O/0848/23

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO. 3649300 BY GHOST BRAND LIMITED TO REGISTER AS A TRADE MARK (SERIES OF TWO):

GHOST

IN CLASSES 2, 5, 6, 8, 9, 11, 12, 15, 23, 26, 28, 29, 30, 31, 32, 34 & 44

AND

OPPOSITION THERETO UNDER NO. 0435201 BY GHOST L.L.C.

Background & Pleadings

1. Ghost Brand Limited ("**the applicant**") applied to register the series of marks shown on the front page of this decision in the United Kingdom. The application was filed on 31 May 2021 and was published on 22 April 2022. This opposition is directed against the following goods:

> **Class 32:** Non-alcoholic beverages; mineral water; aerated waters; fruit beverages; fruit juices; syrups and other non-alcoholic preparations for making beverages; not including non-alcoholic beers, sports drinks or sports beverages; none of the aforementioned in the field of dietary and nutritional supplements.

2. I note that on 22 July 2022 the applicant filed a Form TM21B, which was published on 1 September 2022, amending its specification in relation to a number of goods, including Class 32 goods.

3. For ease of reference, I will refer to the series of contested marks as the applicant's 'mark', unless it becomes necessary to differentiate between the marks which comprise the series.

4. Ghost L.L.C. ("**the opponent**") opposes the application on the basis of Sections 5(1) and 5(2)(a) of the Trade Marks Act 1994 ("the Act"). The opponent is the proprietor of the following marks:

Trade Mark no.	UK00003151090 (‘090)
Trade Mark	GHOST
Goods Relied Upon	Class 5: Dietary and nutritional supplements.
Relevant Dates	Filing date: 23 February 2016
	Date of entry in register: 24 June 2016

Trade Mark no.	UK00918177546 (‘546)[1]
Trade Mark	
Goods Relied Upon	Class 5: Dietary and nutritional supplements in powder and liquid form. Class 32: Powders used in the preparation of isotonic sports drinks and sports beverage; sports drinks, energy drinks isotonic beverages and drinks, protein enriched sports beverages.
Relevant Dates	Filing date: 9 January 2020
	Date of entry in register: 22 May 2020

5. For the purposes of this opposition, the opponent relies on all goods as covered by its earlier marks.

6. Under Section 6(1) of the Act, the opponent’s trade marks clearly qualify as earlier trade marks. Further, as protection of the opponent’s earlier marks was conferred less than five years before the application date of the

[1] On 1 January 2021, the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing registered EUTM. As a result, the opponent’s earlier mark was automatically converted into a comparable UK trade mark. Comparable UK marks are now recorded on the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original filing dates remain the same.

contested mark, proof of use is not relevant in these proceedings as per Section 6A of the Act.

7. The opponent in its notice of opposition claims that the competing marks are identical, and the goods are either identical or similar.

8. The applicant filed a defence and counterstatement denying any similarity or identity between the marks and the goods. Thus, it requests that the opposition under 5(1) and 5(2)(a) be rejected, and the application to be accepted for registration in full.

9. A hearing was neither requested nor was it considered necessary. Both parties filed written submissions in lieu of a hearing, which will not be summarised but will be referred to as and where appropriate during this decision. This decision has been taken following a careful consideration of the papers.

10. In these proceedings, the opponent is represented by Rheia IP Limited, and the applicant is represented by Murgitroyd & Company.

11. 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 Trade Marks Act relied on 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

Sections 5(1) and 5(2)(a) of the Act

12. Section 5(1) of the Act states:

> "5(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is

applied for are identical with the goods or services for which the earlier trade mark is protected."

13. Section 5(2)(a) of the Act is as follows:

> "5(2) A trade mark shall not be registered if because-
>
> (a) it is identical with an earlier trade mark and is to be registered for goods or services 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."

