BL O/1164/23

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF INTERNATIONAL REGISTRATION NO. WO0000001610943
DESIGNATING THE UK
BY LIEBHERR-WERK EHINGEN GMBH

LG

IN CLASSES 7 AND 9

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 431865
BY GUANGXI LIUGONG GROUP CO., LTD

AND

IN THE MATTER OF UK TRADE MARK
REGISTRATION NO. UK00810994281
IN THE NAME OF GUANGXI LIUGONG GROUP CO., LTD
FOR THE TRADE MARK:

IN CLASS 3

AND

THE APPLICATION FOR REVOCATION THEREOF UNDER NO. 505016
BY LIEBHERR-WERK EHINGEN GMBH

BACKGROUND AND PLEADINGS

1. International trade mark 1610943 ("the IR") consists of the sign "**LG**" as shown on the cover page of this decision. The holder is Liebherr-Werk Ehingen GmbH ("LWE"). The IR is registered with effect from 24 February 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 3 February 2021 in the EU.

2. The request to protect the IR was published on 21 January 2021. On 16 March 2022, Guangxi Liugong Group Co., Ltd ("GLGC") 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 7 — Tools (parts of cranes); cranes of all kinds, in particular tower cranes, automobile cranes, deck cranes, container cranes, mobile wharf cranes, crawler cranes, stacker cranes (reach stackers); tools and attachment tools, including buckets, grippers, shovels (parts of cranes); cabins for cranes; telescopic wheel loaders; support systems (parts of machines), in particular for mobile cranes and truck-mounted concrete pumps; support systems (parts of cranes), in particular for mobile cranes and truck-mounted concrete pumps; support systems (parts of truck-mounted concrete pumps), in particular for mobile cranes and truck-mounted concrete pumps; hydraulic quick coupling systems for installers and quick hitches.

Class 9 — Surveying, optical, measuring, signalling and checking (supervision) apparatus and instruments, in particular gear measuring devices, distance measuring systems, position detection systems, measuring tapes, rulers; electronic control systems for mixing installations; electronic controls, in particular for cranes of all kinds, earth-moving equipment of all kinds and machine tools; controllers for support systems for construction equipment, in particular mobile cranes and truck-mounted concrete pumps; motor control apparatus; driver assistance

systems and parts therefor, in particular display monitors, cameras; controllers and regulators for air conditioning apparatus and heating vents, converters; software and control software for air conditioning installations and heating vents for rail vehicles; software, in particular diagnostic software for air conditioning installations and heating vents for rail vehicles; flight supervision devices; flight control devices; flight simulators for aeronautical machines; control computers for aircraft equipment systems, in particular activation systems and air conditioning systems; nose guiding systems; switching power supplies, sensors for current, voltage, position and other variables; frequency converters for controlling engines and motors; active mains rectifiers with feedback possibilities; capacitor modules for energy buffering; double layer capacitors; battery modules for energy buffering; DC/DC actuators; electronic components; data transmission systems; complete switching installations for control and drive technology; visualisation systems; user interfaces for machine controls, in particular for control of toothed machines; humidity meters; simulators, in particular crane simulators and crawler simulators; cable test stations; pocket calculators; software; mouse pads; eyeglasses and cases therefor; test benches; electrical and electronic devices, equipment and apparatus for the purposes of telematics, data processing and telecommunications, equipment and apparatus for broadcasting, reception and transmission of information, data processing equipment, computer terminals for telephone, cable, satellite and/or telematic networks; terminals for telematics, carriers of all kinds for recording and reproducing sound, images or signals; computers, micro-computers, computers, computer peripherals, memories for computers, modems, interfaces, printers, cables, video discs, optical discs, digital discs, laser devices, infra-red devices, ultrasound equipment, printed circuits; devices for the capture, retrieval, recording, processing, storage, transmission, broadcasting, reception and reproduction of digital or non-digital information, data, text, sound and images; software and hardware for the data connection of components in mobile work machines, in particular earthmoving machines, cranes and marine equipment; computers, microcomputers

or Internet applications; analysis and diagnostic tools, apparatus for evaluating the operation of and/or faults with mobile work machines, cranes and marine equipment; controllers and regulators, and software and control software for refrigerating installations, refrigerating and freezing apparatus, climatised wine cabinets, dispensing installations for beverages, in particular beer; electronic controllers, in particular for earth moving equipment of all kinds, including electronic control of quick hitches and quick coupling systems.

