

**BL O/0977/23**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF INTERNATIONAL REGISTRATION NO. WO0000001629423**

**DESIGNATING THE UK**

**BY SANITY GROUP GMBH**

**CBDSANE**

**IN CLASSES 3, 5, 10, 35, 42 AND 44**

**AND**

**IN THE MATTER OF OPPOSITION THERETO**

**UNDER NO. 433764**

**BY SANE LONDON LIMITED**

## BACKGROUND AND PLEADINGS

1. International trade mark 1629423 (“the IR”) consists of the sign shown on the cover page of this decision. The holder is Sanity Group GmbH. The IR is registered with effect from 8 June 2021. With effect from the same date, the holder designated the UK as a territory in which it seeks to protect the IR under the terms of the Protocol to the Madrid Agreement. The mark also claims priority from 9 December 2020.

2. The request to protect the IR was published on 25 February 2022. On 25 May 2022, Sane London Limited (“the opponent”) partially opposed the protection of the IR in the UK based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opposition is directed against the following goods of the IR:

Class 3      Non-medicated cosmetics and toiletry preparations; non-medicated dentifrices; perfumery, essential oils; body cleaning and beauty care preparations.

Class 5      Preparations for hygiene; sanitary articles; disinfectants; antiseptics; medicated and sanitising soaps and detergents; medicinal oils; cannabis related products, namely oils, salves, concentrated pastes, tinctures, topical analgesic creams; pain relieving creams; multi-purpose medicated analgesic balms; pharmaceutical preparations and substances with analgesic properties; bath salts for medical purposes; bath preparations for medical purposes; medicated hair lotions; medicinal hair growth preparations; medicated soap; medicated shampoos; ointments for pharmaceutical purposes; therapeutic preparations for the bath.

3. Under section 5(2)(b), the opponent relies upon the following trade mark:

**sane**

UK registration no. UK00003478940

Filing date 2 April 2020; Registration date 9 August 2020.

Relying upon all of the goods for which the mark is registered, namely:

Class 5      Hand-sanitizing preparations.

4. The opponent claims there is a likelihood of confusion because the goods are similar, and the marks are similar, specifically because they share the “sane” element.

5. The holder filed a counterstatement denying the claims made.

6. The opponent is unrepresented and the holder is represented by Foot Anstey LLP. Neither party requested a hearing, however, the opponent filed evidence in chief and submissions in lieu of a hearing. The holder also filed written submissions. I have taken all of the evidence and submissions into account in reaching this decision.

## **RELEVANCE OF EU LAW**

7. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied 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.

## **EVIDENCE AND PRELIMINARY ISSUE**

8. The opponent’s evidence consists of the witness statement of Max Guttfeld dated 4 February 2023. Mr Guttfeld is the Director of the opponent, a position which he has held since 28 April 2021. Mr Guttfeld’s statement was accompanied by 13 exhibits (MG1-MG13).

9. **Exhibits MG1** and **MG2** contain screenshots of the opponent’s website showing the use of its mark on hand sanitiser goods. I note that in the product description it states that Sane’s “safe hands” sanitisers are formulated with a “low-dose cannabidiol

(cbd)” which “helps [calm] areas of rawness and sensitivity”. Mr Gutfeld also notes that CBD is a key-ingredient of its goods.

10. However, my comparison must be of the marks and the goods as registered. I must make my assessment based upon the goods applied for/registered and, therefore, what is sold in practice, i.e. the fact that the opponent’s goods contains CBD as a key ingredient (exhibited in **MG2**), cannot be considered unless it is covered by its specification.

11. I have taken the remaining evidence and submissions into account in reaching this decision, and will refer to them where necessary below.

## **DECISION**

### **Section 5(2)(b)**

12. Section 5(2)(b) reads as follows:

“5(2) A trade mark shall not be registered if because –

(a)...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

13. The earlier mark had not completed its registration process more than five years before the relevant date (the priority date of the IR in issue). Accordingly, the use provisions at s.6A of the Act do not apply. The opponent may rely on all of the goods it has identified without demonstrating that it has used the mark.

## Section 5(2)(b) case law

14. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a 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

15. The competing goods are as follows:

<b>Opponent's goods</b>	<b>Holder's goods</b>
<u>Class 5</u> Hand-sanitizing preparations.	<u>Class 3</u> Non-medicated cosmetics and toiletry preparations; non-medicated dentifrices; perfumery, essential oils; body cleaning and beauty care preparations.

