

O/0862/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003690689

BY SUNFLOWER MANAGEMENT GmbH & Co. KG

AND

FATTAL HOTELS LTD

TO REGISTER THE FOLLOWING TRADE MARK:

LEONARDO

IN CLASSES 3, 16, 24, 35, 39, 41 AND 44

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 436130 BY LESSER & PAVEY LTD

Background and Pleadings

1. On 20 May 2021, Sunflower Management GmbH & Co. KG and Fattal Hotels Ltd, ('the Applicants'), filed an application to register the following trade mark:

LEONARDO

2. The application was published for opposition purposes in the Trade Marks Journal on 24 June 2022. The Applicant claim priority from 3 September 2020 from its European Trade Mark 018301429. Registration is sought in respect of a variety of goods and services in classes 3, 16, 24, 35, 39, 41 and 44, the following of which have been opposed:

Class 3:	<i>Cosmetics and healthcare preparations, not for medical purpose; bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, hair lotions; dentifrices.</i>
Class 16:	<i>Printed matter; newspapers, periodicals, books; photographs; geographical maps.</i>
Class 24:	<i>Textiles and textile goods, not included in other classes; bed and table covers.</i>
Class 35:	<i>Advertising; business management; business administration.</i>

3. On 8 September 2022, the application was opposed by Lesser & Pavey Ltd ('the Opponent') based on section 5(2)(b) of the Trade Marks Act 1994 ('the Act').¹ The Opposition is directed against all of the Applicants' goods and services in classes 3, 16, 24 and 35 only. The Opponent relies on the following earlier registration, relying on the following goods and services in classes 16, 18, 20, 21 and 35 only:

¹ The Opposition, as initially pleaded, also included a section 5(4)(a) claim, which was subsequently deemed withdrawn in the absence of supporting evidence. The Opposition therefore proceeds on the basis of s(5)(2)(b) only.

UK00911043205²

THE LEONARDO COLLECTION

Filing date: 16 July 2012

Date of entry in register: 26 May 2016

Class 16:	<i>Paper, cardboard and goods made from these materials, not included in other classes; printed matter; photographs; stationery, excluding writing instruments; gift boxes; gift bags; gift stationery, excluding writing instruments; gift wrap; gift vouchers; photograph albums.</i>
Class 18:	<i>Leather and imitations of leather and goods made of these materials and not included in other classes, excluding bags and luggage; furniture coverings of leather.</i>
Class 20	<i>Furniture, mirrors, picture frames; goods not (included in other classes) of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of- pearl, meerschaum and substitutes for all these materials, or of plastics; ornamental figurines of wood, wax, plaster or plastic; cold cast resin figurines and ornaments; ornaments made from synthetic resin; statuettes made of synthetic resins; photo frames; mounts for photographs; door stops; door stops covered in imitation fur fabric; trays.</i>
Class 21:	<i>Household or kitchen utensils and containers; crockery; tableware; bakeware; dishes; serving dishes; table plates; casseroles (dishes); drinking mugs; beer mugs; coasters; picnic crockery; unworked or semi worked glass; decorative glassware; glassware, porcelain and earthenware not included in other classes; statues, statuettes, ornaments and figurines made of bone china, ceramic, china, crystal, decorative glass, glass, porcelain, terracotta or</i>

² 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 date.

	<i>earthenware; collector plates; commemorative plates; souvenir plates; money boxes; decorative bottles; glass bottles; perfume bottles; vanity cases (fitted); ceramic figurines; china figurines; money boxes.</i>
Class 35:	<i>Retail store, on-line retail store services and mail order services featuring the provision of general and personalised gifts, namely, figurines, statuettes, statues, ornaments, crockery, commemorative crockery, mugs, dishes, vases, placemats, coasters, ornamental and decorative magnets, cufflinks, tie pins, tie clips, jewellery, jewellery hangers, jewellery cases, jewellery boxes, trinket boxes, pill boxes, compact mirrors, magnifying glasses, decorative mass, wearable masks, decorative glassware, glass plates, glass bowls, glass vases, glass paperweights, animal ornaments made of glass, photograph frames, ornaments made of tin, bottle holders, wine coolers, clocks, reading glasses, umbrellas, travelling bags, fashion bags, hand bags, suitcases, vanity cases, manicure sets, sewing boxes, doorstops, stationery excluding writing instruments, gift boxes, notebooks, address books, photograph albums, lamps, candles and candle holders, bead curtains, curtains, decorative wall art, garden ornaments, garden furniture, water features, radios, compact discs, compact discs containing pre-recorded media, compact disc players.</i>