3. It is noted that at the time of filing the Notice of Opposition (Form TM7), the class 7 specification above was different. On 20 June 2022, LWE requested to amend its class 7 specification at the World Intellectual Property Organisation ("WIPO"), which was subsequently accepted. In an official letter dated 6 July 2022, the Registry asked GLGC to confirm in writing whether the amended class 7 specification "will allow the opposition to be withdrawn". As the Registry never received a response, it was considered that the opposition was maintained.

4. Under section 5(2)(b), GLGC relies on the following trade mark:

Comparable trade mark (IR) registration no. UK00810994281[1]
Filing date 8 November 2011; Registration date 10 October 2012.
Relying upon all of the goods and services for which the earlier mark is registered, namely:

[1] Following the end of the transition period of the UK's withdrawal from the EU, all international (EU) trade mark designations registered before 1 January 2021 were recorded as comparable trade marks in the UK trade mark register (and as a consequence, have the same legal status as if they had been applied for and registered under UK law). A 'comparable trade mark (IR)' retains the same designation date (filing date), priority date (if applicable) and registration date of the international (EU) trade mark designation.

Class 7 Agricultural machines; bearings (parts of machines); concrete mixers (machines); derricks; drilling machines; bulldozers; elevators (lifts); excavators; machine wheelwork; road making machines; road rollers; road sweeping machines (self-propelled); snow ploughs; taps (parts of machines, engines or motors); asphalt paving machines; stabilized soil mixing machine; rammer compactor; motor graders; loaders; cold milling machines; hydraulic pumps; torque converters, not for land vehicles; hydraulic valve actuators; skid steer loaders; trailer-mounted concrete pump; loader parts; parts of motor graders; parts of asphalt paving machine; bulldozer parts; derrick parts; backhoe loaders; road maintenance machines; piling rigs; concrete pumps for trucks; concrete block making machines; hydraulic coupler (parts of machines); parts of excavators included in this class.

Class 12 Bodies for vehicles; concrete mixing vehicles; driving motors for land vehicles; fork lift trucks; gear boxes for land vehicles; gearing for land vehicles; lorries; motors for land vehicles; sprinkling trucks; tires for vehicle wheels; torque converters for land vehicles; transmission shafts for land vehicles; vans (vehicles); vehicle seats; vehicle wheel rims; vehicles for locomotion by land, air, water or rail; mobile storage tanks; structural parts for trucks; axles; flexible shafts for land vehicles.

Class 37 Construction; machinery installation, maintenance and repair; motor vehicle maintenance and repair; rental of bulldozers; rental of construction equipment; rental of cranes (construction equipment); rental of excavators; upholstery repair; rental of loading-unloading machines and apparatus; rental of snow ploughs; rental of backhoe loaders; rental of road rollers; rental of motor graders; rental of drilling machines; rental of concrete pump trucks; rental of concrete mixers; rental of trailer-mounted concrete pump; rental of asphalt paving machines; rental of cold milling machines; rental of skid steer loaders; rental of telescopic boom hoist; rental of road making machines.

5. Under section 5(2)(b), GLGC claims that there is a likelihood of confusion because the goods are identical or similar, and the marks are similar.

6. LWE filed a counterstatement denying the claims made.

7. On 21 June 2022, LWE sought revocation of GLGC's mark on the grounds of non-use. Under section 46(1)(a) LWE claims non-use in respect of GLGC's mark for the five year period following the date on which the mark was registered i.e. 11 October 2012 to 10 October 2017. LWE claims an effective date of revocation of 11 October 2017.

8. Under section 46(1)(b), LWE claims non-use in respect of GLGC's mark for the periods 3 February 2016 to 2 February 2022 claiming an effective date of revocation of 3 February 2022, and 20 June 2017 to 19 June 2022 claiming an effective date of revocation of 20 June 2022.

9. GLGC filed a counterstatement defending its registration for all the goods and services for which it is registered, on the basis that it has been used throughout the relevant periods.

10. On 23 November 2022, the Tribunal wrote to the parties informing them of the consolidation of the opposition action no. 431865 and the revocation action no. 505016.

