant's above listed goods are similar in nature, purpose, and method of use, with an overlap in users and channels of trade, to the opponent's "*Cocoa-based beverages"*. I find them to be similar to a very high degree.

Coffee, coffee extracts, coffee surrogates, coffee substitutes, cereal coffee, chicory coffee, malt coffee as well as mixtures of these goods, all the aforementioned products also in instant form or as a concentrate.

33. The aforementioned goods are commonly used to make both hot and cold drinks, and as such, they are similar in nature to the earlier "*Cocoa-based beverages"*, with the same purpose of hydration and/or quenching thirst, and they share the same channels of trade. There will be an overlap in users and channels of trade, and I also

consider the respective goods to be in competition with each other, with the consumer choosing which type of beverage to select, be that a coffee-based drink, or a cocoa-based beverage. Overall, I consider the competing goods to be highly similar.

Chocolate, chocolate and sugar products, in particular bars, also with the addition of milk products and/or fruit products and/or malt and/or malt products and/or honey and/or nuts and/or cereal products.

34. I note the applicant's use of "*in particular*" following the broad term *"chocolate, chocolate and sugar products"* above. In *Häfele GmbH & Co. KG v OHIM*, Case T-336/09, the GC stated that the words "in particular" used in a description of goods are merely indicative of an example, rather than limiting those goods to those listed following the term.[8] I consider the above listed goods to be similar in nature and purpose to the opponent's "*Snack bars containing a mixture of grains"*, and the goods may also be in competition with each other, as the same consumer may choose on any given occasion which type of snack they prefer to partake, be that a chocolate based product or one containing grains. The goods will also share trade channels and it would not be unreasonable for the consumer to expect the goods to be provided by the same, or economically linked undertakings. Overall, I consider the competing goods to be similar to a high degree.

Fine bakery… products

35. I construe the contested "*fine bakery products*" as being edible goods such as biscuits and cakes, which are likely to utilise the opponent's "*baking preparations and yeasts"* in their production. While the applicant's finished product may be reliant on the opponent's goods, that in itself does not make them similar in nature. In *Les Éditions Albert René v OHIM*, Case T-336/03, the GC found that:

> "61... The mere fact that a particular good is used as a part, element or component of another does not suffice in itself to show that the finished goods containing those components are similar since, in particular, their nature,

[8] Paragraph 33.

intended purpose and the customers for those goods may be completely different."

While it is possible that the same undertaking would provide the component parts and the finished article, I do not consider that the average consumer would automatically expect this to be the case for "*baking preparations and yeasts"* and "*fine bakery products*". While there may be an overlap in users, the respective goods would not be found in close proximity in retail outlets. Overall, I consider the competing goods to be dissimilar.

36. I further note the opponent's "*retail and wholesale services (including online) in relation to foodstuffs"* in Class 35. In *Oakley, Inc v OHIM*, Case T-116/06, at paragraphs 46-57, the GC held that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree.

37. The broad term "*foodstuffs*" within the opponent's wholesale/retail services would encompass all of the applied-for goods in classes 29 and 30, including those I have previously found to be dissimilar to the goods relied upon by the opponent. While the applicant's goods in these classes are clearly not the same as the services, I consider there to be an overlap in trade channels and an element of complementarity to the degree that I consider that the average consumer could reasonably expect both the goods and the services to be provided by the same, or economically related, undertakings. I therefore find the competing goods and services to be similar to a medium degree.

The average consumer and the nature of the purchasing act

38. The average consumer is a legal construct, who is deemed to be reasonably well informed and reasonably circumspect: see *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch), paragraph 60. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of

attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97, at [26].

39. The opponent submits that the level of attention paid by the average consumer, being the public at large, will vary from average to very low. The applicant submits that because the goods cover alternative milk products, the average consumer will pay a higher degree of attention to ensure that the products meet their personal dietary, environmental or ethical requirements.

40. Given that the competing goods are all relatively common foodstuffs, I consider that the average consumer will be the general public.

