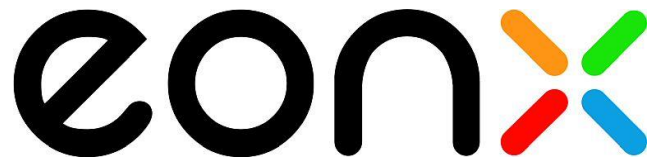


O-1155-23

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. WO0000001620031
BY EonX SERVICES PTY LTD IN RESPECT OF THE TRADE MARK**



IN CLASSES 9, 35, 36, 39

**AND IN THE MATTER OF OPPOSITION THERETO UNDER NO. 431407 BY E.ON
SE**

BACKGROUND AND PLEADINGS

1. EonX Services Pty Ltd. (“the holder”) is the holder of an International Registration designating the UK number WO0000001620031, the relevant details of which are:



Date designated the UK: 27 April 2021

Publication date: 26 November 2021

Class 9: *Application software for comparing pet insurance providers; computer programs for use in insurance; apparatus for payment with magnetically encoded cards; apparatus for payment with magnetically memory cards; apparatus for receiving cash payments; automatic distributors for pre-payment apparatus; mechanisms for pre-payment apparatus; tariff devices for recording payment; terminals for electronically processing credit card payments; terminals for the electronic payment of charges with credit cards; cryptocurrency wallets; wallet pouches for the storage of magnetic discs (specifically adapted).*

Class 35: *Administration of consumer loyalty programs; organisation and administration services in relation to the supply of benefits for customer loyalty and frequent buyer or frequent flyer schemes; organisation and management of customer loyalty programmes; administration and management of consumer loyalty programs; organisation and management of discount card loyalty schemes; organisation, operation and supervision of customer loyalty schemes; sales promotion through customer loyalty programmes.*

Class 36: *Collection of payments; electronic payment services; financial payment services; financial management of reimbursement payments for others; payment processing services; payment transaction card services; processing of debit card payments; processing of payments for banks; issuing*

of tokens of value in relation to customer loyalty schemes; issuing of vouchers or tokens of value in relation to the supply of benefits for customer loyalty and frequent buyer schemes.

Class 39: *Provision of travel services from customer loyalty and frequent buyer schemes; transportation services provided in relation to a customer loyalty or frequent buyer scheme; travel booking and reservation services provided in relation to a customer loyalty or frequent buyer scheme.*

2. E.ON SE (“the opponent”) opposes the designation. The opposition is brought based upon section 5(2)(b), 5(3) and section 5(4)(a) of the Trade Marks Act 1994 (“the Act”). In respect of the grounds based upon sections 5(2)(b) and 5(3), the opponent relies upon four earlier marks, the relevant details of which are shown below:

WO0000000742402 (“the ‘402 mark”)



UK Designation Date: 3 July 2000

Priority Date: 6 April 2000 (Germany)

Date of Protection in UK: 4 April 2001

Goods and services relied upon:

Class 35: *Advertising; business management; business administration; office functions.*

Class 36: *Insurance; financial affairs; monetary affairs; real estate affairs.*

Class 39: *Transport, energy and power supply, particularly supply of electricity, gas and water; packaging and storage of goods; travel arrangement; distribution of electricity, gas and water.*

Use and reputation is claimed in respect of all of these services

UK Comparable Mark 916773641 (“the 641” mark)

E.ON Connect

Filing Date: 26 May 2017

Registration Date: 25 September 2017

Goods and services relied upon:

Class 9: *Apparatus for measuring, monitoring and analyzing electricity consumption; computer software for measuring, monitoring and analyzing electricity consumption; mobile apps for measuring, monitoring and analyzing electricity consumption; smart home automation electronic devices; electronic devices for environmental monitoring, control and automation; computer software for use in environmental monitoring, control, and automation systems; electronic devices and computer software that allow users to remotely interact with environmental monitoring, control, and automation systems; electronic devices and computer software that allow the sharing and transmission of data and information between devices for the purposes of facilitating environmental monitoring, control, and automation; smart home automation electronic devices; Electrical sensors; Electronic sensors; Electronic surveillance equipment and monitoring modules to monitor power consumption; Electric control devices for energy management; Electronic device software drivers that allow computer hardware and electronic devices to communicate with each other; Systems and software for switching and regulating energy consumers; Systems and software for switching and regulating*

electricity consumers; Systems and software for switching and regulating power generators; Systems and software for switching and regulating energy generators; Systems and software for remote maintenance of technical systems; Systems and software for remote monitoring of technical systems; Systems and software for remote control of technical systems; Systems and software for remote maintenance of power supply devices; Systems and software for remote monitoring of power supply devices; Systems and software for remote control of power supply devices; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus and instruments for measuring, signalling, checking (supervision) and checking of electricity; computer programs for information, analysing and reporting of energy use, energy efficiency, energy saving, cost analysis, administration, energy analysis, invoice management, ecological reports, analysis of environmental influence, trend reporting and alarm systems.

Class 35: *Advertising; business management; business administration; office functions.*

Class 36: *Insurance; financial affairs; monetary affairs; real estate affairs.*

Class 39: *Transport, energy and power supply, particularly supply of electricity, gas and water; packaging and storage of goods; travel arrangement; distribution of electricity, gas and water.*

UK Comparable Mark 916773632 (“the 632 mark”)

E.ON Drive

Filing Date: 26 May 2017

Registration Date: 9 November 2017

Goods and services relied upon:

Class 9: *Charging stations for electric vehicles; battery changing devices for motor vehicles; charging stations for vehicles; electronic device software drivers that allow computer hardware and electronic devices to communicate with each other; electric batteries for powering electric vehicles; batteries for electric vehicles; apparatus and instruments for collecting, conducting, switching, transforming, accumulating, regulating or controlling electricity; electric accumulators for vehicles; electric cables; transformers; electric display apparatus; connectors (electricity), electrical fittings; electric junction boxes; limiters (electricity); anti-interference devices (electricity); electric control devices for energy management; electrical sockets; data processing equipment; computer programs for information, analysing and reporting of energy use, energy efficiency, energy saving, cost analysis, administration, energy analysis and invoice management; mobile apps for information, analysing and reporting of energy use, energy efficiency, energy saving, cost analysis, administration, energy analysis and invoice management; measuring, monitoring and control apparatus and instruments for the transportation, distribution and supply of electrical energy; electronic and electrical installations, apparatus and installations; power distribution boxes; power supply units; power supplies.*