11. A hearing took place before me on 11 September 2023. GLGC was represented by Mr Alan Fiddes of Murgitroyd & Company and LWE was represented by Mr John Eldridge of Serle Court Chambers instructed by J A Kemp LLP. I make this decision having taken full account of all the papers, referring to them below as necessary.

12. 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

13. GLGC's evidence consists of the witness statement of Peter N Erickson dated 19 December 2022. Mr Erickson is a professional translator, and his statement is accompanied by 2 exhibits.

14. **Exhibit 1** contains the original witness statement of Zheng Jin dated "2022.12.15". Mr Jin is the Chairman of GLGC, a position which he has held since 1 January 2010. Mr Jin's statement was accompanied by 13 exhibits (ZJ1-ZJ13).

15. **Exhibit 2** contains the translated version of the witness statement of Zheng Jin.

16. Within GLGC's skeleton argument, they note that the "English translation of Mr Zheng's witness statement does not feature the form of statement of truth which is stipulated by the Manual of Trade Marks Practice. Mr Zheng's witness statement features the form "I can confirm the contents of this Witness Statement to be true", whereas the Manual of Trade Marks Practice stipulates (at paragraph 4.8.3.1) that the statement of truth be in the form of "I believe that the facts statement in this witness statement are true". GLGC states that they "do not take any point on this irregularity, but merely flags it for the benefit for the Tribunal". However, as discussed at the hearing, the signed statement of truth contained within Mr Jin's statement is sufficient to confirm that the contents are true. I note that the irregularity in the wording may be an issue with the translation, but nothing turns on this matter.

17. I have taken all of the evidence and submissions into account in reaching this decision.

DECISION

The Revocation

Section 46

18. Section 46 of the Act states:

“46. - (1) The registration of a trade mark may be revoked on any of the following grounds-

(a) that within the period of five years following the date of completion of the registration procedure it has not 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, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c) […]

(d) […]

(2) For the purpose of subsection (1) 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 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.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as in referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) […]

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existing at an earlier date, that date".

19. Section 100 is also relevant, which reads:

"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."

20. As GLGC's mark is a comparable mark, GLGC can rely upon use of the mark in the EU for any and all parts of the relevant periods which fall prior to IP Completion Day (i.e. 31 December 2020) pursuant to paragraphs 7 and 8 of Part 1, Schedule 2A of the Act.

21. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J 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 Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR

I9223, 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]."

22. As noted above, the relevant periods are 11 October 2012 to 10 October 2017 ("the First Relevant Period"), 3 February 2016 to 2 February 2022 ("the Second Relevant Period") and 20 June 2017 to 19 June 2022 ("the Third Relevant Period").

23. I note the following from GLGC's evidence:

a) GLGC is a China-based company, which mainly sells a range of excavators and wheel loaders and their spare parts.

b) GLGC has "used its mark in the UK since June 2012". This is supported by **exhibit ZJ3** which contains a copy of a contract with their distributor Construction Plant & Machinery Services (South East) Ltd, which is based in Portsmouth (UK), dated 6 December 2012.

c) In May 2013, GLGC Europe and Construction Plant & Machinery Services (South East) Ltd entered into an "exclusive distribution agreement" for a number of counties in the UK, which was renewed in 2014, and expanded in May 2016 to cover all counties of England and Wales. **Exhibit ZJ4** contains all 3 of these agreements, which confirms that the counties covered in the 2014 and 2016 agreements were Cornwall, Devon, Somerset, Dorset, Wiltshire, Gloucestershire, Hampshire, Sussex, Kent, Surrey, London, Berkshire, Oxfordshire, Essex, Buckinghamshire, Hertfordshire and Bedfordshire. I also note that a product list is contained under Annex 2. In all 3 agreements it lists the LiuGong Wheel Loaders, LiuGong Hydraulic Excavators, LiuGong and Skid Steer Loaders. I also note that the **exhibit ZJ3** 2012 agreement, and **exhibit ZJ4** 2013 and 2014 agreements contain the following marks:

d) On 20 May 2019, GLGC acquired the share capital, which was transferred on the same day, of Construction Plant & Machinery Services (South East) Ltd.