41. The cost of the goods will be relatively low, and are likely to be self-selected from a supermarket or grocery store, wholesale outlets or via the internet, and for some may be a relatively regular purchase. They will be selected by predominantly visual means, although I do not discount oral recommendations, particularly for beverages which are ordered verbally, such as from a café or restaurant, although it is likely that the choice would be made following the visual inspection of a menu or drinks list. Considerations during selection of the goods may include specific dietary requirements, including food allergies and intolerances, as well as personal taste choices. Overall, it is my view that members of the general public will pay a low to medium degree of attention when choosing the goods.

42. Similar considerations apply to the opponent's retail and wholesale services in Class 35, where the average consumer will make their choice based on the range of goods available, the prices charged, and other factors, for example, in the case of bricks and mortar retailers, the location of a shop, again paying a low to medium degree of attention to the process.

Comparison of marks

43. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual

similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo SA v OHIM* Case C-591/12P, 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."[9]

44. 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.

45. The competing marks each consist of a single word, presented in a standard typeface with no other elements to contribute to the overall impression: **NATURLI'** v **NATUREAL.** The overall impression of each mark therefore rests in the word itself, although I note that in *Usinor SA v OHIM*, Case T-189/05, the GC found that:

> "62. … 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)"

[9] Paragraph 34

46. In *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, the GC noted that the beginning of words tend to have more visual and aural impact than the ends, although I acknowledge that this is not always the case.

47. Visually, the competing marks are both single words of eight characters in length, which share the same first five letters, **N A T U R,** presented in the same order. In the earlier mark, the characters **L I ’** follow, while the applicant’s mark is completed by the letters **E A L**. Considering the marks as a whole, I find there to be at least a medium degree of visual similarity between them.

48. Aurally, the common element of the competing marks is the first two syllables, with the opponent’s mark pronounced in its entirety as three syllables, NATCH-YER-LEE, and the contested mark being voiced as four syllables, NATCH-YER-REE-ULL. I also consider it possible that some consumers may articulate the earlier mark as NAY-CHUH-LEE and alternatively, for the later mark, as NAY-CHUH-REE-ULL. In whichever way they are pronounced, overall, I consider the marks to be aurally similar to at least a medium degree.

49. With regard to conceptual comparison, in *Luciano Sandrone v European Union Intellectual Property Office (EUIPO)*, Case T-268/18, the GC held:

> “… In that regard, it must be borne in mind that the purpose of the conceptual comparison is to compare the ‘concepts’ that the signs at issue convey. The term ‘concept’ means, according to the definition given, for example, by the Larousse dictionary, a ‘general and abstract idea used to denote a specific or abstract thought which enables a person to associate with that thought the various perceptions which that person has of it and to organise knowledge about it.”[10]

50. Both marks are invented words. In my view, the consumer is likely to see the earlier mark as a play on the dictionary defined word “naturally”, meaning “through nature; inherently; instinctively”, and the contested mark as a play on the

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[10] Paragraph 8.

word "natural", meaning "of, existing in, or produced by nature".[11] Therefore, the overall conceptual message of the marks will be connected to the shared NATUR element, the average consumer making the link between the marks as being allusive of goods that are natural or come from nature. In these circumstances, the marks are conceptually identical, or at the very least highly similar. The contested mark may also be perceived as a combination of the words 'nature' and 'real', alluding to the idea that the goods, which are natural/come from nature, are authentic, rather than artificial. As such the competing marks are conceptually highly similar. Meanwhile, if the average consumer sees the words as purely invented, with no such allusive qualities, there is no conceptual comparison to be made.

Distinctive character of the earlier mark

51. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

52. 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 *WindsurfingChiemsee* v *Huber and Attenberger* [1999] ECR I-0000, paragraph 49).
>
> 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not

[11] Both definitions are provided by the Collins English Dictionary online, sourced on 15 August 2023.

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)."

53. Registered trade marks possess varying degrees of inherent distinctive character, being lower where they are allusive or suggestive of a characteristic of the goods and services, ranging up 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 made of it. The opponent has not claimed that its mark has enhanced distinctiveness and no evidence has been filed. Therefore, I only have the inherent characteristics of the mark to consider.