	<p><u>Class 5</u></p> <p>Preparations for hygiene; sanitary articles; disinfectants; antiseptics; medicated and sanitising soaps and detergents; medicinal oils; cannabis related products, namely oils, salves, concentrated pastes, tinctures, topical analgesic creams; pain relieving creams; multi-purpose medicated analgesic balms; pharmaceutical preparations and substances with analgesic properties; bath salts for medical purposes; bath preparations for medical purposes; medicated hair lotions; medicinal hair growth preparations; medicated soap; medicated shampoos; ointments for pharmaceutical purposes; therapeutic preparations for the bath.</p>
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16. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

17. Guidance on this issue has come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and, in particular, whether they are or are likely to be found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance, whether market research companies, who of course act for industry, put the goods or services in the same or different sectors

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

“29. 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 Lemsysteme 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.”

19. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

“... 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 or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

### Class 3

#### *Non-medicated cosmetics and toiletry preparations.*

20. The holder's toiletry preparations encompass goods which are used for hygiene/cleaning and grooming purposes. I consider that because the opponent's "hand-sanitizing articles" are used to kill harmful bacteria on the user's hands, it could by virtue be considered as a hand hygiene product, and therefore fall within the broader category of toiletry preparations. On this basis, the goods are identical on the principle outlined in *Meric*. However, if I am wrong in this finding, the goods would share an overlap in distribution channels, being sold in retail outlets and pharmacies. The goods will to some extent share an overlap in user, purpose and method of use with the holder's toiletry preparations which are used for cleaning the user's skin. The goods are not complementary, but may to some extent, be in competition with toiletry preparations such as soaps, which are both used to clean the user's hands. I therefore consider that the goods are similar to between a medium and high degree.

#### *Body cleaning and beauty care preparations.*

21. The holder's above goods overlap with the opponent's "hand-sanitizing articles". They share an overlap in distribution channels, being sold in retail outlets and pharmacies. There will also be, to some extent, an overlap in user, purpose and method of use as the goods are used to clean the user's skin. However, the opponent's goods are used to specifically kill bacteria on the user's hands, whereas the holder's goods are applied to all over the body to clean the skin. The goods are not in

competition nor complementary. Therefore, the goods are similar to no more than a medium degree.

*Non-medicated dentifrices.*

22. The holder's above broader category will include goods such as toothpastes, mouthwashes, floss and teeth whitening strips. All of these goods are used to clean the user's teeth, or used to whiten them. Therefore they do not overlap purpose and method of use with the opponent's "hand-sanitizing articles". They also do not overlap in nature as the opponent's goods appear in a thin alcohol based liquid form. The goods are neither in competition nor complementary. The goods will all be distributed in pharmacies and general retailers, but not in close proximity. I therefore do not consider that the above is enough to establish similarity. The goods are dissimilar.

*Perfumery, essential oils.*

23. The holder's above goods are used for fragrance purposes, with perfumery appearing in a scented water-based form, and essential oils appearing in an oil form. These goods, therefore, do not overlap in nature, method of use and purpose with opponent's "hand-sanitizing articles". The good may be sold in general retail stores or pharmacies, but not in close proximity. The goods are neither in competition nor complementary. The goods will overlap in user, and could all be scented with the same fragrances; however, this is not enough to establish similarity between the goods. They are dissimilar.

Class 5

*Preparations for hygiene; sanitary articles.*

24. The opponent's "hand-sanitizing articles" falls within the holder's above broader categories. They are identical on the principle outlined in *Meric*.

*Medicated and sanitising soaps and detergents; medicated soap.*

25. I consider that the opponent's "hand-sanitizing articles" are similar to the holder's above goods. I note that in **exhibit MG6**, the opponent has attached an undated screenshot from the website "Purdy&Figg" which shows hand sanitiser sprays and refills being sold by an undertaking which also sells "hand wash". I consider that this aligns with my own personal knowledge and experience that the same undertakings sell both hand sanitisers and soaps (and other hygiene items). I therefore consider that the parties' goods overlap in trade channels, and to some extent, purpose and method of use, on the basis that they are all goods which are applied to clean and kill harmful bacteria on the user's skin. The goods will also be sold in the same aisles of supermarkets and retail stores. I also consider that the goods are in competition, as the user could choose any of the goods to achieve the same result. Consequently, I consider that the goods are similar to a high degree.