4. The Opponent claims that:

- the Applicants' mark is similar to that of the Opponent;
- the distinctive and dominant element of the Opponent's mark is the element 'Leonardo';
- that the opposed goods are identical and/or highly similar to the Opponent's goods;
and
- that there is therefore a likelihood of confusion between the parties' marks.

5. The Applicant filed a Defence and Counterstatement in which it denies the claim against it in its entirety.
6. The Opponent is represented by Dolleymores. The Applicant is represented by Norton Rose Fulbright LLP. Neither party filed evidence or written submissions during the evidence round. A hearing was neither requested nor thought necessary. Only the Applicants filed written submissions in lieu of a hearing, which I have read and will refer to where necessary in my decision. The following decision has been made after careful consideration of the papers before me.

Decision

Section 5(2)(b) of the Act and related case law

7. Section 5(2)(b) of the Act states:

“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.”

8. In accordance with section 6 of the Act, the Opponent’s mark is an earlier mark by virtue of its filing date (16 July 2021) which fell before the priority date of the Applicants’ mark (3 September 2020).
9. Section 6A of the Act provides that where the date on which the registration procedure of the earlier mark was completed more than 5 years prior to the application date (or priority date) of the applied-for mark, the Opponent may be required to prove use of the earlier mark. In the instant case, section 6A is not

engaged because the Opponent's mark had been registered for less than 5 years on the date from which the Applicants claim priority for the contested mark. The Opponent is therefore entitled to rely upon all of the goods and services that it seeks to rely upon.

10. The following principles are derived from the decisions of the Court of Justice of the European Union³ ("CJEU") in *Sabel BV v Puma AG*, Case C-251/95; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel 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 C120/04; *Shake 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

³ 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.

components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

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

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

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

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

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

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

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

Comparison of goods and services

11. 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.

12. The CJEU in *Canon*, Case C-39/97, stipulates that all relevant factors relating to the parties' goods and services must be taken into account:

"[23] 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".

13. Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281⁴, identified the following factors for assessing similarity of the respective goods and services:

(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;

⁴ *British Sugar Plc v James Robertson & Sons Ltd* [1996] R. P. C. 281, pp 296-297.

(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.

14. Goods (or services) may be grouped together for the purposes of assessment, as Geoffrey Hobbs QC (as he then was), sitting as the Appointed Person, said in *Separate Trade Mark* BL O-399-10:

“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 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.”

15. In making an assessment between the competing goods and services, I bear in mind the decision of the General Court in *Gérard Meric v Office for Harmonisation in the Internal Market*.⁵ The General Court held to the effect that goods and services can be considered as identical when the goods and services designated by the earlier mark are included in a more general category, designated by the trade mark application and vice versa.

16. Case law establishes that “... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise” but “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

⁵ Case T-133/05

language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”⁶

17. The goods and services to be compared are set out above at [2] and [3].

Class 3

18. The Opponent has argued that the Applicants’ class 3 goods are ‘identical and/or highly similar/and/or complementary to the goods covered by the Opponent’s earlier registration, namely “household and kitchen utensils and containers; decorative bottles; perfume bottles; vanity cases (fitted)” in class 21 and “retail store, on-line retail store services and mail order services featuring the provision of general and personalised gifts, namely, compact mirrors, vanity cases, manicure sets” in Class 35.’⁷

19. I disagree with the Opponent’s argument that the parties’ goods are identical. Although the inclusion of competing goods or services in different classes does not, in itself, prevent goods/services being found to be identical, it is my view that, in this case, the inclusion of the relevant goods in different classes arises from clear differences in their nature. I proceed to apply the usual ‘Treat’ factors to assess the level, if any, of similarity between the parties’ goods.