On 24 May 2019, Construction Plant & Machinery Services (South East) Ltd changed its name to LiuGong Machinery (UK) Limited, as exhibited in **ZJ6.**

e) **Exhibit ZJ5** contains contracts and invoices between GLGC and Construction Plant & Machinery Services (South East) Ltd dated between 2017 to 2022, relating to products shipped to the UK. As noted in paragraph (d) above, the contracts dated after May 2019 show the "buyers" name as LiuGong Machinery (UK) Limited which reflects the name change of the distributor. I note the following from this exhibit:

Contract/invoice	Date	Goods sold	Price
Contract	18/10/2017	1 x Liugong excavator CLG939E 1 x 856H Liugong wheel loader	¥1,122,108.00 ¥791,173.00
Invoice	28/10/2017	1 x Liugong excavator CLG939E	¥1,122,108.00
Invoice	28/10/2017	1 x Liugong 856H wheel loader	¥791,173.00
Contract	26/08/2018	1 x Liugong excavator CLG924E 1 x Liugong excavator CLG922E	¥621,701.00 ¥617,680.00
Contract	05/09/2019	1 x Liugong excavator CLG924E 1 x Liugong excavator CLG922E 6 x Liugong excavator CLG922E 3 x CLG909ECR 5 x CLG909ECR	¥643,041.00 ¥573,588.00 ¥3,706,080.00 ¥1,116,558.00 ¥1,803,710.00
Contract	27/02/2018	8 x Liugong excavator CLG924E	¥5,472,288.00
Contract	09/07/2018	10 x CLG922E Hydraulic excavator 3 x CLG915E Hydraulic excavator 5 x CLG906D Excavator	¥5,991,500.00 ¥1,217,247.00 ¥1,049,825.00
Contract	13/09/2018	4 x CLG915E Hydraulic excavator 4 x CLG924E Hydraulic excavator	¥1,632,000.00 ¥2,603,500.00
Invoice	08/03/2022	4 x CLG909ECR excavator	£159,428.00

f) I note that the only item which does not have a descriptor name is "CLG909ECR". I also note that the goods vary in price as all of the excavator or wheel loader goods are "equipped" with different items. The contracts do not display GLGC's marks, however, the following marks are used on both invoices dated October 2017, and the invoice dated 8 March 2022:

g) LiuGong Machinery (UK) Limited (formally known as Construction Plant & Machinery Services (South East) Ltd), since May 2013, has generated £115 million in sales in the UK. Mr Jin has provided the following breakdown of sales in his witness statement:

Year	**Turnover in the UK (GBP)**
2015	5.6 million
2016	5.8 million
2017	6.3 million
2018	8.2 million
2019	13 million
2020	18.1 million
2021	28.2 million

h) In his witness statement, Mr Jin states that the records show that majority of the above turnover "relates to the sale of finished products bearing the trade marks" LIUGONG and the mark which is subject to revocation.

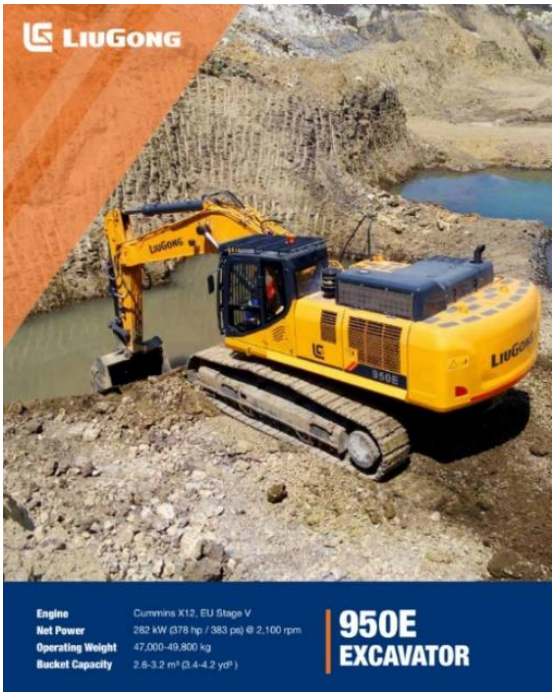
i) Around 3.5% of the above turnover relates to the sale of spare parts, and 4.5% relates to services and repair of machines already in operation.