*Disinfectants; antiseptics.*

26. I consider that the opponent's "hand-sanitizing articles" are similar to the holder's above goods. The goods overlap in purpose, as they kill harmful bacteria. However, the opponent's goods clean the user's hands, disinfectants usually clean worksurfaces, and antiseptics usually clean the user's open wounds. However, I note that some cleaning products can be described as antiseptics, on the basis that they kill harmful bacteria. The goods will all be sold in general retail stores, with antiseptics which clean the user's wounds closer in proximity to the opponent's goods. However, for disinfectants and antiseptics which are used to clean bacteria on worksurfaces etc, they will not be located in close proximity to the opponent's goods. The goods do not overlap in nature and method of use, nor are they in competition or complementary. I therefore consider that the goods are similar, but only to a low degree.

*Cannabis related products, namely oils, salves, concentrated pastes, tinctures, topical analgesic creams.*

27. The holder's above goods are cannabis products which come in the form of oils, ointments, pastes and creams which are used to soothe or heal the user's skin. I note that cannabis related products can be used for anti-inflammatory purposes and for pain-relief. Analgesic creams also specifically provide pain-relief to the user. I

therefore consider that these goods do not overlap with the opponent's "hand-sanitizing articles". The goods clearly do not overlap in nature and purpose. There is nothing within the opponent's evidence to establish that the same undertaking would produce all of the above goods, but they may be distributed in pharmacies albeit not in close proximity. The goods clearly are neither in competition nor complementary. I consider that there will be limited overlap to the extent that all of the goods are applied to the user's skin, and that there will be an overlap in user. However, this is not enough to establish similarity between the goods. Taking all of the above into account, I consider that the goods are dissimilar.

*Pain relieving creams; multi-purpose medicated analgesic balms; pharmaceutical preparations and substances with analgesic properties; ointments for pharmaceutical purposes.*

28. As highlighted by paragraph 27 above, analgesic creams provide pain-relief to the user. Therefore, I do not consider that the holder's above goods overlap in purpose with the opponent's "hand-sanitizing articles". I also do not consider that there would be an overlap in nature, as the holder's goods appear in either a cream or a thicker oily substance (balm or ointment) form, whereas hand-sanitizing articles will appear in thin alcohol based liquid form. I do not consider that the same undertaking would produce all of the goods, however, they may all be distributed in pharmacies albeit not in close proximity. The goods are neither in competition nor complementary. To the extent they are all applied and rubbed into the skin, they overlap in method of use, but I do not consider that this is enough to establish similarity between them. I consider that the goods are dissimilar.

*Medicinal oils.*

29. The holder's above goods are oils which are used for medicinal purposes. I do not consider that these goods overlap in nature and method of use with the opponent's "hand-sanitizing articles" which appear in a thin alcohol based liquid form. The goods clearly do not overlap in purpose, nor are they in competition nor complementary. The goods may be distributed in pharmacies, but not in close proximity. I therefore consider that the goods are dissimilar.

*Bath salts for medical purposes; bath preparations for medical purposes; therapeutic preparations for the bath.*

30. The holder's goods are all used in the bath, and have therapeutic or medical purposes. I therefore consider that these goods do not overlap in nature, purpose or method of use with the opponent's "hand-sanitizing articles". I do not consider that the same undertaking would produce all of these goods, however, they may all be sold in a pharmacy, but not in close proximity. The goods are neither in competition nor complementary. There may be an overlap in user. However, taking all of the above into account, I consider that the goods are dissimilar.

*Medicated hair lotions; medicinal hair growth preparations; medicated shampoos.*

31. The holder's above goods are medicated products for use on the hair, and encompass goods which help with hair loss, hair growth and those which may help with the appearance of the hair. I do not consider that these goods overlap in nature, method of use or purpose with the opponent's "hand-sanitizing articles". The goods are neither in competition, nor complementary. The goods may overlap in user, and may all be sold within pharmacies, but not in close proximity. However, this is not enough to establish similarity between the goods. They are dissimilar.