14. The principles, considered in this opposition, stem from the decisions of the European Courts in *SABEL BV v Puma AG* (Case C-251/95), *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* (Case C-39/97), *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* (Case C-342/97), *Marca Mode CV v Adidas AG & Adidas Benelux BV* (Case C-425/98), *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market* (Trade Marks and Designs) (OHIM) (Case C-3/03), *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH* (Case C-120/04), *Shaker di L. Laudato & C. Sas v OHIM* (Case C-334/05 P) and Bimbo SA v OHIM (Case C-519/12 P):

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

b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose

attention varies according to the category of goods or services in question;

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

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

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

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

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

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

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

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

k) if the association between the marks creates a risk that the public 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 Trade Marks

15. It is a pre-requisite of Sections 5(1) and 5(2)(a) of the Act that the marks be identical. I will begin by assessing whether they are identical within the meaning of the case law.

16. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA, Case C-291/00*, the Court of Justice of the European Union ("CJEU") held that:

> "54 […] a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer."

17. The marks to be compared are:

Earlier Marks	Contested Mark (Series of two)
Earlier mark '090 **GHOST** Earlier mark '546 	GHOST **GHOST**

Earlier mark '090

18. The competing marks share the same word "GHOST". I do not consider that the standard typeface in the first mark in the series of the contested mark will be noticed. Therefore, I consider that the contested mark

reproduces the earlier mark, and the difference in the typeface will be so insignificant that will go unnoticed by the average consumer. Consequently, the competing marks are identical.

Earlier mark '546

19. Although the contested mark incorporates entirely the word element "GHOST" of the earlier mark, it is clearly not identical according to settled law as the application does not reproduce the earlier mark without any modifications or additions. The guidance above states that the differences must be "so insignificant that they may go unnoticed". However, there are differences that will not go unnoticed in this instance, namely the addition of the ghost device at the end of the contested mark and the high stylisation of the mark. On that basis I do not find that the marks are identical. **As the competing trade marks are not, in my view, identical, the opposition based upon Sections 5(1) and 5(2)(a) of the Act must fail**.

20. Taking into account my findings in the preceding paragraphs and the grounds of this opposition proceedings, I will continue my assessment based solely on the earlier mark '090.

Comparison of Goods

21. Section 60A of the Act provides:

> "(1) For the purpose 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 1975."

22. When making the comparison, all relevant factors relating to the goods/services in the specifications should be taken into account. In *Canon Kabushiki Kaisha*, the Court of Justice of the European Union (CJEU) stated that:

> "23. […] 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 complementary."

23. Guidance on this issue was also given by Jacob J (as he then was) in *British Sugar Plc v James Robertson & Sons Limited ("Treat")* [1996] RPC 281. At [296], he identified the following relevant factors:

> "(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."

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

> "In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark".

25. In *YouView TV Ltd v Total Ltd,* [2012] EWHC 3158 (Ch), paragraph 12, Floyd J (as he then was) gave the following guidance on construing the words used in specifications:

> "[…] Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless, the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words of 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."

26. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU held that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods or services. The GC

clarified the meaning of "complementary" goods or services in *Boston Scientific Ltd v OHIM*, Case T-325/06, at paragraph 82:

> "[…] 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."

27. The competing goods to be compared are shown in the following table:

Opponent's Goods	Applicant's Goods
Class 5: Dietary and nutritional supplements.	**Class 32:** Non-alcoholic beverages; mineral water; aerated waters; fruit beverages; fruit juices; syrups and other non-alcoholic preparations for making beverages; not including non-alcoholic beers, sports drinks or sports beverages; none of the aforementioned in the field of dietary and nutritional supplements.

28. For the avoidance of doubt, pursuant to Section 60A(1)(b) of the Act, goods are not to be regarded as dissimilar simply because they fall in the different Class.

29. The opponent submits that:

> "12. The goods in the Application, being "beverages", are highly similar to dietary and nutritional supplements […].
>
> 13. The limitation seeks to avoid conflict. Nevertheless, considering the interdependence principle, even goods which are not sports beverages are still beverages.

14. Both sets of goods are liquids, consumed by the user. Alternatively, they are preparations for beverages to be consumed, one step removed. Accordingly, the nature is the same – being non-alcoholic beverages, and liquids to be consumed.

15. The intended purpose is the same – to be consumed, to hydrate the user.

16. The method of use is the same – being drunk by the user.

17. The goods are therefore in competition, and sold alongside each other via the same retail outlets, where consumers will have a choice of non-alcoholic beverages.