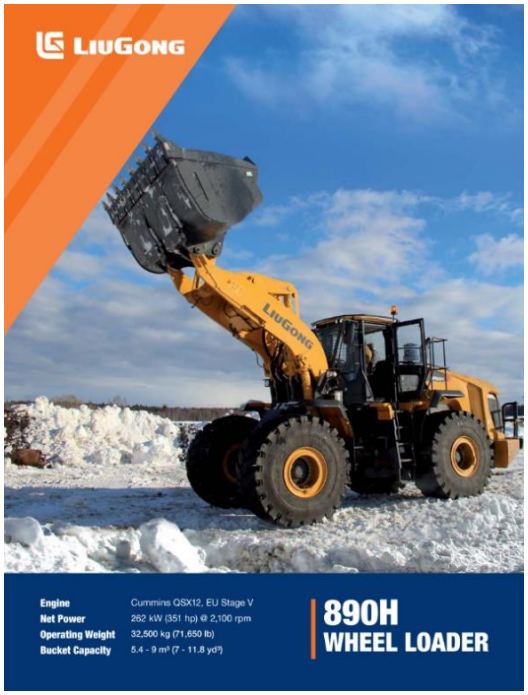
j) **Exhibit ZJ7** contains invoices issued by LiuGong Machinery (UK) Limited (formally known as Construction Plant & Machinery Services (South East) Ltd) dated between 2013 and 2022. I note that the 2013 invoices do not use the contested mark. Therefore, I shall only be referring to the invoices where it is clear what goods were sold, and the invoices use the following marks:

k) I note the following invoices are contained in **exhibit ZJ7**:

Supply to	Tax date	Goods sold	Price (£)
North Iver	15/12/2015	1 x LiuGong 925E Excavator	145,000.00
Hatfield	09/02/2016	1 x LiuGong 915D Excavator	30,000.00
Cranford	26/01/2016	1 x LiuGong 922E Excavator	110,000.00
Norfolk	28/02/2017	1 x LiuGong 924E Excavator	125,000.00
London	16/02/2017	Machine repair labour	405.00
Suffolk	21/02/2017	1 x LiuGong 915D Excavator	52,000.00
Margate	12/06/2018	1 x LiuGong 915E Excavator	78,000.00
Essex	19/06/2018	2 x LiuGong 922E T3B Excavators	171,000.00
West Sussex	30/01/2020	1 x LiuGong 915E Excavator	68,000.00
Kent	30/01/2020	1 x Lingong 856H Wheel Loader	185,000.00
Hassocks	28/01/2020	1 x LiuGong 922E Excavator	44,000.00
Middlesex	10/13/2015	Machine repair labour (supply and fit ram bucket after site damage)	389.68
Tottenham	25/02/2016	Machine repair labour (machine low on power/cutting out)	30.00
Wembley	06/02/2017	Machine repair labour (lacking power and cutting out).	--

l) **Exhibit ZJ9** contains the front pages and full product brochures dated 2018, 2020 and 2021 for GLGC's goods. 8 brochures are in relation to their excavators, and 3 are in relation to their wheel loaders, which include the following images:





m) Mr Jin states that approximately £800,000 has been spent on promoting GLGC in the UK between 2015 to 2021.

n) **Exhibit ZJ12** contains a series of articles dated between 2015 and 2022 in which GLGC was advertised in EarthMovers. I note that the following mark is used/present on the E-series of excavators (including the 950E and 922E), the 915D excavator and their hydraulic excavators in some of the article photos:

o) The other machines referred to in the articles exhibited in **ZJ12** are the "4180D motor grader"[2] and the "LiuGong 856H wheel loading shovel" and their "H-Series wheeled loaders".[3]

p) Mr Jin states that GLGC regularly attends trade shows and exhibitions in the UK including Plantworx in June 2015 and HillHead in 2022. The HillHead exhibition is the "largest exhibition of its type in the world" and received over 18,500 visitors. They also attended Bauma in 2016 which is a European based event, and ConExpo in 2020 which takes place in the USA. Their attendance to these events is confirmed in EarthMovers articles exhibited in **ZJ13** and its space reservation form, invoices and undated photos from the HillHead 2022 exhibition in **ZJ14**.

