O/0938/23

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO. 03696909 BY NOUTI LIMITED TO REGISTER AS A TRADE MARK:

NOUTI

IN CLASS 5

AND

OPPOSITION THERETO UNDER NO. 0431089 BY KMI BRANDS LIMITED

BACKGROUND & PLEADINGS

1. NOUTI LIMITED ("**the applicant**") applied to register the mark shown on the front page of this decision in the United Kingdom. The application was filed on 17 September 2021 and was published on 17 December 2021 in respect of the following goods:

> **Class 5:** Medical preparations; Pharmaceuticals; Pharmaceutical preparations; Pharmaceutical compositions; Pharmaceutical drugs; Capsules for pharmaceutical purposes.

2. KMI Brands Limited ("**the opponent**") opposes the application on the basis of Section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). The opponent is the proprietor of the UK registration number 03651186 for the following mark:

NOUGHTY

3. The opponent's mark was filed on 4 June 2021 and registered on 29 October 2021 for various goods in Classes 5, 21 and 24. For the purposes of this opposition, the opponent relies on the following goods:

> **Class 5:** Dietary supplements and dietetic preparations; nutritional supplements; vitamin, herbal and mineral supplements; powdered dietary food supplements; powdered nutritional supplements; powdered nutritional supplement energy drink mix.

4. Under Section 6(1) of the Act, the opponent's trade mark clearly qualifies as an earlier trade mark. Further, as registration of the opponent's earlier mark was completed less than five years before the application date of the contested mark, proof of use is not relevant in these proceedings as per Section 6A of the Act.

5. The opponent in its notice of opposition claims that the contested mark is highly similar to the opponent's mark for part identical and part highly similar goods.

6. The applicant filed a defence and counterstatement putting forward that there are visual, aural, and conceptual differences between the marks and that there is a "significant difference between these two products".

7. Both parties filed submissions in these proceedings. I shall not summarise these, but will refer to them where appropriate during the course of my decision.

8. The matter came to be heard by me via video conference on 14 August 2023. The applicant, a litigant in person, was represented by Mr Torath Ameen, and the opponent was represented by Peter Dawson of Wiggin LLP.

HEARING AND PRELIMINARY ISSUE

9. Towards the end of the hearing, it became apparent that Mr Dawson had not been provided with a copy of the applicant's cost proforma. Subsequent to the hearing, and in light of this, the Tribunal enclosed the applicant's cost proforma with a letter dated 14 August 2023 and gave the opponent 14 days to make their submissions. The opponent filed their submissions on 25 August 2023, which I have taken into account.

DECISION

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

> "5(2) A trade mark shall not be registered if because-
>
> […]
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,
>
> there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark".

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.

12. 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 Goods

13. 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. 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 complementary."

14. 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."

15. 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".

16. 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."

17. 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."

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

Opponent's Goods	Applicant's Goods
Class 5: Dietary supplements and dietetic preparations; nutritional supplements; vitamin, herbal and mineral supplements; powdered dietary food supplements; powdered nutritional supplements; powdered nutritional supplement energy drink mix.	**Class 5:** Medical preparations; Pharmaceuticals; Pharmaceutical preparations; Pharmaceutical compositions; Pharmaceutical drugs; Capsules for pharmaceutical purposes.

19. Mr Dawson submitted that the competing goods are all identical or highly similar. He put forward that the earlier goods are all broad terms that cover a range of dietetic and nutritional supplements and preparations that are substances meant to boost nutritional balance or regulate the body, often for medical purposes. Due to their shared intended purpose, he considers the goods to be identical, if not highly similar. Mr Dawson offered examples where use of the competing goods could include treating nutrient

deficiencies or addressing skin conditions through pharmaceuticals or supplements.

20. Mr Ameen submitted that the earlier terms are not pharmaceuticals goods stating that such goods are "dietary supplements are products intended to supplement the diet. They are not medicines, and they are not intended to treat, diagnose, mitigate, prevent or cure disease."[1] He also added that medicines must receive approval from Food and Drug Administration before they are placed in the market.

21. Although the applicant in its counterstatement and submissions made references on how the competing goods are traded, this has no bearing on my decision. This is because I must consider the matter notionally based on the terms the parties have registered or seek to register.