18. The goods have the same distribution channels, relevant public and the usual origin.

19. As such, the marks are identical or similar, and the goods identical or similar."

30. The applicant submits that:

"However, the goods in Class 5 of UK00003151090 do not include any beverages. The goods of the Application specifically exclude any goods in the field of dietary and nutritional supplements for the avoidance of any doubt. The intended purpose of the goods is different, as are the channels of trade and the consumers. The goods are not substitutes for each other, nor are they in competition. The goods are therefore not similar. Since the goods are not similar there is no likelihood of confusion and/or association with this earlier registration, and so the conditions necessary for the Opposition to succeed under Section 5(2)(a) of the Act on the basis of UK00003151090 GHOST are not met."

31. I note that the contested specification has a limitation added to its specification. The use of limitations is specifically dealt with in case law by reference to what is known as the *POSTKANTOOR* principle. In *Omega*

SA (Omega AG) (Omega Ltd) v Omega Engineering Incorporated [2012] EWHC 3440 (Ch), Arnold J. (as he then was) provided the following guidance on the application of the *POSTKANTOOR* principle.

> "43. *The POSTKANTOOR principle.* In *POSTKANTOOR* the applicant applied to register the word POSTKANTOOR (Dutch for POST OFFICE) in respect of goods and services in Classes 16, 35–39, 41 and 42. The Benelux Trade Mark Office refused registration on the grounds that the sign was descriptive. On appeal, the *Gerechtshof te s'-Gravenhage* (District Court of The Hague) referred nine questions of interpretation of the Directive to the Court of Justice, of which the eighth was as follows:
>
> > "Is it consistent with the scheme of the Directive and the Paris Convention for a sign to be registered for specific goods or services subject to the limitation that the registration applies only to those goods and services in so far as they do not possess a specific quality or specific qualities (for example, registration of the sign 'Postkantoor' for the services of direct-mail campaigns and the issue of postage stamps, provided they are not connected with a post office')?"
>
> 44. The Court of Justice answered this question as follows:
>
> > "113. … when registration of a mark is sought in respect of an entire class within the Nice Agreement, the competent authority may, pursuant to Article 13 of the Directive, register the mark only in respect of some of the goods or services belonging to that class, if, for example, the mark is devoid of any distinctive character in relation to other goods or services mentioned in the application.
> >
> > 114. By contrast, where registration is applied for in respect of particular goods or services, it cannot be permitted that the competent authority registers the mark only in so far as the

goods or services concerned do not possess a particular characteristic.

115. Such a practice would lead to legal uncertainty as to the extent of the protection afforded by the mark. Third parties — particularly competitors — would not, as a general rule, be aware that for given goods or services the protection conferred by the mark did not extend to those products or services having a particular characteristic, and they might thus be led to refrain from using the signs or indications of which the mark consists and which are descriptive of that characteristic for the purpose of describing their own goods."

45. The guidance given by the Court of Justice must be seen in the context of the question to which it was addressed, namely whether it was acceptable to restrict the goods or services by reference to the absence of "a specific quality". What the District Court of The Hague meant by this can be seen from the example it gave, viz. "the services of direct mail campaigns and the issue of postage stamps provided that they are not connected with a post office". When the Court of Justice referred in its answer to "a particular characteristic", it must have meant the same thing as the District Court meant by "a specific quality".

46. The application of this guidance has caused some difficulty in subsequent cases. In *Croom's Trade Mark Application [2005] R.P.C. 2* at [28]–[29] Geoffrey Hobbs QC sitting as the Appointed Person held that the *POSTKANTOOR* principle precluded the applicant from limiting a specification of goods in Classes 18 and 25 by adding the words "none being items of haute couture" or "not including items of haute couture". He went on at [30] to refer to "characteristics that may be present or absent without changing the nature, function or purpose of the specified goods". Mr Hobbs QC made the same distinction in *WISI Trade Mark [2007] E.T.M.R. 5; [2006] R.P.C. 22* at [16].

47. In *Oska's Ltd's Trade Mark Application [2005] R.P.C. 20* at [56] I observed *en passant* when sitting as the Appointed Person that I did not consider that it would be permissible to limit the specification by reference to the applicant's intended target market.