Applicants’ goods: *Cosmetics preparations, not for medical purpose*

20. The Applicants’ ‘cosmetic preparations’, in my view, cover substances intended to clean or improve the condition or appearance of the skin, hair, nails or teeth. The Applicants’ term with therefore include a wide range of goods such as toothpaste, moisturiser or shampoo, to name just a few. I compare these goods to the Opponent’s class 21 term *decorative bottles*. Decorative bottles are bottles intended to be ornamental as well as fulfilling their function as receptacles for liquid or ‘pourable’ substances. The purposes of the parties’ respective goods will differ. Although both parties’ goods will be purchased by the general public, this overlap

⁶ *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch).

⁷ Opponent’s statement of grounds, Q5 at unnumbered para [12].

is not a significant factor. Trade channels may overlap; the same retailers might sell both parties' goods. The goods will, in my view, have no real similarity in terms of their physical appearance. The Opponent's goods will be empty bottles with some level of ornamentation, whereas the Applicant's goods will be preparations (albeit they might sometimes be contained in bottles). I do not find competition between the goods. I do not find complementarity, either; although bottles are often necessary as receptacles for cosmetic preparations, and such receptacles might be decorative, I consider it unlikely that an average consumer would presume the same undertaking to be responsible for cosmetic preparations (whether bottled or not) as well as unfilled decorative bottles. I find the Applicants' goods to be dissimilar to the Opponent's *decorative bottles*.

21. I have considered the Opponent's argument that the goods are similar to the Opponent's class 35 services '*retail store, on-line retail store services and mail order services featuring the provision of general and personalised gifts, namely, compact mirrors, vanity cases, manicure sets*'. I appreciate that users and trade channels will overlap, but the nature of the respective offerings is very different, i.e. the Applicants' tangible goods versus the Opponent's acts of service. The Opponent's use of the word 'namely' in its term limits the scope of its retail service specifically to the items enumerated within its term. 'Cosmetic preparations' are neither named nor do they fall under any of the items to which the Opponent's retail services relate. I do not consider that comparison of the above-mentioned Applicants' goods with any other of the Opponent's goods would improve the Opponent's position.

Applicants' goods: *hair lotions*

22. The Applicants' goods are cosmetic preparations to clean and improve the condition and/or appearance of the hair. For the reasons set out above at [20] - [21], I find the parties' goods and services to be dissimilar.

Applicants' goods: *healthcare preparations, not for medical purpose*

23. The Applicants' 'healthcare preparations' will, in my view, cover preparations intended to address some aspect of health. For the reasons provided above at [20] - [21] I find the parties' goods and services to be dissimilar.

Applicants' goods: *dentifrices*.

24. The Applicants' *dentifrices*⁸ are intended to clean the teeth and gums. I find these goods to be dissimilar to the Opponent's goods and services for the reasons set out above at [20] – [21].

Applicants' goods: *perfumery*

25. The Applicants' goods will cover perfumes. The purpose of these goods is to impart fragrance about the person or, in some cases, a room. I compare these goods to the Opponent's class 21 term *perfume bottles*. The respective goods will have different purposes; the Applicants' goods are intended to impart fragrance whereas the Opponent's goods function as receptacles for perfume. Users will overlap; both parties' goods will be purchased by the general public. Trade channel overlap is, in my view, unlikely but not impossible; I consider it unusual for a perfume shop to also sell empty perfume bottles. The parties' goods will overlap in terms of physical nature to the extent that perfumes are most often contained in bottles, albeit the Opponent's bottles will likely be empty.⁹ The respective goods will differ in methods of use; perfumes will be dabbed or sprayed about the person (or sprayed/allowed to diffuse in a room) whereas the Opponent's bottles are used as receptacles. The goods are not in competition, neither being substitutable for each other. I do not find the parties' goods to be complementary, either; although perfume bottles are important as receptacles for the Applicants' perfumes, I consider it unlikely that an average consumer would presume the same undertaking to be responsible for bottles of perfume as well as the Opponent's empty perfume bottles. I find the parties' goods to have a low level of similarity.

Applicants' goods: *essential oils*

⁸ Toothpastes

⁹ I acknowledge that some perfumes are solid in the form of a bar or 'stick'.