32. It is a prerequisite of section 5(2)(b) that the goods be identical or at least similar. The opposition will, therefore, fail in respect of the goods that I have found to be dissimilar.<sup>1</sup> The opposition under section 5(2)(b) fails for the following goods:

Class 3      Non-medicated dentifrices; perfumery, essential oils.

Class 5      Medicinal oils; cannabis related products, namely oils, salves, concentrated pastes, tinctures, topical analgesic creams; pain relieving creams; multi-purpose medicated analgesic balms; pharmaceutical preparations and substances with analgesic properties; bath salts for medical purposes; bath preparations for medical purposes; medicated

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<sup>1</sup> *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA

hair lotions; medicinal hair growth preparations; medicated shampoos; ointments for pharmaceutical purposes; therapeutic preparations for the bath.

### **The average consumer and the nature of the purchasing act**

33. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which the goods are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J described the average consumer in these terms:

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

34. The average consumer for the goods will be members of the general public. The cost of the goods in question is likely to vary, however, on balance it is likely to be relatively low. The goods will also be purchased relatively frequently. The average consumer will take various factors into consideration such as the cost, quality, scent, ingredients and the suitability of the goods for their specific needs. Therefore, the level of attention paid during the purchasing process will be medium.

35. The goods are likely to be obtained by self-selection from the shelves of a retail outlet, pharmacy, or their online equivalents. Alternatively, the goods may be purchased following the perusal of advertisements. Visual considerations are, therefore, likely to dominate the selection process. However, I do not discount that

there may also be an aural component to the purchase through advice sought from a sales assistant or representative or word of mouth recommendations.

### Comparison of the trade marks

36. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated, at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“... it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

37. 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.

38. The respective trade marks are shown below:

Opponent's trade mark	Holder's IR
<b>sane</b>	<b>CBDSANE</b>

39. The opponent's mark consists of the word "sane". There are no other elements to contribute to the overall impression which lies in the word itself.

40. The IR consists of the word "CBDSANE". I consider that the average consumer would recognise that this word is comprised of two elements; "CBD" and "SANE". For reasons I will come to discuss in the conceptual comparison, I consider that the CBD element alludes to the goods containing an ingredient which derives from the cannabis plant. However, as the mark is presented as a singular word, there are no other elements to contribute to the overall impression which lies in the word itself.

41. Visually, the opponent's mark is fully replicated at the end of the IR (sane/SANE). I also note that both marks are word marks, and therefore registration of these covers use in any standard typeface, including presenting the marks in upper and lower-case. These act as visual points of similarity. However, the IR begins with the letters C, B and D. This acts as a visual point of difference. As highlighted by the holder, the average consumer tends to pay more attention to the beginning of the marks.<sup>2</sup> I therefore consider that the marks are visually similar to a medium degree.

42. Aurally, the holder submits that its mark will likely be pronounced as SEE-BEE-DEE-SANE. The holder also submits that the opponent's mark will be pronounced as one syllable; SANE. I agree with both submissions, especially as the opponent's mark is an ordinary dictionary word, and the above is its ordinary pronunciation. However, the holder argues that the marks are aurally dissimilar. I simply cannot agree with this assertion on the basis that the marks overlap in the pronunciation of "SANE". I therefore consider that the marks are aurally similar to between a low and medium degree.

43. Conceptually, the opponent's mark is an ordinary dictionary word which will be recognised by the average consumer as meaning someone who can think and behave normally (the opposite of insane). The beginning of the IR, CBD, is also a concept which I consider will be recognised by a significant proportion of average consumers as indicating that the goods contain 'cannabidiol', being the chemical compound found

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<sup>2</sup> *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

in cannabis. For the sake of completeness, if the average consumer did not specifically know that CBD/cannabidiol is a chemical compound, I consider that they will know that it is an ingredient which derives from the cannabis plant. I note that CBD has medicinal properties such as being anti-inflammatory, and can provide pain relief. I also consider that this would also be known by the average consumer.

44. The IR, as a whole, consists of the “CBD” element and the word “SANE” which combined evokes no obvious concept. The CBD and SANE elements do not link together to create a unitary meaning. However, the average consumer will readily identify the individual elements and attribute the above meanings to them. Therefore as both marks evoke the same concept of SANE, the opponent’s mark and IR are conceptually similar to a medium degree.