Form of the mark

24. In *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the Court of Justice of the European Union ("CJEU") found that (my emphasis):

> "31. It is true that the 'use' through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas 'genuine use', within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, 'use' within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish 'use' within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

[2] Exhibit ZJ12, article dated 25 September 2017 and 25 March 2019.
[3] Exhibit ZJ12, article dated 20 February 2020 and article dated 25 September 2017.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in Nestle, the 'use' of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition of a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35. Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term 'genuine use' within the meaning of Article 15(1)". (emphasis added)

25. In *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22, Phillip Johnson, sitting as the Appointed Person, considered the correct approach to the test under s. 46(2). He said:

"13. […] While the law has developed since *Nirvana* [BL O/262/06], the recent case law still requires a comparison of the marks to identify elements of the mark added (or subtracted) which have led to the alteration of the mark (that is,

the differences) (see for instance, T-598/18 *Grupo Textil Brownie v EU*IPO*, EU:T:2020:22, [63 and 64]).

14. The courts, and particularly the General Court, have developed certain principles which apply to assess whether a mark is an acceptable variant and the following appear relevant to this case.

15. First, when comparing the alterations between the mark as registered and used it is clear that the alteration or omission of a non-distinctive element does not alter the distinctive character of the mark as a whole: T-146/15 *Hypen v EUIPO*, EU:T:2016:469, [30]. Secondly, where a mark contains words and a figurative element the word element will usually be more distinctive: T-171/17 *M & K v EUIPO*, EU:T:2018:683, [41]. This suggests that changes in figurative elements are usually less likely to change the distinctive character than those related to the word elements.

16. Thirdly, where a trade mark comprises two (or more) distinctive elements (eg a house mark and a sub-brand) it is not sufficient to prove use of only one of those distinctive elements: T-297/20 *Fashioneast v AM.VI. Srl*, EU:T:2021:432, [40] (I note that this case is only persuasive, but I see no reason to disagree with it). Fourthly, the addition of descriptive or suggestive words (or it is suppose figurative elements) is unlikely to change the distinctive character of the mark: compare, T-258/13 *Artkis*, EU:T:2015:207, [27] (ARKTIS registered and use of ARKTIS LINE sufficient) and T-209/09 *Alder*, EU:T:2011:169, [58] (HALDER registered and use of HALDER I, HALDER II etc sufficient) with R 89/2000-1 CAPTAIN (23 April 2001) (CAPTAIN registered and use of CAPTAIN BIRDS EYE insufficient).

17. It is also worth highlighting the recent case of T-615/20 *Mood Media v EUIPO*, EU:T:2022:109 where the General Court was considering whether the use of various marks amounted to the use of the registered mark MOOD MEDIA. It took the view that the omission of the word “MEDIA” would affect the distinctive character of the mark (see [61 and 62]) because MOOD and MEDIA

were in combination weakly distinctive, and the word MOOD alone was less distinctive still".

26. As highlighted above, I note that the mark has been used in the following variants:

1) 

2) 

3) 

4) 

5) 

27. At the hearing, Mr Eldridge contended that the use of the above variant signs, while resembling GLGC's mark, appears in different colourations, which "give the variant signs a distinctive character which differs from that of the Opponent's Mark" and therefore "cannot constitute as genuine use". Mr Eldridge also guided me to the authority of the Common Communication of the Common Practice of the Scope of Protection of Black and White Marks and TPN 1/2014.

28. Mr Fiddes and Mr Eldridge also drew my attention to *Specsavers International Healthcare Limited & Others v Asda Stores Limited,* Case C-252/12, where the CJEU held that:

"2. Article 9(1)(b) and (c) of Regulation No 207/2009 must be interpreted as meaning that where a Community trade mark is not registered in colour, but the

proprietor has used it extensively in a particular colour or combination of colours with the result that it has become associated in the mind of a significant portion of the public with that colour or combination of colours, the colour or colours which a third party uses in order to represent a sign alleged to infringe that trade mark are relevant in the global assessment of the likelihood of confusion or unfair advantage under that provision.

3. Article 9(1)(b) and (c) of Regulation No 207/2009 must be interpreted as meaning that the fact that the third party making use of a sign which allegedly infringes the registered trade mark is itself associated, in the mind of a significant portion of the public, with the colour or particular combination of colours which it uses for the representation of that sign is relevant to the global assessment of the likelihood of confusion and unfair advantage for the purposes of that provision."