Class 35: *Billing services in the field of energy; energy price comparison services; tracking and monitoring energy consumption for others for account auditing purposes; assistance and consultancy services in the field of business management in the energy sector; advertising and advertisement services relating to electrical energy and electric vehicles; business consultancy and business information with regard to the sale of electric vehicles.*

Class 36: *Insurance; financial services, in particular decentralized financial services; banking services; consultancy concerning financing of energy projects, financial consultancy in the energy sector.*

Class 39: *Distribution of energy; distribution of renewable energy; storage of energy; transportation, supply and distribution of electricity.*

UK Mark 3476357 ("the 357 mark")

E.ON NEXT

Filing Date: 20 March 2020

Registration Date: 14 August 2020

Goods and services relied upon:

Class 9: *Charging stations for electric vehicles; battery charging devices for motor vehicles; computer software and mobile apps for analyzing and managing energy distribution, consumption and storage; computer programs for information, analysing and reporting of energy use, energy efficiency, energy saving, cost analysis; Smart home software; smart home automation electronic devices; wireless-operated apparatus for reading data from (smart) meters; smart meters.*

Class 39: *Distribution of energy; Distribution of renewable energy; Electricity distribution by pipelines and cables; transportation, supply and distribution of electricity; Storage of energy and fuels; rental of energy supply networks to third parties; Gas supplying [distribution].*

3. The earlier mark WO0000000742402 has been registered for more than five years before the date of designation of the contested mark and is consequently subject to

the use provisions under the Act.¹ The other three earlier marks were all registered within five years of the date of designation and not subject to the proof of use provisions.

5. The opponent claims that the word EON is the dominant and distinctive element of its earlier marks. It claims that the additional element “X” in the applicant’s mark and the additional words “Drive”, “Connect” and “Next” in its earlier marks are either descriptive and/or non-distinctive for the products and services covered by the respective marks. It concludes that the respective marks are highly similar. It also claims that the holder’s goods and services are identical to certain of the opponent’s goods and services. It also relies on “extensive use and reputation” of its earlier marks that it claims results in an enhanced level of distinctive character.

6. In respect of the grounds based upon section 5(3) of the Act, the opponent claims an extensive reputation in respect to energy related products and services and has been supplying energy in the UK for many years and currently has over three million customers and twelve thousand UK employees. It repeats its comments regarding the claimed high level of similarity between the marks and it concludes that this will lead to consumers making a link between the respective marks. It argues that use of the holder’s mark will result in:

(i) unfair advantage being taken of the repute of its earlier marks by riding on their coattails and benefitting from the power of attraction and exploiting the reputation of these marks without paying financial compensation. This will result in a change to the economic behaviour of the relevant consumer because they will be more likely to purchase the holder’s goods and services as a result of this exploitation;

(ii) detriment to the reputation of the earlier marks because the opponent has no control over the quality of the holder’s goods and services that may be of an inferior nature;

¹ See section 6A of the Act.

(iii) detriment to distinctive character because use of the holder's mark will erode the ability of the earlier marks to act as a designation of the opponent and this will lead to a change of the economic behaviour of the relevant consumer.

7. The opponent also relies upon a claim of passing off under section 5(4)(a) of the Act. It asserts that it has built up a substantial reputation and goodwill in the UK in respect of energy goods and services. As a result of the similarities between the contested mark and the opponent's sign (that corresponds to the '402 mark), the consumers are likely to believe that the user of the contested mark is the same as or a linked undertaking to the opponent resulting in misrepresentation leading to damage and financial loss to the opponent.

8. The holder filed a counterstatement denying the claims and putting the opponent to proof of use in respect of its '402 mark. Additionally, it states that that '641 earlier mark is based upon EUTM 16773641 that was invalidated under cancellation number C39629 for all the claimed goods and services in classes 9 and 35. This remains subject to an appeal. It claims that, in accordance with Schedule 2A of the Act, paragraph 21A², upon these EU proceedings becoming final, the '641 mark must be declared invalid to the same extent as EUTM 16773641 and it should not be capable of supporting an opposition on the basis of its class 9 goods and class 35 services.

9. The parties both filed evidence. A hearing took place before me on 19 July 2023 where the opponent was represented by Robert Furneaux of Sipara and the holder was represented by Mark Wilden of counsel, instructed by RWK Goodman.

10. 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

² Where proceedings were pending on IP completion day (31 December 2020) against the base EUTM upon which a UK comparable mark is based "the registration of the comparable trade mark (EU) which derives from the existing EUTM must be revoked or declared invalid to the same extent as the existing EUTM."

of the Act relied upon in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

Evidence

11. The opponent's evidence consists of a witness statement by Scott Somerville, Head of Brand & Marketing of E.ON UK plc, together with Exhibits SS1 – SS18. He states that he has personal knowledge of all aspects of E.ON UK's business and that it is a wholly owned subsidiary of the opponent. He states that he is authorised by E.ON UK and the opponent to make the statement. This evidence provides information regarding the opponent, the history of its brand and use of its marks.

12. The holder's evidence consists of the witness statement of Andrew Kallen, director and company secretary of the holder. Mr Kallen states that he has personal knowledge of the holder's activities and the activities of all other companies in the EONX group. He is authorised to make the statement and does so from facts and matters that are within his own knowledge. This is accompanied by Exhibit AK1. Mr Kallen provides information regarding the holder's business and brand. He also provides an explanation of how the holder's business operates by reference to the list of goods and services, and he offers opinions on the similarity or otherwise between the holder's terms and those of the opponent.