48. In *MERLIN Trade Mark (BL O/043/05) [1997] R.P.C. 871* at [27]–[28] I held when sitting as the Appointed Person held that the disclaimer "but not including the provision of venture capital" was acceptable, because it was not framed by reference to the absence of particular characteristics of the services, but rather it was a restriction on the scope of the services embraced by the specification. Accordingly, "the effect of [the disclaimer] is simply to excise a particular service from the specification. The mere fact that it is more convenient to express it in negative than positive terms does not make it objectionable."

49. I also allowed a second disclaimer "and not including the provision of any such services to the pharmaceutical biotechnological [or] bioscientific sectors" for reasons which I expressed at [29] as follows:

> "The position with regard to the second disclaimer is more debatable, but in my judgment the disclaimer does not relate to a characteristic of the services. I consider that there is a distinction between goods and services here. An article of clothing is an article of clothing regardless of whether it is of a particular style or quality and regardless of the identity and proclivities of the intended purchaser. By contrast, services can be defined in part by the recipient of the service. The opponent's registration is an example of this, since both the Class 35 and the Class 36 specification are limited to services provided to the pharmaceutical biotechnological and bioscientific sectors. In my view *POSTKANTOOR* does not make it impermissible to define services in this way. That being so, I consider that it makes no

difference if the definition is expressed negatively rather than positively."

50. In *Patak (Spices) Ltd's Community Trade Mark Application (R746/2005-4) [2007] E.T.M.R. 3* at [28] the Fourth Board of Appeal at OHIM refused to allow a proposed limitation *"none of the aforesaid being dart games or darts"* to a class 28 specification as offending the *POSTKANTOOR* principle. I find this decision difficult to follow, since the exclusion related to categories of goods, rather than the characteristics of goods. It appears that the objection may have been down to the fact that the exclusion was negatively worded, but as I explained in *MERLIN [1997] R.P.C. 871* that is a matter of form, not substance, and so should not have been determinative."

And

"56. Against this background, counsel for Swiss submitted that the limitation "intended for a scientific or industrial application in measuring, signalling, checking, displaying or recording heat or temperature (including such having provision to record heat or temperature over a period of time and/or to display the time of day)" contravened the *POSTKANTOOR* principle because it purported to restrict the specification of goods by reference to whether the goods possessed particular characteristics.

57. I do not accept that submission for the following reasons. First, if and insofar as the *POSTKANTOOR* principle depends on the limitation being expressed in negative terms, the limitation in the present case is expressed in positive terms. Secondly, and more importantly, I do not consider that the limitation refers to whether the goods possess particular characteristics in the sense in which the Court of Justice used that term in *POSTKANTOOR*. Rather, the limitation refers to the functions of the goods. To revert to the analogy discussed above, it is comparable to a limitation of "clocks" to "clocks incorporating radios". Accordingly, in my judgment it falls on the right side of the line drawn by Mr Hobbs QC in *Croom's Trade Mark*

Application [2005] R.P.C. 2 and *WISI Trade Mark [2007] E.T.M.R. 5; [2006] R.P.C. 22*."

32. Following the guidance given above, I find that the limitation in the contested specification is *POSTKANTOOR* compliant and is acceptable because it excludes specific categories of goods within Class 32.

Non-alcoholic beverages; fruit beverages; fruit juices

33. The goods in question are non-alcoholic and fruit beverages, encompassing an array of drinks such as carbonated soda and fresh juices. Although the applicant argues that the earlier specification does not include any beverages, I consider that the earlier goods "*Dietary and nutritional supplements*" in Class 5, encompass a wide range of items that may also be in the form of liquids, powders, tablets, or pills. Therefore, the competing goods could overlap to a degree in nature with the earlier terms as such goods may come in the same form, namely liquid, and it is common for liquid nutritional supplements (or powdered that can be made into liquids) to be fruit-flavoured as well as being fortified with nutrients. To that extent, they coincide in the method of use, but differ in purpose, as the contested goods are designed to quench thirst, whereas the earlier goods aim to maintain, increase, or supplement the intake of a particular vitamin, mineral, or other substance in the diet. Moreover, the users and trade channels will be the same. Although the competing goods will be sold, for example, in supermarkets, they will be displayed in different sections, not near each other. I do not consider that there is any degree of competition or complementarity. I find that there is a low degree of similarity.