26. It is my understanding that ‘essential oils’ are fragranced oils with a number of uses including, *inter alia*: to impart fragrance and to aid with relaxation or relieve stress. I compare these goods to the Opponent’s class 21 term *glass bottles (or perfume bottles)*. The parties’ goods will have distinct purposes; the Applicants’ goods intended to, *inter alia*, impart fragrance/aid in relaxation or stress relief, as opposed to the Opponent’s goods which function as receptacles for liquids. Users will overlap, both goods being purchased by the general public, but given but most goods may be purchased by the general public, this is not a significant factor. Trade channel overlap is, to my mind, unlikely but not impossible. The goods will overlap in terms of physical nature only to the extent that essential oils are typically contained in glass bottles; the difference being that the Opponent’s bottles will be empty. I find the parties’ goods to be neither competitive nor complementary. I find the goods to be similar only to a very low degree.

Applicants’ goods: *bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations*

27. The Applicants’ goods, broadly speaking, cover substances which are used for various cleaning tasks. Bearing in the mind the purposes, users, trade channels, physical natures, methods of use of the parties’ respective goods and services, and considering the matters of competition and complementarity, I do not find the above-named goods to have any level of similarity to any of the Opponent’s goods or services – they are dissimilar.

Applicants’ goods: *soaps;*

28. The Applicants’ goods are typically intended for cleaning the person. Bearing in the mind the purposes, users, trade channels, physical natures, methods of use of the parties’ respective goods and services, and considering the matters of competition and complementarity, I do not find the above-named goods to have any level of similarity to the Opponent’s goods/services. I find the Applicants’ goods to be dissimilar to the Opponent’s goods/services.

Class 16

29. The Applicant has conceded that the term *Printed matter* appears in both parties' specifications. These goods are self-evidently identical.

30. The term *Photographs* also appears in both parties' specifications. These terms are also therefore self-evidently identical.

31. The Opponent's broad term *printed matter* will encompass the Applicants' *newspapers, periodicals, books*. These goods are identical according to the principle outlined in 'Meric'.

Class 24

32. The Opponent has argued that the Applicants' *Textiles and textile goods, not included in other classes and bed and table covers* are 'identical and/or highly similar and/or complementary to the following of the Opponent's goods:

Class 18: *Leather and imitations of leather and goods made of these materials and not included in other classes, excluding bags and luggage; furniture coverings of leather.*

Class 20: *door stops; door stops covered in imitation fur fabric.*

Class 35: *Retail store, on-line retail store services and mail order services featuring the provision of general and personalised gifts, namely, place mats, coasters, bead curtains, curtains, decorative wall art¹⁰*

Applicants' goods: *Textiles and textile goods, not included in other classes*

33. I note that the Applicants' term contains the wording 'not included in other classes'. In my view, this prevents a finding of identity as argued by the Opponent. My view is that this explicitly excludes textile items which fall outside of class 24. I compare the Applicants' term to the Opponent's class 18 term *furniture coverings of leather*. I understand that the dictionary defines 'textiles' as

¹⁰ Opponent's Statement of Grounds, un-numbered para [10]

woven cloths of various types. However, my view is that a significant proportion of average consumers might consider textiles to cover materials that are used for, inter alia, clothing and furniture coverings. I consider that both parties' terms could include furniture coverings. In such circumstances, the parties' goods will therefore share a purpose, i.e. as coverings for furniture. Users will overlap. Trade channels will likely be shared; furniture coverings of either leather or other materials will be sold via the same outlets. The goods will overlap in terms of physical nature to the extent that both may be furniture coverings, albeit there will be differences in terms of texture and finish. Methods of use will also be the same. The parties' goods will be in a competitive relationship; one might deliberate over whether to purchase furniture coverings in leather or some other material, e.g. velvet. I do not find the goods to be complementary, since neither goods is necessary or important for the other, even though the average consumer would likely presume both parties' offerings to originate from the same undertaking. I find the parties' goods to be highly similar.