#### **Distinctive character of the earlier trade mark**

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

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promotion of 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).”

46. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

47. The opponent has filed evidence of use in **exhibits MG1** and **MG2**, however, the screenshots are undated and therefore it cannot show that the distinctiveness of its mark has been enhanced through use. Consequently, I only have the inherent position to consider.

48. As highlighted above, the opponent’s mark consists of the word “sane” which is an ordinary dictionary word, which will be recognised as meaning someone who can think and behave normally. It is neither allusive nor descriptive of the opponent’s goods. I therefore consider that it is inherently distinctive to a medium degree.

### **Likelihood of confusion**

49. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. This includes the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. It is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to

make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

50. The following factors must be considered to determine if a likelihood of confusion can be established:

- I have found the marks to be visually similar to a medium degree.
- I have found the marks to be aurally similar to between a low and medium degree.
- I have found the marks to be conceptually similar to a medium degree.
- I have found the opponent's mark to be inherently distinctive to a medium degree.
- I have identified the average consumer for the goods to be the general public who will select the goods primarily by visual means, although I do not discount an aural component.
- I have concluded that a medium degree of attention will be paid during the purchasing process for the goods.
- I have found the parties' goods vary from being identical to similar to a low degree.

51. Taking all of the factors listed in paragraph 50 into account, bearing in mind the principle of imperfect recollection, I am satisfied that the marks are unlikely to be mistakenly recalled or misremembered as each other. The beginning of the marks tend to make more of an impact than the ends. I therefore do not consider that the average consumer would overlook the letters CBD at the beginning of IR. Consequently, I do not consider there to be a likelihood of direct confusion.

52. It now falls to me to consider the likelihood of indirect confusion. Indirect confusion was described in the following terms by Iain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are

very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.”

53. In *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.

54. I bear in mind that in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, Kitchin LJ stated that:

“if, having regard to the perceptions and expectations of the average consumer, the court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then it may properly find infringement.”

55. This was, of course, in the context of infringement. However, the same approach is appropriate under section 5(2).<sup>3</sup> It is not, therefore, necessary for me to find that the majority of consumers will be confused. The question is whether there is a likelihood of confusion amongst a significant proportion of the public displaying the characteristics attributed to an average consumer.

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<sup>3</sup> *Soulcycle Inc v Matalan Ltd* [2017] EWHC 496 (Ch), Mann J.

56. As highlighted above, the IR is composed of the “CBD” and “SANE” elements which do not link together to create a unitary meaning. Therefore, a significant proportion of average consumers will readily identify the individual elements and attribute the meaning of CBD as ‘cannabidiol’, which will either be known as the chemical compound found in cannabis or an ingredient which derives from the cannabis plant, and the meaning of SANE as someone who can think and behave normally (the opposite of insane).

57. The opponent’s ‘sane’ mark is fully replicated at the end of the IR, and evokes the same conceptual meaning. I therefore consider that the shared common use of the word “sane” in both marks will lead the average consumer to conclude that the marks originate from the same or economically linked undertakings. The CBD element at the beginning of the IR will be seen as indicating to the consumer that the goods contain cannabidiol (the chemical compound found in cannabis/an ingredient which derives from the cannabis plant). Therefore the addition of this allusive element will prompt the consumer into believing that the IR is either a sub-brand of the opponent’s mark, or an alternative mark being used on a range of ‘sane’ CBD infused goods. I consider there to be a likelihood of indirect confusion.

## **CONCLUSION**

58. The opposition is partially successful in respect of the following goods, for which the application is refused:

Class 3      Non-medicated cosmetics and toiletry preparations; body cleaning and beauty care preparations.

Class 5      Preparations for hygiene; sanitary articles; disinfectants; antiseptics; medicated and sanitising soaps and detergents; medicated soap.

59. The application can proceed to registration in respect of the following goods, for which the opposition has been unsuccessful:

Class 3      Non-medicated dentifrices; perfumery, essential oils.

Class 5 Medicinal oils; cannabis related products, namely oils, salves, concentrated pastes, tinctures, topical analgesic creams; pain relieving creams; multi-purpose medicated analgesic balms; pharmaceutical preparations and substances with analgesic properties; bath salts for medical purposes; bath preparations for medical purposes; medicated hair lotions; medicinal hair growth preparations; medicated soap; medicated shampoos; ointments for pharmaceutical purposes; therapeutic preparations for the bath.