DECISION

Proof of use of the opponent's '402 mark

13. The relevant statutory provisions are as follows:

“6A – (1) This section applies where

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a),
 - (aa) or (ba) in relation to which the conditions set out in section 5(1), (2)

or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes –

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5)-(5A) [Repealed]

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

14. Section 100 of the Act states that:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

15. Pursuant to section 6A of the Act, the relevant period for assessing whether there has been genuine use of the earlier marks is the five-year period ending with the filing date of the application at issue or, in the case of an international designation, the date of designating the UK, i.e. 28 April 2016 to 27 April 2021.

16. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J (as he then was) summarised the law relating to genuine use as follows:

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)*

[EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21].

But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

17. At the hearing Mr Furneax informed me that the holder had admitted, in correspondence, that the opponent had used its ‘402 mark in respect of the following services:

Class 39: ... *energy and power supply, particularly supply of electricity, gas ...*

18. This appears to be a sensible concession in light of Mr Somerville’s evidence that:

- The opponent is one of the “big five” energy providers in the UK;³
- It provides energy to 10.3 million customers in the UK;⁴
- It is the second biggest supplier of domestic energy in the UK;⁵
- It has used the E.ON brand in the UK since 2002 after acquiring the UK power company Powergen.⁶

19. Mr Furneaux also submitted that the opponent has used its marks in relation to certain of the services listed in Class 35 and Class 36. These submissions are detailed and discussed below:

Class 35: *Advertising; business management; business administration; office functions.*

20. Mr Furneaux referred me to Exhibit SS18 (pages 13/14) for evidence of the opponent’s use of its mark in respect of *advertising services* by providing advice and information about consumer information in relation to energy services and energy tariffs. This exhibit consists of screenshots from the opponent’s website where it promotes its own energy tariffs and the fact that it supplies 100% renewable electricity.

³ Mr Somerville’s witness statement (“WS1”) at [2]

⁴ WS1 at [3]

⁵ WS1 at [2]

⁶ WS1 at [5]

This amounts to no more than the promotion of its own services and does not illustrate that it provides an advertising service to others. Therefore, I find that the opponent has failed to demonstrate any use in respect of its listed Class 35 services.

Class 36: *Insurance; financial affairs; monetary affairs; real estate affairs.*

21. Mr Furneaux referred me to Exhibit SS18 (pages 5/6/8 - 12) for evidence of the opponent's use of its mark in respect of *financial affairs* being the opponent's own energy payment services and energy repayment services. This is no more than offering various payment options to its customers for its energy supply services. It is not the provision of financial affairs but rather a business administration function that assists its customers in paying for the energy supplied by the opponent. This is not the provision of financial affairs services. The opponent has failed to demonstrate use of any of its listed Class 36 services.

Section 5(2)(b)

22. In light of the above, the opponent may rely on its '402 mark only insofar as its following list of services:

Class 39: *... energy and power supply, particularly supply of electricity, gas ...*

23. In respect of the '641 mark, there remains a pending appeal against a decision regarding the validity of the EU mark upon which it is based. The holder claims that the '641 mark should be declared invalid to the same extent. The scope of the '641 mark can only be assessed after the proceedings have closed against the EU base mark and this includes any appeal against it. In the meantime, any findings in this decision based upon the '641 mark (as it currently stands) are provisional upon being able to assess the impact upon it of the concluded EU proceedings. I will comment on any implications for this decision at the end.

24. 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”.

25. The following principles are obtained from the decisions of the Court of Justice of the European Union (“the 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 C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

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

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

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

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when

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

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

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

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

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

(i) mere association, in the strict sense that the later mark brings 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

26. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment 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”.

27. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case,⁷ for assessing similarity were:

- (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.

28. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the General Court (“the GC”) stated that:

⁷ [1996] R.P.C. 281

“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 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.”

29. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court (“the GC”) stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

30. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.

31. Finally, I also keep in mind section 60A of the Act that states:

“(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.”

32. At the hearing, Mr Furneaux helpfully provided an annex to his skeleton argument in the form of a table setting out the opponent’s submissions regarding the similarity of the respective goods and services. For convenience, I will structure my considerations in the same way that he did in this table.

Class 9

Application software for comparing pet insurance providers; Computer programs for use in insurance

33. Mr Furneaux submitted that these goods are similar to its *financial services, in particular decentralised financial services* in Class 36 of the ‘632 mark because such financial services would include insurance services. He submitted that, therefore,

they share the same purpose and consumers and are likely to be offered by the same company. It is self-evident that goods are not identical to services because they are different in nature. I accept that financial services include insurance services and insurance comparisons. Such services may be delivered through application software and target the same consumers. This creates an element of similarity between the respective goods and services. There is an element of complementarity in that insurance services are essential and important for software that compares insurance and for programs for use in insurance. Taking all of this into account, I find that the respective goods and services share a reasonably high level of similarity.

34. In light of this finding, it is not necessary that I consider similarity of these goods to other of the opponent's services.

Apparatus for payment with magnetically encoded cards; apparatus for payment with magnetically memory cards; apparatus for receiving cash payments; automatic distributors for pre-payment apparatus; mechanisms for pre-payment apparatus; tariff devices for recording payment; terminals for electronically processing credit card payments; terminals for the electronic payment of charges with credit cards; cryptocurrency wallets;

35. Mr Furneaux submitted that such goods are identical or highly similar to the following of the opponent's Class 9 goods:

'641 mark: *Electronic device software drivers that allow computer hardware and electronic devices to communicate with each other; ...smart home automation electronic devices; Electrical sensors; Electronic sensors; Systems and software for remote control of technical systems and smart home software.*

'357 mark: *Smart home software; smart home automation electronic devices; wireless-operated apparatus for reading data from (smart) meters; smart meters*

‘632 mark: Charging stations for electric vehicles

36. He claimed that these goods include *smart meters* and related products that are identical or highly similar to the holder’s payment equipment. Mr Wilden submitted that the opponent has not provided any evidence to assist in the comparison of the *British Sugar* factors and in the face of Mr Kallen’s explanation that the respective goods are dissimilar and any evidence to support a contrary position, I must accept Mr Kallen’s position. Mr Kallen stated⁸ that based on his knowledge and experience in the market, these goods are not similar because their nature and functions are different and are highly unlikely to be bought or used together. He states that the holder’s goods are used to facilitate the making and tracking of payments but, in contrast, the opponent’s smart home automation electronic devices are used to control actions of electronic devices in the home in a domestic setting. In the main, I agree with Mr Kallen that the nature and function (purpose) are different. As a consequence, they are not in competition or obviously complementary. Neither is there anything before me to show that there is any overlap of trade channels. Taking all of this into account, I conclude that most of these goods share a very low or no similarity to the opponent’s goods.