Applicants' goods: *table covers*

34. The Applicants' goods are intended to cover tables by way of protection and/or decoration. I compare these goods to the Opponent's class 35 service *Retail store, on-line retail store services and mail order services featuring the provision of general and personalised gifts, namely, place mats*.
35. When comparing goods against the retailing of goods, I bear in mind *Oakley, Inc v OHIM*, Case T-116/06, at paragraphs 46-57, in which the General Court 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.
36. I also note that on the basis of the European courts' judgments in *Sanco SA v OHIM*,¹¹ and *Assembled Investments (Proprietary) Ltd v. OHIM*,¹² upheld on appeal in *Waterford Wedgwood Plc v. Assembled Investments (Proprietary)*

¹¹ Case C-411/13P

¹² Case T-105/05, at paragraphs [30] to [35] of the judgment

Ltd,¹³ Geoffrey Hobbs QC (as he then was) sitting as the Appointed Person in the MissBoo case,¹⁴ concluded that:

- i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer's point of view, they are unlikely to be offered by one and the same undertaking;
- ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services (or vice versa), it is necessary to envisage the retail services normally associated with the opponent's goods and then to compare the opponent's goods with the retail services covered by the Applicants' trade mark;
- iii) It is not permissible to treat a mark registered for 'retail services for goods X' as though the mark was registered for goods X;
- iv) The General Court's findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party's trade mark was registered (or proposed to be registered).

37. The Opponent's services entail the bringing together, and making available for purchase, *place mats*. I find that the Applicants' 'table covers' will encompass place mats i.e. the goods to which the Opponent's retail services relate. The Applicants' goods are used to protect the table from foodstuffs and hot tableware. The parties' offerings therefore have distinct purposes and methods of use. There will be user overlap; purchasers of the Applicants' goods will, in many cases, necessarily also be consumers of the Opponent's retail services. Trade channels will be shared; both the Opponent's retail services and the goods to which they relate will be accessed/purchased from the same stores/websites. In my view, although the

¹³ Case C-398/07P

¹⁴ *Tony Van Gulck v Wasabi Frog Ltd*, Case BL O/391/14; see paragraph 9 of that ruling.

Applicants' goods are necessary in order to deliver the retail services in respect of those goods, I consider it unlikely that the average consumer would presume that the provider of the retail services in respect of those goods also produces those goods. I find the parties' goods and services to have a low level of similarity.

Applicants' goods: *bed covers*

38. The Applicants' goods will, to my mind, include duvets, bedspreads and eiderdowns and the like. Bearing in the mind the purposes, users, trade channels, physical natures, methods of use of the parties' respective goods and services, and considering the matters of competition and complementarity, I do not find the above-named goods to have any level of similarity to the Opponent's goods or services - they are dissimilar.

Class 35

Applicants' services: *Advertising; business management; business administration.*

39. The Applicants' 'advertising' services entail the promotion of goods or services and are typically engaged by organisations seeking to promote their goods/services (or cause) and/or to increase their sales or profits. The services falling under the Applicants' 'business management' and 'business administration' terms will include a wide range of tasks such as payroll, staffing, performance management, to name a few. Bearing in the mind the purposes, users, trade channels, physical natures, methods of use of the parties' respective goods and services, and considering the matters of competition and complementarity, I do not find the Applicants' services to have any level of similarity to the Opponent's goods/services. I find the Applicants' services to be dissimilar to the Opponent's goods/services. I recognise that a provider of the Opponent's retail services may engage the Applicants' services in the course of running its business. However, the average consumers of the parties' respective services will differ; the Applicants' services will typically be engaged by businesses, whereas the Opponent's retail services will typically be used by the general public. The average consumer is unlikely, in my view, to

presume that the same undertaking is responsible for retail services as well as the Applicants' services.

40. Some similarity between the parties' goods and services is necessary in order for an opposition under section 5(2)(b) of the Act to succeed. I will therefore give no further consideration to the goods and services that I have found to be dissimilar, since the opposition must necessarily fail to that extent.

Average consumer and the purchasing act

41. The average consumer is deemed to be reasonably well-informed and reasonably observant and circumspect. The word "average" denotes that the person is typical. 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*.

42. The average consumer of the goods and services at issue in this opposition will be the general public. The services will be accessed by entering the physical retail premises or visiting a retailer's website. Typically, the goods will be picked up or examined in physical shops, or, in the case of online purchases, product information will be read, before making a purchase. There may also be an aural aspect to the purchasing process, for instance, where a purchaser has accessed the services/purchased the goods having first been alerted to the retailer by 'word of mouth'. In my view, the average consumer would pay no more than a medium level of attention when accessing the services or selecting the goods, taking into account factors such as, *inter alia*: the range of goods available for sale.