60. The application can proceed to registration in respect of the following goods and services for which the opposition was not directed against:

Class 5 Dietary supplements and dietetic preparations; food for babies; dietary supplements for animals; dental preparations; dental ceramics for the production of bridges; medicated dentifrices; air deodorizers and air purifying preparations; absorbent articles for personal hygiene; feminine hygiene products; nappies for babies and incontinents; pest control preparations and articles; medical preparations; veterinary preparations; live organs and tissues for surgical purpose; diagnostic preparations for medical purposes; diagnostic testing materials for medical purposes; medicine; natural remedies; dressings, medical; medical plasters; medicinal herbs; herbal preparations for medical use; plant extracts for medical use; drugs for medical purposes; pharmaceutical drugs; dietetic beverages adapted for medical purposes; candy, medicated; chemical preparations for pharmaceutical purposes; decoctions for pharmaceutical purposes; dietetic substances adapted for medical use; elixirs [pharmaceutical preparations]; plant extracts for pharmaceutical purposes; flour for pharmaceutical purposes; medicinal herb infusions; medicines for human purposes; pastilles for pharmaceutical purposes; pharmaceutical preparations; tablets and capsules, each containing cannabis or derivatives of cannabis, namely resins and oils for medical or therapeutic purposes; nutraceuticals and herbs for medicinal purposes each containing cannabis and derivatives of cannabis, namely resins and oils; sedatives; hypnotic sedatives; pharmaceuticals and

natural remedies; homeopathic pharmaceuticals; analgesics; antipyretic analgesics; anti-inflammatory analgesic plasters; pain relief preparations; effervescent analgesic pharmaceutical preparations; plant-based narcotics; synthetic narcotics; prescription synthetic narcotics; purgatives; slimming pills; antibiotics; appetite suppressants for medical purposes; appetite suppressant pills; medicines for veterinary purposes; medicines for dental purposes; barks for pharmaceutical purposes; biological tissue cultures for medical purposes; biological tissue cultures for veterinary purposes; biological preparations for medical purposes; biological preparations for veterinary purposes; chemical preparations for medical purposes; cannabis preparations for medical purposes; cannabis preparations for pharmaceutical purposes; chemical preparations for pharmaceutical purposes; dietetic substances (for medical purposes); dietetic foods adapted for medical purposes; albuminous preparations for medical purposes; enzymes for medical purposes; enzyme preparations for medical purposes; greases for medical purposes; freeze-dried food adapted for medical purposes; homogenized food adapted for medical purposes; capsules for medicines; cachets for pharmaceutical purposes; chewing gum for medical purposes; smoking herbs for medical purposes; herbal extracts for medical purposes; herbal teas for medicinal purposes; medical preparations for slimming purposes; medicated animal feed; medicinal drinks; medicinal herbs; medicinal herb infusions; medicinal tea; mineral food supplements; mineral waters for medical purposes; mineral water salts; tissues impregnated with pharmaceutical lotions; mouthwashes for medical purposes; nutritional supplements; cannabis-based dietary supplements; nervines; pharmaceuticals; pharmaceutical preparations; soporifics; syrups for pharmaceutical purposes; tinctures for medical purposes; digestives for pharmaceutical purposes; vitamin preparations; medicinal roots; pharmaceuticals; dietetic foodstuffs and substances adapted for medical use; dietary supplements for humans.

Class 10      Applicators for pharmaceutical preparations; receptacles for applying medicines.

Class 35      Advertising; business management; business administration; office functions; management administration of commercial undertakings; strategic business planning; business planning and business strategies; business administration services in the field of healthcare; business consultation and management regarding launching of new products; business organization consultancy; organisational consultancy; planning and monitoring of business developments with regard to organisational matters; business management assistance; retail and wholesale services for pharmaceutical preparations and medical supplies; advertising services relating to pharmaceuticals; online retail services connected with the sale of marijuana and cannabis; retail and wholesale services connected with the sale of marijuana, cannabis and derivatives of cannabis; updating and maintenance of data in computer databases; updating of advertising material; consultancy regarding public relations communication strategies; provision of an online marketplace for buyers and sellers of goods and services; providing business information via a web site; procurement services for others [purchasing goods and services for other businesses]; computerized file management; import-export agency services; advertising agency services; auctioneering services; retail or wholesale services for pharmaceutical, veterinary and sanitary preparations and medical supplies; development of advertising concepts; commercial information and advice for consumers [consumer advice shop]; commercial information agency services; television advertising; marketing; marketing studies; market studies; opinion polling; public relations services; online advertising on a computer network; website traffic optimization; organization of exhibitions for commercial or advertising purposes; pay per click advertising; presentation of goods on communication media, for retail purposes; price comparison services; production of teleshopping programmes; production of advertising films; radio advertising; news clipping services; sponsorship search; systemization of information into computer