54. The earlier mark comprises the invented word NATURLI'. As considered earlier in this decision, the mark brings to mind the dictionary defined word "naturally", which alludes to a connection with nature, the goods at issue being foodstuffs which may be sourced naturally. Overall, and bearing in mind the misspelling, given the allusive qualities of the mark as a whole, I find it to possess no more than a medium degree of inherent distinctiveness.

Likelihood of confusion

55. There is no simple formula for determining whether there is a likelihood of confusion. It is clear that I must make a global assessment of the competing factors (*Sabel* at [22]), keeping in mind the interdependency between them i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa (*Canon* at [17]). I must consider the various factors from the perspective of the average consumer, bearing 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 he has retained in his mind (*Lloyd Schuhfabrik* at [26]).

56. There are two types of possible confusion: direct, where the average consumer mistakes one mark for the other, or indirect, where the average consumer recognises that the marks are different, but assumes that the goods and/or services are the responsibility of the same or connected undertakings. The distinction between these was explained by Mr Iain Purvis Q.C. (as he then was), sitting as the Appointed Person, in *L.A. Sugar Limited v Back Beat Inc*, Case BL-O/375/10. He said:

> "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).”

57. The above are examples only which are intended to be illustrative of the general approach. These examples are not exhaustive but provide helpful focus.

58. Earlier in this decision, I found that the contested goods ranged between identical to dissimilar to the opponent’s goods, but they were all considered similar to a medium degree to the opponent’s retail services. Further, the general public of the everyday goods would pay a low to medium degree of attention when choosing the goods at issue and selecting the retail services, which, whilst not ignoring aural considerations, would be selected by predominantly visual means.

59. I considered the competing trade marks to be visually and aurally similar to at least a medium degree, and to be conceptually identical, or at the very least highly similar, where the average consumer makes the link between the marks as being allusive of goods that are natural or come from nature, and highly similar where the consumer perceives the contested mark as two words, “nature” and “real”, although for those consumers who see the marks as purely invented words with no conceptual meaning, a comparison could not be made.

60. I found the earlier mark to be inherently distinctive to no more than a medium degree.

61. I have weighed up each of the competing factors in my decision, not least the differences as well as the similarities between the competing marks and I take into consideration the degree of inherent distinctive character of the earlier mark. Allowing that the average consumer is unlikely to see the marks side-by-side and will therefore be reliant on the imperfect picture of them they have kept in their mind, given the degree of visual and aural similarity between the marks, and the degree of attention

paid during the purchasing process, in my view, the differences between the marks are insufficient to avoid them being mistakenly recalled as each other. Consequently, I find that there is a likelihood of direct confusion in relation to all the applied-for goods.

62. The opposition under section 5(2)(b) succeeds in its entirety.

CONCLUSION

63. The opponent has been successful. Subject to any successful appeal, the application by CAFEA GmbH is refused registration.

COSTS

64. The opponent has been successful, and is therefore entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice ("TPN") 2/2016. Applying the guidance in that TPN, I award the opponent the sum of £600, which is calculated as follows:

Official fee:	£100
Preparing the notice of opposition and considering the counterstatement:	£200
Filing written submissions:	£300
Total:	**£600**

65. I therefore order CAFEA GmbH to pay NATURLI' FOODS A/S the sum of £600. The above sum 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 18th day of August 2023

Suzanne Hitchings
For the Registrar,
the Comptroller-General

Annex A

Goods and services protected under the Opponent's earlier International Registration No. WO0000001450909:

Class 29

Soya milk (milk substitute), rice milk (milk substitute), milk beverages based on soya milk or rice milk; nut milk (milk substitute); oat milk (milk substitute); coconut milk for culinary purposes; sour cream substitutes; soya yoghurt; soy-based snack foods; soybean oil for cooking; nut oils; coconut oil; beans; tofu; tofu-based snacks; falafel; vegetable-based meat substitutes, ready meals consisting primarily of meat substitutes.

Class 30

Desserts based on soya milk or rice milk (confectionery); coated nuts [confectionery]; snack bars containing a mixture of grains, nuts and dried fruit [confectionery]; ices based on soya milk or rice milk; foodstuffs made of rice; cocoa-based beverages; extracts of cocoa for use as flavours in beverages.

Class 35

Wholesale services in relation to foodstuffs; retail services in relation to foodstuffs.