37. There are two exceptions to this conclusion. Firstly, the holder’s *cryptocurrency wallets*. I understand this to describe a digital wallet for holding cryptocurrency. It is not clear how such goods are in any way similar or identical to any of the opponent’s goods or services and I find that they do not share any similarity.

38. The second exception is the comparison based upon the opponent’s *smart meters* listed in the ‘357 mark. This term includes pre-payment meters and therefore, these goods may have a payment function. However, the primary purpose of a smart meter is to record energy usage and to inform the user of that usage. Consequently, such goods are not in competition or even have the same trade channels as the holder’s various payment apparatus. Taking all of this into account, I conclude that if the holder’s goods share any similarity, it is only very low

⁸ at [18] – [20] of his witness statement

39. The opponent also relies upon the term *charging stations for electric vehicles* in the specification of its '632 mark. Once again, such goods may have a payment function built in but it is not their primary function. Therefore, my findings are the same as in the previous paragraph and I conclude that if the holder's goods share any similarity, it is only very low.

40. Further, the opponent relies upon the following Class 35 services listed in its '632 mark: *Billing services in the field of energy; ...energy price comparison services*. Mr Furneaux submitted that these services would use the payment apparatus listed in the holder's specification. This is not obvious to me. A billing service will inform consumers of the need to pay a bill but does not necessarily require payment apparatus and where it might do, it is not clear to me why the consumer would consider that the apparatus is provided by the same provider as the one to which the bill relates. The respective goods and services are fundamentally different in nature, with one being goods and the other services. The purpose of the holder's goods is to be a conduit for making payments whereas these *billing services* inform the consumer of how much energy they have used and how much it has cost. Their respective methods of use are different with the holder's goods being used to make payments by card, cash or digitally whereas the opponent's services form part of a business where goods/services are not paid for in advance and the provider provided an itemised list of what the customers have to pay. The consumer will not consider that a bill service provider is in anyway related to the provider of payment apparatus. In respect of the opponent's *energy price comparison services*, it is even less clear to me what the similarity to payment apparatus is. The nature of comparison services is that comparison data is presented to allow the customer to select the most appropriate provider of energy. At no point in this service is payment sought or required. Taking all of the above into account, I conclude that the respective goods and services are dissimilar.

41. Finally, the opponent also relies upon the services listed in its '402 mark, namely *energy and power supply, particularly supply of electricity, gas*. It was argued that energy/power supply services would use the payment equipment listed in the

holder's specification. My considerations are the same as in the previous paragraph and I find the respective goods and services to be dissimilar.

Wallet pouches for the storage of magnetic discs (specifically adapted).

42. Mr Furneaux conceded that these goods are not similar to any of the opponent's goods or services.

Class 35

43. Mr Furneaux submitted that all of the holder's services are similar to its *energy and power supply, particularly supply of electricity, gas* listed in the Class 39 specification of the '402 and '641 mark. I note that the '632 and the '357 marks also contain *supply of ... electricity* where the same arguments apply. He submitted that it is common for energy and other businesses to offer customer loyalty programs. The holder's services are administration/organisation/management/operation/supervision of loyalty programs/discount card loyalty schemes. I remind myself of the comments of Phillip Johnson, sitting as the Appointed Person in *SKYCLUB Trade Mark*, BL/044/21 when considering a very similar submission, where he stated:

"47. Loyalty schemes can relate to almost any business, from supermarkets to car rental companies, and from hotels to bookshops and banking. These schemes may even exist where trading is between businesses (and not between businesses and end consumers). Accordingly, loyalty schemes might be used for obtaining a broad spectrum of goods and services; indeed, in the case of supermarket loyalty schemes the "points" collected may be "spent" to obtain any goods sold on supermarket shelves. On the Appellant's submission this means, in essence, an application for loyalty schemes would be very similar to almost any goods and services included in an earlier application (essentially a variation of the "whole supermarket" argument). This cannot be right."

44. He went on to say that the starting point for the assessment of similarity should be based on the core meaning of the services being compared. In this respect, energy

supply and loyalty programs are fundamentally different in nature and purpose with one being the provision of energy, the other being a marketing method to reward regular customers. It follows that they are different in their methods of use and are not in competition. There is nothing before me that indicates that the respective services are complementary in the *Boston Scientific* sense. There is some overlap in trade channels in that the provider of goods or services may also provide a loyalty scheme, but this creates no more than a low level of similarity.

Class 36

Collection of payments; electronic payment services; financial payment services; financial management of reimbursement payments for others; payment processing services; payment transaction card services; processing of debit card payments; processing of payments for banks

45. Mr Furneaux submitted that these services are identical to *financial services, in particular decentralized financial services* listed in the '632 mark. I agree that all of the holder's services are covered by the opponent's broad term. All of the holder's services could be "decentralised", a term I understand to describe that the services are dispersed from a centralised source. I agree with Mr Furneaux and find that these services are identical.

46. He also submitted that these services are similar to *billing services in the field of energy* listed in Class 35 of the '632 mark. This cannot improve the opponent's position but, briefly, I disagree with Mr Furneaux. Billing is a service intended to inform a customer of the cost of purchasing goods and/or services and would normally set out ways to pay. The holder's services are financial services provided by a financial institution and for enabling payments between consumers and third parties. Therefore, they are different in nature, purpose, method of use. They are not in competition or complementary in the sense set out in *Boston Scientific*. Finally, their trade channels are different. I find that if there is any similarity it is only very low.