databases; telemarketing services; organization of trade fairs for commercial or advertising purposes; dissemination of advertising matter; writing of publicity texts; publicity material rental; commercial intermediation services; advertising by mail order; distribution of samples; direct mail advertising; demonstration of goods; advertising, marketing and promotional services; commercial services and consumer information, namely auctioneering, negotiation of contracts relating to the purchase and sale of goods, arranging of collective buying, business evaluations, arranging of competitions for advertising purposes, commercial information agency services, import and export agency services, negotiation of business contracts for others, online ordering, price comparison, procurement services for others, arranging subscriptions to telecommunication services for others; retail and wholesale services relating to marijuana and cannabis goods, namely, non-medicated cosmetics and toiletry preparations, non-medicated dentifrices, perfumery, essential oils, body cleaning and beauty care preparations, medicine, cannabis related products, namely, oils, salves, concentrated pastes, tinctures, tablets and capsules, dietary supplements, cannabis derivatives and natural health products, containing cannabis, namely, nutraceuticals and herbs for medicinal purposes, herbal preparations for medicinal use, smoking herbs for medicinal purposes, resins and oils for medical or therapeutic purposes, mineral food supplements, mineral water salts, nutritional supplements, dietary supplements for humans; retail and wholesale services relating to dietary supplements; office machines and equipment rental; consultancy and information in relation to the aforesaid services, included in this class.

Class 42 Scientific and technological services and research and design relating thereto; industrial analysis and research services; chemical analysis; chemical laboratories; chemical research; research and development of new products for others; medical research; quality control; technological research; scientific research; scientific laboratory services; medical and pharmacological research services; research laboratories; testing of

botanical extracts; development of medical marijuana and cannabis and equipment and products for administering medical marijuana and cannabis; product development services in the field of medical marijuana and cannabis; research services in the field of medical marijuana and cannabis; creating online communities for registered users to participate in discussions, provide and obtain feedback from other registered users, form virtual communities and engage in social networking in the field of medical marijuana and cannabis products; maintenance of a website providing health and medical information regarding the health benefits, risks and effects of using marijuana and cannabis products; providing information related to scientific and medical research in the field of medical marijuana and cannabis on a website; maintenance of a website providing information related to scientific and medical research in the field of medical marijuana and cannabis; hosting an interactive web site that allows users to enter, access, track progress, monitor and generate medical and physiological information.

Class 44 Agriculture, aquaculture, horticulture and forestry services; farming (animals); farming (crops); horticulture; gardening; landscape design; floral landscape design; farming equipment rental; aquaculture; forestry; animal healthcare services; animal grooming services; human healthcare services; medical services; dentistry; pharmaceutical consultancy services; opticians' services; mental health services; rental of equipment for human healthcare; human hygiene and beauty care; tattooing; rental of equipment for human hygiene and beauty care; providing information in the field of medical marijuana, and regarding indications and effects of particular cannabis strains, and regarding medical marijuana dispensaries, inventories and locations; providing of information relating to dietetic foodstuffs and nutritional supplements; pharmacy services; dispensing of medicines; medical information; providing medical information; provision of information relating to pharmaceuticals and other drugs; providing information in the field of medical marijuana dispensary inventories and locations; providing information of medical marijuana inventories and locations via websites;

information, consultancy and advisory services relating to all the aforesaid, including such services provided on-line from a computer database or via the internet.

## **CONCLUSION**

61. As both parties have achieved what I regard as a roughly equal measure of success, I direct that both parties should bear their own costs.

**Dated this 18<sup>th</sup> day of October 2023**

**L FAYTER**

**For the Registrar**