Comparison of the marks

Opponent's mark:	Applicants' mark:
THE LEONARDO COLLECTION	LEONARDO

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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 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.”

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.

Overall impression of the marks

45. The Opponent’s mark is a word mark¹⁵ comprising the three words ‘THE LEONARDO COLLECTION’. The overall impression resides in the mark as a

¹⁵ In *LA Superquimica v EUIPO*, Case T-24/17, at paragraph [39] it was held that:

‘[...] it should be noted that a word mark is a mark consisting entirely of letters, words or groups of words, without any specific figurative element. The protection which results from registration of a word mark thus relates to the word mentioned in the application for registration and not the specific figurative or stylistic aspects which that mark might have. As a result, the font in which the word sign might be presented must not be taken into account. It follows that a word mark may be used in any form, in any colour or font type (see judgment of 28 June 2017, *Josel v EUIPO — Nationale-Nederlanden Nederland (NN)*, T-333/15, not published, EU:T:2017:444, paragraphs 37 and 38 and the case-law cited).’

whole, with the words 'LEONARDO' and 'COLLECTION' playing a greater visual role owing to their size.

46. The Applicants' mark is also a word mark. It comprises the single word element 'LEONARDO', in which the overall impression of the mark resides.

Visual comparison

47. Both parties' marks include the element 'LEONARDO'. The only point of visual difference is the presence of the elements 'THE' and 'COLLECTION' in the Opponent's mark, which are absent from the Applicants' mark. The difference in length of the marks will, in my view, be noticed by the average consumer. I find the marks to have a level of visual similarity that is at least medium.

Aural comparison

48. The shared element 'LEONARDO' will likely be articulated in the same way in each of the parties' marks: 'LEE-ON-ARE-DOE'. The Opponent's mark will be articulated 'THE LEE-ON-ARE-DOE COLL-EC-SHUN'. The only points of aural difference are the presence of the sounds 'THE' and 'COLL-EC-SHUN' in the Opponent's mark, which are absent from the Applicants' mark. The difference in length between the marks, eight syllables (Opponent's mark) versus four syllables (Applicants' mark), will be discerned aurally by the average consumer. I find the marks to be aurally similar to at least a medium degree.

Conceptual comparison

49. The Applicants have submitted the following:¹⁶

'There is no conceptual similarity between the Applicants' Mark and the Earlier Mark. The Applicants' Mark is a masculine name which derives from and is associated with the name of the Applicants' LEONARDO hotels which are

¹⁶ Applicants' written submissions in lieu of a hearing, page [2].

renowned for their high quality, stylish nature and locations in particular, as evidenced for examples by the information on the website [...].

50. My assessment of any conceptual message conveyed by the Applicants' mark must be based on the average consumer's perception of the mark as applied for, and not by reference to either the way in which the Applicants' mark is/has been used, or the message that the Applicants are aiming to convey. Furthermore, both parties were given the opportunity to file evidence during the evidence rounds, and neither elected to do so. The Applicants appear to be introducing evidence in their written submissions in lieu of a hearing. I am unable to take this evidence into account.

51. In my view, the average consumer will likely perceive the element 'Leonardo', in either party's mark, as a name – as in da Vinci or DiCaprio. The words 'The' and 'Collection' in the Opponent's mark are commonly-used words in the English language with which the average consumer will be very familiar. The Opponent's mark will, in my view, be understood as referring to a group of items brought together under the name 'Leonardo'. I find the parties' marks to be conceptually similar to a high degree.

Distinctive character of the earlier mark

52. *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-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

53. Registered trade marks possess varying degrees of inherent distinctive character: perhaps lower where a mark may be suggestive or allusive of a characteristic of the goods, ranging up to those with high inherent distinctive character, such as invented words which have no allusive qualities.
54. The Opponent’s mark ‘The Leonardo Collection’ will be understood by the average consumer as referring to a collection of items under the name ‘Leonardo’. I am of the view that the mark neither describes nor alludes to the goods and services in respect of which it is registered. However, I consider that the words ‘the’ and ‘collection’ are fairly commonplace in the context of branding and that the average consumer will therefore be accustomed to seeing them as part of trade marks. All things considered, I find the earlier mark to have no more than a medium level of inherent distinctive character.
55. The Opponent has not adduced any evidence in these proceedings. I am therefore unable to make an assessment as to whether the earlier mark enjoys an enhanced level of distinctive character.