47. Again, whilst this cannot improve the opponent's case, I comment briefly on Mr Furneaux's submission that these services are similar to *computer programs for information, analysing and reporting of energy use, energy efficiency, energy saving, cost analysis; Smart home software; smart home automation electronic devices; wireless-operated apparatus for reading data from (smart) meters; smart meters* contained in the Class 9 specification of the '357 mark. For very similar reasons as set out in the previous paragraph, any similarity is very low.

Issuing of tokens of value in relation to customer loyalty schemes; issuing of vouchers or tokens of value in relation to the supply of benefits for customer loyalty and frequent buyer schemes

48. Mr Furneaux submitted that the holder's services are similar to the opponent's *energy and power supply, particularly supply of electricity, gas* listed in the Class 39 specification of the '402 mark. I also note that the same arguments would equally apply to the *supply of ... electricity* term contained in both the '632 and the '357 marks. The considerations here are very similar to those set out in my considerations in respect of the holder's Class 35 services. Applying these to the comparison here, I find that the respective services share no more than a low level of similarity.

Class 39

49. At the hearing, Mr Furneaux informed me that the opponent is not pursuing the opposition under section 5(2)(b) insofar as the ground related to the applicant's Class 39 services.

Comparison of marks



50. 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.”

51. It would be wrong, therefore, to dissect the marks artificially, 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.

52. The respective marks are shown below:

Holder's mark	Opponent's marks
	 <p data-bbox="927 1429 1134 1462">E.ON Connect</p> <p data-bbox="954 1541 1118 1574">E.ON Drive</p> <p data-bbox="948 1653 1125 1686">E.ON NEXT</p>

53. The opponent's first mark consists of the letter “e”, a dot and the letters “on” presented in red and in a stylised way. The colour and the stylisation contribute to the overall distinctive character of the mark, but the dominant and distinctive part are the letters “e on”. The dot plays a role in separating the letters so that it presents as the

letter “e” and the word “on”. The other three earlier marks consist of plain word marks that all begin with the letter “E”, a full stop, and the word “ON”. This element is then followed by ordinary and readily understood English words “Connect”, “Drive” and “NEXT” respectively. In respect to all three of these marks, the two elements remain independent and do not form a unit. The “E.ON” element appears at the front of each mark and has no meaning and, consequently, it is the dominant and distinctive element of each of these marks. The element “Connect” in the opponent’s second mark has a meaning with relevance to services such as *energy and power supply* because it may indicate that the customer connects to, for example, a particular type of power supply. It is, therefore, of a much lower level of distinctive character. Mr Furneaux explained that E.ON DRIVE is the opponent’s electromobility sub-brand but I note that many of its goods and services are not limited to such. The words “NEXT” has a less obvious meaning beyond possible vague allusions to the next i.e. newest offering. By virtue of all being ordinary, easily understood English words and appearing at the end of the mark, they contribute less to the overall distinctive character of the marks.

54. The holder’s mark consists of the letters “eon” appearing in black followed by four short and differently coloured dashes arranged so as to resemble the letter “X”. Despite there being no space between “eon” and the “X” figurative element, they present as two separate elements because of the contrast between the colours of the figurative “x” and the black of the word “eon”. The two elements retain independent distinctive character within the mark but, by virtue of being at the start of the mark, being three times the length of the figurative “X” element, it is the “eon” element that is the dominant and distinctive part.

55. Visually, the holder’s mark is similar to the opponent’s marks because they all contain the letters “e”, “o” and “n” in the same order, at the beginning of the mark. They differ in that in the opponent’s marks the letter “e” is separated from “on” by the presence of a dot or full stop. Further, the holder’s mark differs from the opponent’s marks in that the first elements have different visual presentation. The opponent’s second, third and fourth marks also all contain an additional word absent in the holder’s mark and the holder’s mark contains the figurative “X” element that is absent from the

opponent's marks. Taking all of this into account, I conclude that the holder's mark shares a medium level of similarity to the opponent's first mark and a low to medium level of similarity to its other three marks.

56. Aurally, the most likely way that both "e.on" and "eon" will be perceived is as the two syllables E-ON. The dot present in the opponent's marks may, if noticed, emphasise this aural presentation. I conclude that they are aurally identical. The holder's mark also contains the figurative element that is likely to be perceived as the letter "X" and expressed as such. This is a syllable absent in the opponent's marks. The opponent's second, third and fourth marks all contain the additional words "Connect", "Drive" or "NEXT" that add one or two syllables to these marks that are absent from the holder's mark. Taking all of this into account, I conclude that the holder's mark shares between a medium and high level of aural similarity to the opponent's first mark and a medium level of similarity to the other earlier marks.

57. Conceptually, Mr Furneaux pointed to the meaning of the word "eon" as being "an indefinite and very long period of time". I accept that the holder's mark is likely to be perceived by consumers as having such a meaning. The figurative "x" element of the holder's mark will not convey any obvious meaning. The opponent's marks all contain the letter "e" and the word "on" separated by a dot or full stop. Where the consumer perceives the letter "e" and the word "on", the respective marks will be conceptually different. In circumstances where the dot or full stop present in the opponent's marks is overlooked by the consumer then both parties' marks will be perceived as containing the same concept created by the word "eon" and they share a medium high level of conceptual similarity. I consider these two perceptions are equally likely.

58. Whilst, the words "Connect", "Drive" and "NEXT" present in the opponent's second, third and fourth marks respectively all convey concepts based on their easily understood meaning as everyday English words. These meanings are absent from the holder's mark and create a conceptual difference that lowers the conceptual similarity of the whole marks (in situations where the consumer perceives the first part of the opponent's marks as the word "eon") to a low to medium level.

Average consumer and the purchasing act

59. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. 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.

60. 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. (as he then was) 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.”