Mineral water; aerated waters

34. Following the approach in the preceding paragraph, I find that there is a low similarity for the same reasons advanced above.

35. As the competing goods are not, in my view, identical, **the opposition based upon Section 5(1) of the Act must fail.** Therefore, I will continue my assessment based on Section 5(2)(a) of the Act.

Average Consumer and the Purchasing Act

36. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purposes of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods and services in question: *Lloyd Schuhfabrik Meyer,* Case C-342/97. In *Hearst Holdings & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch), at paragraph 70, Birss J (as he then was) described the average consumer in these terms:

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

37. The goods at issue will be purchased by members of the general public. Such goods are usually offered for sale in stores, such as supermarkets and off-licence stores, brochures and catalogues, and online. In retail premises, the goods will be displayed on shelves, where they will be viewed and self-selected by consumers. Similarly, for online stores, consumers will select the goods relying on the images displayed on the relevant web pages. Therefore, visual considerations will dominate the selection of the goods in question, but aural considerations will not be ignored in the assessment, as advice may be sought from a sales assistant or representative. The contested goods in Class 32 are relatively low-cost

items purchased fairly frequently, and thus the average consumer will pay a low degree of attention. On the other hand, the products in Class 5 are mostly consumed for a specific health purpose. As a result, the average customer will likely take some care to consider the content and benefits of the product, even though they are relatively inexpensive and purchased frequently. Consequently, the average customer will pay an average degree of attention.

Distinctive Character of the Earlier Trade Mark

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

> "In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).
>
> In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

39. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

40. The opponent has not shown use of its mark and, thus, it cannot benefit from any enhanced distinctiveness. In this respect, I have only the inherent distinctiveness of the earlier mark to consider. The earlier mark consists of the word "GHOST" which is a well-known dictionary word with no suggestive or allusive significance in relation to the goods for which it is registered. Thus, I consider that the earlier mark is inherently distinctive to a medium degree.

Likelihood of Confusion

41. In assessing the likelihood of confusion, I must adopt the global approach set out in the case law to which I have already referred above in this decision. Such a global assessment is not a mechanical exercise. I must also have regard to the interdependency principle, that a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa.[2] It is essential to keep in mind the distinctive character of the opponent's trade mark since the more distinctive the trade mark, the greater may be the likelihood of confusion. I must also keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon imperfect recollection.[3]

42. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other. Indirect confusion is where the consumer notices the differences between the marks but concludes that

[2] See *Canon Kabushiki Kaisha*, paragraph 17.

[3] See *Lloyd Schuhfabrik Meyer*, paragraph 27.

the later mark is another brand of the owner of the earlier mark or a related undertaking.

43. Earlier in this decision I have concluded that:

- the goods at issue are similar to a low degree;
- the average consumer for the goods at issue will be a member of the general public, and the selection process is predominantly visual without discounting aural considerations. The average consumer is likely to examine the earlier goods in Class 5 to consider the content and benefits of the product; hence the level of attention paid will be average. As for the goods in Class 32, the degree of attention will be low;
- the competing marks are identical;
- the earlier mark has a medium degree of inherent distinctiveness.

44. Taking into account the above factors and considering the principle of interdependency, there is a likelihood of confusion. Due to the identity of the marks, which offsets a lesser degree of similarity between the goods, and the distinctiveness of the earlier mark being of a medium degree, I consider that the average consumer, in this case, will mistakenly believe that the respective goods come from the same or economically-linked undertakings. As for the latter instance, the average consumer will not put this all down to a coincidental use of the same mark and will regard it as an economic connection possibly as an expansion of a beverage range of products. There is, therefore, a likelihood of confusion.

Outcome

45. The opposition under Section 5(2)(a) of the Act is **successful in its entirety**. Therefore, subject to appeal, the application will be refused.

Costs

46. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 2/2016. I award costs as follows:

Official opposition fee	**£100**
Preparing a statement and considering the counterstatement	**£250**
Preparing and filing submissions	**£300**
Total	**£650**

47. I, therefore, order Ghost Brand Limited to pay Ghost L.L.C. the sum of £650. 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 7th day of September 2023

Dr Stylianos Alexandridis
For the Registrar,
The Comptroller General