29. The Court of Appeal has stated on two occasions following the CJEU's judgment in *Specsavers,* (see paragraph 5 of the judgment of the Court of Appeal in *Specsavers* [2014] EWCA Civ 1294 and *J.W. Spear & Sons Ltd v Zynga, Inc.* [2015] EWCA Civ 290, at paragraph 47) that registration of a trade mark in black and white covers use of the mark in colour. This is because colour is an implicit component of a trade mark registered in black and white (as opposed to extraneous matter).[4] Thus a black and white version of a mark should normally be considered on the basis that it could be used in any colour. However, it is not appropriate to notionally apply complex colour arrangements to a mark registered in black and white. This is because it is necessary to evaluate the likelihood of confusion on the basis of normal and fair use of the marks, and applying complex colour arrangements to a mark registered, or proposed to be registered, without colour would not represent normal and fair use of the mark.

30. The Common Communication highlights that a change only in colour does not alter the distinctive character of the mark as long as:

[4] See paragraph 5 of the judgment of the Court of Appeal in *Specsavers* [2014] EWCA Civ 1294 and *J.W. Spear & Sons Ltd v Zynga, Inc.* [2015] EWCA Civ 290, at paragraph 47

- The word/figurative elements coincide and are the main distinctive elements.
- The contrast of shades is respected.
- Colour or combination of colours does not have distinctive character in itself.

31. In this instance, GLGC's mark is registered in black and grey in the following way:

32. It is clear that the "triangle" element of the mark is presented in grey, with the rest of it presented in black. In variant 1, the triangle is presented orange with the rest of the mark presented in blue. I therefore consider that the colour combination of orange and blue "does not have distinctive character within itself", nor does it alter the distinctive character of the mark registered, because the contrast of shades is clearly respected. On this basis, I consider that variant 1 is acceptable use of the earlier mark.

33. Variant 2 is the same as variant 1, but with the word "LIUGONG" on the right hand side of CLGC's device. The elements are clearly separate and I consider that the addition of the word "LIUGONG" does not prevent CLGC's sign from continuing to indicate origin within the composite mark. The variant is, therefore, acceptable use of the earlier mark.

34. Variant 3 is the same as variant 2, but with the addition of the words "*DIRECT*UK" in an orange box underneath the word "LIUGONG". I consider that this wording is alluding to the goods being delivered directly to the UK. Regardless, the device is clearly separate and continues to indicate origin within the composite mark. The variant is also acceptable use of the earlier mark.

35. Variant 4 contains the mark as registered with the word "LIUGONG" presented beside it with what appears to be Chinese characters underneath it. Again, these additional elements do not prevent GLGC's sign from continuing to indicate origin within the composite mark. It is therefore acceptable use of the earlier mark.

36. Variant 5 does not adhere to the above requirements set out in paragraph 30. The contrast of shades is not respected because all of the device, which is presented at the beginning of the sign, is presented in black. I therefore consider that this alters the distinctive character of the mark, and prevents it from continuing to indicate origin. Consequently, variant 5 is not genuine use of the earlier mark.

Assessment of genuine use

37. As I have found the mark used in the evidence to be acceptable variant use, I will now consider the global assessment of genuine use. The assessment is made by looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.[5]

38. As indicated in the case law cited above, use does not need to be quantitively significant in order to be genuine. The assessment must take into account a number of factors in order to ascertain whether there has been real commercial exploitation of the mark which can be regarded as "warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark".

39. It is clear that GLGC has been using its mark and operating in the UK since 2012. I note that this is supported by the contract evidence contained within **exhibits ZJ3** and **ZJ4** between GLGC and its UK distributors dated between 2012 to 2014**.** I have also been provided with the total turnover made by GLGC in the UK between 2015 and 2021 which amounts to £84.2 million. This is figure is supported by invoice evidence contained in **exhibit 7ZJ**, dated between 2015 and 2020, amounting to £1,008,405.00. The invoices pertain to the sale of opponent's excavators and wheel loaders, and its machine repair labour services. There is also additional invoice evidence contained in **exhibit ZJ5,** dated October 2017 and March 2022, which again relates to the sale of its excavators and wheel loaders in the UK, amounting to ¥30,875,280.00, plus £159,428.00. Mr Jin has also provided an advertising figure of £800,000 which was spent in the UK between 2015 to 2021. This figure is supported

[5] *New Yorker SHK Jeans GmbH & Co KG v OHIM*, T-415/09

by its excavator and wheel loader brochures and article evidence, and well as trade show evidence from EarthMovers, all dated between 2015 and 2022.