61. Mr Furneaux submitted that the relevant consumer is the general public who will have an average degree of care and attention during the purchasing process of the respective goods and services. On the other hand, Mr Wilden submitted that all of the holder's goods and services are provided on a business-to-business basis. I agree with Mr Wilden in respect of some of the holder's goods and services. For example, *terminals for electronically processing credit card payments* in Class 9, *administration of consumer loyalty programs* in Class 35 and *processing of payments for banks* in Class 36 are all clearly business to business goods and services. However, some of the holder's goods and services could also be provided to general consumers, such as *cryptocurrency wallets* in Class 9, *electronic payment services* in Class 36. In conclusion, I find that the average consumers for the respective goods and services may, in some cases, be business consumers but that many of the goods and services could be provided to both business and personal users.

62. The degree of care and attention will vary depending on the complexity of the goods and services being considered. For example, the *processing of payments for banks* is likely to be a complex service where the customer would carefully consider the costs and suitability of the holder's offering as well as other third-party offerings. In such circumstances the level of care and attention is likely to be reasonably high. Conversely, services such as *application software for comparing pet insurance providers* may be targeted at, and accessed by, consumers of pet insurance and is not likely to involve more than a moderate level of care and attention.

63. In all cases, the purchasing process is likely to be visual in nature with consumers choosing the respective goods and services following Internet research or in person. I keep in mind that aural considerations may play a part where purchases may be made over the telephone or where word of mouth recommendations are relied upon.

Distinctive character of the earlier trade mark

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

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *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).”

65. 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 the mark can be enhanced by virtue of the use that has been made of it.

66. Based upon his submission that E.ON will be perceived as the word “eon”, Mr Furneaux submitted that the E.ON element of the opponent’s marks are unusual and distinctive in respect of the goods and services in issue. Mr Wilden submitted that the letter “e” in e.on would be perceived as a reference to electricity. Whilst I cannot rule out that consumers may perceive this (in circumstances where they notice the full stop), I have also found that it is equally likely that it will be perceived as the word “eon”. Regardless, I conclude that both perceptions will result in at least a medium level of inherent distinctive character. The position is similar when considering the opponent’s E.ON Connect, E.ON Drive and E.ON NEXT marks. Mr Furneaux submitted that the second element of each of these marks consists of a descriptor. They do not appear wholly descriptive, but I accept that they present as allusive elements, however, this does not change the level of inherent distinctive character to any material extent when compared to the E.ON element alone. These three marks are also endowed with at least a medium level.

67. Mr Furneaux also submitted that all of the earlier marks and in particular the E.ON mark possess an enhanced level of distinctive character. I found earlier (and it was conceded by the holder) that the opponent had genuinely used its ‘402 mark in respect of *energy and power supply, particularly supply of electricity, gas*. On the basis of the evidence, I summarised briefly at [19], above, it is also clear that this mark has

acquired a significant enhancement to its distinctive character on the basis of the significant use made of the mark in the UK in respect of these services.

68. In respect of the opponent's E.ON Next mark, I note that it is used by E.ON Next Energy Limited, a subsidiary of the opponent and used with its consent.⁹ This company took on the business of Npower in 2019 with 2 million of its customers being transferred over in May 2021.¹⁰ Whilst this was only 5 months prior to the relevant date, this indicates the strong position this mark had in the UK market from at least that point and I conclude that this mark also benefits from some enhanced distinctive character, but not to the same high level of the '402 mark. There is no such evidence in respect of the opponent's E.ON Connect mark and I conclude that it does not benefit from an enhanced level of distinctive character. In respect of the opponent's E.ON Drive mark, there is some evidence showing that it is used as the name of an app for finding electric vehicle charging stations¹¹ but little other information and I am unable to conclude that this mark benefits from any enhancement to its distinctive character.

Global Assessment – Conclusions on Likelihood of Confusion

69. 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 simple formula for determining whether there is a likelihood of confusion. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. I must make a global assessment of the competing factors (*Sabel* at [22]), keeping in mind the interdependency between them i.e. a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective goods and vice versa (*Canon* at [17]). In making my assessment, I must consider the various factors from the perspective of the average consumer, bearing in mind that the average consumer rarely has the opportunity to make direct comparisons between marks and must

⁹ Mr Sommerville's witness statement at [6]

¹⁰ Exhibit SS2d

¹¹ See Exhibit SS12 at pg 6

instead rely upon the imperfect picture of them he has retained in his mind (*Lloyd Schuhfabrik* at [26]).

70. In the current case, I have found that:

- The holder's goods and services vary from sharing no similarity to the opponent's goods and services to being identical;
- The "e-on"/"E.ON" element is the dominant and distinctive part of all four of the opponent earlier marks and in respect of the '641, '632 and '637 marks the additional elements CONNECT, DRIVE and NEXT do not form a unit with the "e-on" element,
- The holder's mark consists of the word "eon" and a figurative element that is likely to be perceived as the letter "x". The "eon" element is dominant and distinctive, but the "x" figurative element also contributes to the overall distinctive character;
- The holder's mark shares a medium level of visual similarity to the opponent's e-on mark and between a low and medium level of similarity to the opponent's other three earlier marks;
- It shares between a medium and high level of aural similarity to the e-on mark and a medium level of similarity to the opponent's other three earlier marks;
- Where the consumer perceives the letter "e" and the word "on" in the opponent's marks, the respective marks will be conceptually different. In circumstances where the dot or full stop present in the opponent's marks are overlooked then both parties' marks will be perceived as containing the same concept created by the word "eon" and the holder's mark shares a medium high level of conceptual similarity to the opponent's '402 mark. The addition of the words CONNECT, DRIVE or NEXT to the opponent's remaining marks reduces conceptual similarity to a low to medium level. I consider that it is equally likely that the opponent's marks will be perceived as containing (i) the letter "e", a dot or full stop and the word "on", and (ii) the word "eon";
- The average consumer of the respective goods and services can be the general public or business consumers and sometimes both. The purchasing process is

visual but aural considerations may play a part. The level of care and attention during the purchasing process varies between moderate and reasonably high;

- All of the opponent's earlier marks are endowed with at least a medium level of inherent distinctive character. The distinctive character of the '402 mark is significantly enhanced in respect of the opponent's core services. Its '357 mark (E-ON Next) also benefits from some enhanced distinctive character, but this is more moderate than in respect of the '402 mark. The '641 and '632 mark do not benefit from an enhanced level of distinctive character.