22. The contested goods are largely pharmaceutical goods, whereas those of the opponent's are dietary and nutritional supplements. Specifically, the contested goods are drugs or medicines, including their preparations and compositions, used in the medical treatment of various conditions. On the other hand, the earlier goods are designed to supplement a normal diet or promote good health. Although the competing goods may differ in their nature, they may overlap in the general purpose as they may also be used for medical purposes particularly if they are recommended by a medical professional. For example, illnesses associated with nutrient deficiencies, such as anaemia, may call for treatment with nutritional supplements. Although both may be ingested in tablet, powders, liquids or capsule form, pharmaceuticals may be administered through other methods, including injection. Therefore, in some circumstances, the goods will share the same method of use. Mr Dawson submitted that the respective goods are complementary and/or in competition, have the option to select between pharmaceuticals and supplements or use them together to address a health issue. In the absence of evidence, I am not inclined to arrive at such

[1] Page 11 of the transcript.

a conclusion, and, thus, I do not consider them to be in direct competition. Further, they are not important or indispensable to the use of another and, as such, are not complementary. While there is no evidence on how pharmaceuticals and nutritional supplements are sold and displayed on supermarket shelves, both are sold through chemist shops, which, in my view, are unlikely to be found close to each other, thereby sharing trade channels. In addition, the competing goods share the same users, namely the general public. Consequently, I find that that the goods are similar to a medium degree.

Average Consumer and the Purchasing Act

23. 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."

24. The average consumer of the goods and services at issue will be a member of the general public without excluding professional users. The goods are likely to be self-selected from shelves, websites, and promotional material, so visual considerations are likely to dominate the

selection process. That said, as such goods and services may also be the subject of, for example, word-of-mouth recommendations or oral requests, aural considerations will not be ignored in the assessment.

25. The level of attention the average consumer will display when selecting the goods at issue will normally be average as some of the goods may be low-cost items and will be frequently purchased, such as dietary, nutritional and health food supplements in the form of capsules, drink mixes, vitamin tablets. However, when purchased for particular dietary or nutritional requirements, the average consumer would pay higher attention to ensure they are fit for purpose. Therefore, the attention will range between medium and higher than medium. This is the case for the contested goods that may be less frequently purchased and more expensive, such as pharmaceuticals.

Comparison of Trade Marks

26. 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."

27. 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.

28. The marks to be compared are:

Opponent's Mark	Applicant's Mark
NOUGHTY	NOUTI

Overall Impression

29. The competing marks are word only marks presented in a standard typeface and upper case. Registration of a word mark protects the word itself.[2] The overall impression of the competing marks lies in the words themselves.

Visual Comparison

30. The competing marks have different lengths, with the earlier mark being seven letters long, as opposed to the contested mark, which has five letters. Bearing in mind, as a rule of thumb, that the beginnings of words tend to have more impact than the ends,[3] the competing marks share the first three letters "NOU-" and the letter 'T' in different positions[4]. However, the marks differ in the rest of the letters. Considering all the factors, including the overall impression of the marks, I find them to be visually similar to between a low and medium degree.

[2] See *LA Superquimica v EUIPO*, T-24/17, para 39; and *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17, paragraph 16.

[3] See *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, where the General Court observed that the attention of the consumer is usually directed to the beginning of a mark.

[4] More specifically, position 6 in the earlier mark and position 4 in the contested.

Aural Comparison

31. Both parties have made submissions in relation to the pronunciation of the marks. The opponent submitted that both will be pronounced identically as two syllables sharing the prefix NOU and the TI/TY suffix. The applicant submits that the contested mark will be verbalised either as NOO-TEE or NO-U-T-I.

32. Both marks consist of two syllables, and I consider that the UK average consumer may pronounce the earlier mark as “NOR-TEE” and the contested mark as “NOW-TEE”. The marks share the same second syllable, “-TEE”. Further, whilst the marks will share the ‘N’ sound generated by the initial letter of the marks, the articulation of the first syllable in the competing marks, namely “NOR-/NOW-”, will be different. That said, it is my view that, according to the rules of pronunciation, the phonetic assessment should be conducted based on the syllables of the verbal elements without isolating/extracting phonetic elements and disregarding the totality of the given syllables. Taking into account the above factors and the overall impressions, I consider that the marks are aurally similar to a medium degree.