Likelihood of confusion

56. Confusion can be direct or indirect. Mr Iain Purvis QC, (as he then was) as the Appointed Person, explained the difference in the decision of *L.A. Sugar Limited v*

*Back Beat Inc*¹⁷. Direct confusion occurs when one mark is mistaken for another. In *Lloyd Schuhfabrik*¹⁸, the CJEU recognised that the average consumer rarely encounters the two marks side by side but must rely on the imperfect picture of them that they have kept in mind. Direct confusion can therefore occur by imperfect recollection when the average consumer sees the later mark but mistakenly matches it to the imperfect image of the earlier mark in their ‘mind’s eye’. Indirect confusion occurs when the average consumer recognises that the competing marks are not the same in some respect, but the similarities between them, combined with the goods at issue, leads them to conclude that the goods are the responsibility of the same or an economically linked undertaking.

57. I must keep in mind that a global assessment is required taking into account all of the relevant factors, including the principles a) – k) set out above at [10]. When considering all relevant factors ‘in the round’, I must bear in mind that a greater degree of similarity between goods *may* be offset by a lesser degree of similarity between the marks, and vice versa.

58. I have found the following of the Applicants’ goods to have a level of similarity to the Opponent’s goods and services ranging from identity to similar to a low degree. However, I am of the view that the net effect of the visual and aural differences between the parties’ marks is sufficient to prevent the average consumer from mistaking one party’s mark for the other. I have found the marks to be visually and aurally similar to no more than a medium degree. Despite both parties’ marks containing the element ‘Leonardo’, I am of the view that the visual and aural differences that I have identified will be noticed by the average consumer. The significant difference in length of the marks will, in my view, be particularly apparent. I find that there is no likelihood of direct confusion. I find this to be the case even though no more than a medium level of attention will likely be paid during the purchasing act.

¹⁷ Case BL O/375/10 at [16].

¹⁸ *Lloyd Schuhfabrik Meyer and Co GmbH v Klijsen Handel BV* (C-34297) at [26].

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

60. I have borne in mind *Whyte and Mackay*¹⁹ in which it was held that where an average consumer perceives that a composite mark consists of two or more elements, one of which has a distinctive significance independent of the mark as a whole, confusion may occur as a result of the similarity/identity of that element to the earlier mark. The parties’ marks are highly conceptually similar, the most distinctive element of the earlier mark being the ‘Leonardo’ element. I note that the ‘LEONARDO’ element appears in the Opponent’s mark flanked by the elements ‘The’ and ‘Collection’, whereas the Applicants’ mark is ‘LEONARDO’ solus. My view is that the presence or absence of the elements ‘The’ and ‘Collection’ have no bearing on the inherent distinctive character of the word ‘Leonardo’; it retains its independent distinctive character in the Applicant’s mark. I find that the average consumer, upon encountering the parties’ marks, would notice the differences between them but conclude that the marks derive from the same undertaking. For example, the average consumer might presume ‘The Leonardo Collection’ to be a sub-brand of the over-arching ‘Leonardo’ brand. I find that there is a likelihood of indirect confusion.

61. The Opposition has been partially successful. Subject to a successful appeal, the Application:

- is refused in respect of the following goods only:

Class 3 *perfumery*

¹⁹ *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271.

Class 16:

Printed matter; newspapers, periodicals, books; photographs; geographical maps.

Class 24:

Textiles and textile goods, not included in other classes; table covers

- may proceed in respect of the following goods and services only:

Class 3:

Cosmetics preparations, not for medical purpose; hair lotions; dentifrices; essential oils; bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps

Class 24:

bed covers

Class 35:

Advertising; business management; business administration.

COSTS

62. Both parties have enjoyed a measure of success. There is therefore no order for costs.

Dated this 12th day of September 2023

N. R. Morris

For the Registrar,

the Comptroller-General