71. I keep all these findings in mind when considering whether a likelihood of confusion exists. The fact that the first element of both parties' marks include the same three letters E, O and N is a strong pointer towards a likelihood of confusion. In all marks this is the dominant and distinctive element. The dot/full stop present in the opponent's marks emphasises that the element consists of the syllables E and ON but does not fundamentally change the aural characteristics and these elements will be expressed identically to the word "eon" present in the holder's mark. Further, a significant proportion of relevant consumers will not notice the dot/full stop or, if they notice it, they are likely to place no significance upon its presence in the opponent's marks. When I factor in that imperfect recollection is a factor, this further reinforces such a finding. I keep in mind that the stylisation of the letters "eon" in the holder's mark differs from the stylisation of the same letters in the opponent's '402 mark but this may go unnoticed or, if it noticed at all, will be put down to a new or amended corporate style rather than to it being because they originate from different entities. The other three earlier marks are word only and as such may be used in any ordinary font, some of which may be very similar to the stylisation present in the first element of the holder's mark.

72. Having made the above observations, I remind myself that I must consider the respective marks as whole and not artificially dissect the marks. In doing so, I recognise that the respective second elements of all the marks are different and these differences are sufficient to make it unlikely that there is direct confusion where one mark is mis-recalled as the other.

73. However, I must also consider whether there is indirect confusion, where the consumer perceives the marks as not being identical but, nevertheless, because of their similarities believes that the goods and services provided under the marks originate from the same or linked undertaking. Mr Furneaux referred to *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, where Mr Iain Purvis Q.C., as the Appointed Person, explained that:

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

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

- (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (‘26 RED TESCO’ would no doubt be such a case).
- (b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as ‘LITE’, ‘EXPRESS’, ‘WORLDWIDE’, ‘MINI’ etc.).

- (c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)".

74. Mr Furneaux also referred to *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, where 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. It is not sufficient that a mark merely calls to mind another mark: *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17. This is mere association not indirect confusion.

75. I recognise that the instances identified by Mr Purvis were not intended to be exhaustive and in the current case the similarities and differences in the respective marks are such that the (a) instance applies to some degree here. The first elements of all the respective marks consist of the letters "e", "o" and "n", but I recognising the slight differences already identified. In respect of *provision of energy and power supply, particularly supply of electricity, gas*, the opponent's "e-on" benefits from at least a medium level of inherent distinctive character and that this is enhanced because of the significant use made of it in respect of these services. I also keep in mind that the '357 mark (E.ON Next) also benefits from at least a medium level of inherent distinctive character but the evidence illustrates that this is enhanced to a lesser degree than for the '402 mark. The inherent level of distinctive character of the remaining two earlier marks are not enhanced through use, but nonetheless still benefit from at least a medium level of inherent distinctive character. The level of enhanced distinctive character is immaterial to my findings because I would reach the same conclusion even if the opponent could rely upon the inherent level of distinctive character of its marks. Therefore, "the average consumer would assume that no-one else, but the brand owner would be using it in a trade mark". In the current case I

find that this would only apply to goods and services that share a low to medium level of similarity or higher.

76. Therefore, the opposition succeeds against the following list of goods and services:

Class 9

Application software for comparing pet insurance providers; Computer programs for use in insurance

(reasonably highly similar to *financial services, in particular decentralized financial services* in the Class 36 specification of the '632 E.ON Drive mark)

Class 36

Collection of payments; electronic payment services; financial payment services; financial management of reimbursement payments for others; payment processing services; payment transaction card services; processing of debit card payments; processing of payments for banks

(identical to *financial services, in particular decentralized financial services* in the Class 36 specification of the '632 E.ON Drive mark)

77. In reaching this finding, I do not ignore the impact of the additional elements in all the marks but find that the figurative “x” element of the holder’s mark as an additional element of lower distinctive character in the mark as a whole. Also, the “Next”, “Connect” and “Drive” elements of the opponent’s marks are likely to be perceived as having an allusive meaning and contributing less to the distinctive character of the marks. The common occurrence of the letters “e”, “o” and “n” at the start of all of the marks and the fact that many consumers are likely to perceive these letters (in all the marks) as the word “eon” is sufficient for the consumer to believe that the goods and services listed in paragraph 76, above, originate from the same or linked undertaking.

78. In respect of the remaining goods and services, I find that the fact that both parties’ marks contain an “eon” element will, if noted at all, will be put down to no more than

coincidence. Therefore, the ground based upon section 5(2)(b) fails against all the other of the holder's goods and services.

Section 5(4)(a)

79. The opponent relies upon a claimed goodwill in respect of a sign the same as its '402 mark and for *energy goods and services*. This is a broader description of goods and services than I have found that the opponent's mark enjoys an enhancement to its distinctive character. At the hearing, Mr Furneaux submitted that the evidence shows use in respect of application software. Clearly, the opponent uses application software to interact with its customers, but it is not a provider of application software *per se*. and it does not conduct a trade in such software. Consequently, its goodwill does not extend to such goods. Whilst I realise the test for establishing enhanced distinctive character under section 5(2) is not the same as the test for establishing goodwill under section 5(4)(a), in the current case, I consider it correct to conclude that the evidence illustrates goodwill in respect of a subset of the goods and services claimed, namely *energy and power supply, particularly supply of electricity, gas*.

80. At the hearing, Mr Furneaux referred me back to the same evidence as relied upon for the purposes of demonstrating reputation and enhanced distinctive character of the opponent's mark and also his earlier submissions regarding the similarity of the respective marks and goods and services under section 5(2)(b). He concluded by submitting that, as well as likelihood of confusion, there will also be misrepresentation and damage. I recognise that the test for misrepresentation is different to that for likelihood of confusion, namely, that misrepresentation requires "a substantial number of members of the public are deceived" rather than whether the "average consumer are confused". However, as recognised by Lewinson L.J. in *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, it is doubtful whether the difference between the legal tests will produce different outcomes. Certainly, I believe that this is the case here and I find that members of the public are likely to be misled into purchasing the holder's goods and services in the belief that they are the opponent's goods and services only to the same extent that there exists a likelihood of confusion.