Conceptual Comparison

33. Both parties agree that the marks have no discernible meaning. However, during the hearing, Mr Ameen submitted that the word “NOUTI” is an Arabic name used within a cultural context. When asked whether this meaning would be clear to the UK consumers, Mr Ameen admitted that it may not necessarily be clear to them.

34. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer. This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] ECR I-643; [2006] E.T.M.R 29. The assessment must, therefore, be made from the point of view of the average consumer.

35. I note that no immediate perceptible meaning can be attributed to the competing marks. In addition, in the absence of evidence, I do not consider that the UK average consumer will know the Arabic meaning of the contested mark. Thus, I find that the UK average consumer will see both marks as invented words with no identifiable concept. Therefore, I find that the marks are conceptually neutral.

DISTINCTIVE CHARACTER OF THE EARLIER TRADE MARK

36. 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)."

37. 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.

38. 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 is the word "NOUGHTY" which will be viewed as an invented word with no allusion to the registered goods. I find that the earlier mark as has a high degree of inherent distinctive character.

LIKELIHOOD OF CONFUSION

39. 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.[5] 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.[6]

40. 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

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

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

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

41. In *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17, Mr James Mellor Q.C. (as he then was), as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

42. Earlier in this decision I have concluded that:

- the goods at issue are similar to a medium degree;
- the average consumer for the goods in Class 5 will be a member of the general public, the level of attention ranges between medium and higher than medium. The selection process is predominantly visual without discounting aural considerations;
- the competing marks are visually similar to between a low and medium degree, aurally similar to a medium degree, and conceptually neutral;
- the earlier mark has a high degree of inherent distinctiveness.

43. Taking into account the above factors and the very low degree of similarity the goods in play, there is no likelihood of direct confusion. The visual interaction with the goods at issue together with the between medium and higher than medium degree of attention will play a significant part. Notwithstanding imperfect recollection, the average consumer will notice and remember the visual and aural differences between the competing marks. It is my view that the divergent characters in the marks, namely "NOUGHTY/NOUTI", are more likely to be noticed by the average consumer, thereby aiding them in distinguishing the marks. In this regard, and despite the high distinctiveness of the earlier mark, I consider that the average consumer will not overlook the differences between the competing marks, and, thus, it is unlikely to mistake one mark for the other.

44. In terms of indirect confusion, even when the differences between the marks are identified by the average consumer, I cannot see a reason why the average consumer would put the common use of the common letters, 'NOU' and 'T', as linking the two marks by way of the same or an economically linked undertaking. I find that the guidance given in *Duebros* is more appropriate in this case, namely that an average consumer may merely associate the common letters in the marks but would not confuse the two. Thus, I consider that there is no likelihood of indirect confusion.

OUTCOME

45. The opposition has been unsuccessful. **There is no likelihood of confusion. The opposition on the basis of the claim under Section 5(2)(b) fails.** Therefore, subject to appeal, the application can proceed to registration.

COSTS

46. The applicant has been successful and is entitled to a contribution towards its costs. The applicant was not professionally represented and submitted a completed cost proforma to the Tribunal, outlining the number of hours spent on these proceedings. I set out below my assessment on the claim made. However, it should be noted that a costs award is intended to be a contribution towards costs rather than full compensation. I will make the award of costs on the basis of £19.00 per hour, which is the minimum rate of compensation allowed under The Litigants in Person (Costs and Expenses) Act 1975 (as amended).

    i. The applicant claimed 5 hours for considering the forms and 20 hours for filing its notice of defence. While I agree that the former is a reasonable claim, the latter seems excessive. I believe that 9 hours in total would be a fair amount to award, consisting of 5 hours for considering the notice of opposition and 4 hours for the defence.

ii. The applicant has claimed a total of 20 hours for filing submissions and considering those of the other party. Again, I consider it would be excessive to award for all the hours claimed to have been expended. Further, I also note that the submissions substantially mirror the notice of defence. Therefore, I will award 3 hours in total.

iii. The applicant claimed 8 hours for preparation time for the hearing and 6 hours for "loss of earning to tribunal hearing". I consider that it would be excessive to award for all the hours claimed, and I will award 1 hour for the hearing, which reflects the actual duration of the hearing, and 3 hours for preparation time. I will award 4 hours in total.

47. I, therefore, order KMI Brands Limited to pay NOUTI LIMITED the sum of £304. 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 3rd day of October 2023

Dr Stylianos Alexandridis
For the Registrar,
The Comptroller General