81. In summary, the opposition succeeds but only to the same extent as it succeeds under section 5(2)(b).

Section 5(3)

82. Section 5(3) states:

(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark,

(b) *Repealed*

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

83. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark

have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

84. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the marks have achieved a level of knowledge, or reputation, amongst a significant part of the public. Secondly, the opponent must establish that the public will make a link between the marks, in the sense of the earlier marks being brought to mind by the contested mark. Thirdly, assuming the foregoing conditions have been met, section 5(3) requires that one or more of three types of damage claimed by the opponent will occur. It is not necessary for the purposes of section 5(3) that the goods or services are similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

85. The relevant date for the assessment under this ground is the filing date of the contested application. In the case of an International mark this is the date of designation of the UK, namely 27 April 2021.

Reputation

86. The requirements under section 5(3), namely, that the earlier mark has a reputation, that there is a link between the respective marks such that use of the opponent's marks lead to an unfair advantage or detriment, are cumulative and the applicant can only succeed under this ground if its first demonstrates that it has the requisite reputation.

87. At the hearing, Mr Furneaux limited the scope of the opponent's claim to a reputation only in respect of the '402 mark and in respect of *energy and power supply, particularly supply of electricity, gas*. The holder accepts that the opponent's '402 mark has the requisite reputation in respect of these services. *energy and power supply, particularly supply of electricity, gas*.

Link

88. It is necessary for the relevant public, when confronted with the contested mark, to make a link with the earlier reputed marks and this includes the bringing to mind the earlier mark. Mr Wilden submitted that I should follow the findings of the hearing officer in *EOS Trade Mark*, BL O/0540/23 and find that there is no link. I note that the mark comparison in that case was in respect of a different mark and, consequently, different considerations were in play compared to the current case. Therefore, I must consider the circumstances in the current case independent of that conducted by the hearing officer in the *EOS* case.

89. Whether a link exists must be assessed globally taking account of all relevant factors. These factors include:

Degree of similarity between the respective marks

90. I found earlier that the holder's mark shares a medium level of visual similarity to the opponent's mark, between a medium and high level of aural similarity and that at

least a substantial proportion of the public will perceive the respective marks as being conceptually similar to a medium high degree.

Degree of similarity between the goods/services

91. I must consider the similarity of the holder's goods and services to the services listed in the opponent's '402 mark:

Class 9

I found earlier that insofar as the opponent relied upon the '402 mark to challenge the holder's goods in this class, that the respective services were dissimilar.

Class 35

I found earlier that the holder's services share a low level of similarity.

Class 36

I found earlier that the opponent's services share no more than a low level of similarity to the holder's *issuing of tokens of value in relation to customer loyalty schemes; issuing of vouchers or tokens of value in relation to the supply of benefits for customer loyalty and frequent buyer schemes.*

At the hearing (and the table provided by Mr Furneaux) there was no reliance of the '402 mark in respect of the holder's other Class 36 services and, for the avoidance of doubt, the holder's payment and financial services provided to third parties have no or a very low similarity of similarity to the opponent's energy supply services. Merely because the opponent operates its own payment systems to allow its customers to pay for the energy they use does not support any claim to similarity.

Class 39

At the hearing, Mr Furneaux informed me that the opponent was not pursuing the holder's Class 39 specification under section 5(2)(b). When doing so, Mr Furneaux submitted that the respective services share a very low level of similarity but that it is common for energy and other service businesses to offer customer loyalty programmes. I considered the issue between the opponent's services and elements of customer loyalty schemes when considering the similarity of the holder's Class 36 specification to the opponent's services. In those circumstances, I found that they shared no more than a low level of similarity. The considerations in respect to the holder's Class 39 services are slightly different in that they are related to travel and transportation and, therefore, related to a different field to that in which the opponent has a reputation. Consequently, I find that the respective services are not similar.

The extent of the overlap between the relevant consumers for those goods/services

92. I have found that the average consumer of the respective goods and services are the general public or business consumers and sometimes both. The opponent provides its services to energy users and the holder provides to consumers of goods and services that can be paraphrased as being payment apparatus, provision of loyalty programs for third parties and payment services for others. There is little by way of overlap of consumers.

The strength of the earlier mark's reputation and distinctiveness

93. The opponent is one of the UK's "big five" energy providers with 10.3 million customers and has used the E.ON brand in the UK since 2002. This scale of use results in the mark benefitting from a strong reputation and a significantly enhanced level of distinctive character.

94. I take all of the above into account but keep in mind that none of the opponent's success under section 5(2)(b) was as a result of reliance upon its '402 mark. Whilst recognising that the test for establishing a link is lower than for establishing a likelihood of confusion, I consider that the distance between the respective goods and services is sufficient that a link will not be established or, if I am wrong, and the opponent's mark is brought to mind, it will be dismissed as no more than coincidence.

95. In summary, the section 5(3) ground must fail because of the absence of the requisite link.

SUMMARY

96. The opposition is partially successful under section 5(2)(b) and section 5(4)(a) but failed under section 5(3). Consequently, the holder's mark is refused insofar that it covers the following goods and services:

Class 9

Application software for comparing pet insurance providers; Computer programs for use in insurance.

Class 36

Collection of payments; electronic payment services; financial payment services; financial management of reimbursement payments for others; payment processing services; payment transaction card services; processing of debit card payments; processing of payments for banks

97. It fails against all other of the holder's goods and services.

98. Reliance upon earlier mark '641 places the opponent in no better position and, therefore, there is no need to make any part of this decision provisional upon the fate of that earlier mark.

COSTS

99. The parties both achieved a degree of success, and the parties should bear their own costs.

Dated this 5th day of December 2023

Mark Bryant
For the Registrar