40. The case law is clear that use of a mark in an area of the European Union constituting one-member state may be sufficient to demonstrate genuine use in the European Union as a whole.[6] I consider that to be the case here. Therefore, taking all of the above into account, I am satisfied that the opponent has demonstrated use of its mark in the EU and UK during all three relevant periods.

Fair specification

41. I must now consider whether, or the extent to which, the evidence shows use of the goods and services relied upon. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

> "In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

42. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows:

> "iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

[6] *Leno Merken BV v Hagelkruis Beheer BV,* Case C149/11, paragraphs 36, 50 and 55.

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

43. The goods for which the earlier mark is registered are its class 7 and 12 machinery goods, and class 37 installation, maintenance and repair services in relation to the aforesaid machinery. It is clear from the majority of the above evidence, that GLGC

has shown use of and defended the earlier mark in respect of “excavators”, and therefore is a term that it can retain.

44. The only evidence that GLGC has provided in relation to motor graders is contained within **exhibit ZJ12** where they are referred to in an article dated 25 September 2017 and an article dated 25 March 2019. I therefore do not consider that this is enough evidence to retain protection for these goods.

45. GLCG has provided evidence in relation to its wheel loaders, including a contract and invoice dated October 2017 contained in **exhibit ZJ5.** I note that the contract does not contain/use GLCG’s mark, and the invoice does not use an acceptable variant of GLCG’s mark. However, these documents refer to the model number “856H”, which is the same model number of the wheel loader listed in an invoice dated 30 January 2020[7] which does use an acceptable variant of GLGC’s mark. Furthermore, GLGC has provided 3 wheel loader brochures from 2020 and 2021 contained in **exhibit ZJ9**. GLGC’s mark is clearly used on the brochures and on the wheel loaders themselves. I also note that wheel loaders are large machines, which are not everyday purchases and are sold at a high price point (£185,000). I do not consider that wheel loaders will have a particularly large customer base nor a large market. I do not consider that they will be used by every day builders, but more specialist users that work with and for large construction companies. These findings therefore offset what appears to be a relatively low number of sales shown in the invoices as per the findings in *Masterbuilders, Heiermann, Schmidtmann GbR v EUIPO*, T-76/21, EU:T:2022:16. Therefore, taking the above as a whole, I consider that GLCG has shown use of wheel loaders (which I consider to be an appropriate sub-category for “loaders” which the opponent has registered for its class 7 goods).

46. For the remaining class 7 and 12 goods, GLGC has not provided any evidence in relation to these. Therefore, they cannot retain these remaining terms.

47. GLGC has provided evidence in **exhibit ZJ7** in relation to its machine repair labour services (which included supplying and fitting a new ram bucket), and Mr Jin has

[7] Contained in Exhibit ZJ7.

confirmed in his witness statement that 4.5% of the table of turnover from the UK between the years 2015 to 2021 (which amounts to £84.2 million) relates to services and repair of machines already in operation. I therefore consider that this as a whole is enough to show that GLGC has provided "machinery installation, maintenance and repair" in class 37.

48. Consequently, I consider a fair specification to be:

Class 7 Excavators; wheel loaders.

Class 37 Machinery installation, maintenance and repair.

The Opposition

Section 5(2)(b)

49. 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."

50. The opponent's mark qualifies as an earlier mark in accordance with section 6(1)(a) and 6(1)(ab) as its filing date is an earlier date than the priority date of the applicant's IR. As the opponent's mark has completed its registration process more than five years before the priority date of the mark in issue, it is subject to proof of use pursuant to section 6A of the Act.

Proof of use

51. Pursuant to section 6A of the Act, the relevant period for assessing whether there has been genuine use of the earlier mark is the five years ending on the priority date of LWE's IR, i.e. 4 February 2016 to 3 February 2021.

52. I note that for the revocation under section 46(1)(b), the period of 3 February 2016 to 2 February 2022 was assessed. As this completely overlaps with the relevant period of proof of use under the opposition, I consider that the same considerations and conclusions apply. Proof of use is shown for GLGC's class 7 excavators and wheel loaders, and its class 37 machinery installation, maintenance and repair services. These are, therefore, the only goods and services which GLGC can rely upon.

Section 5(2)(b) - case law

53. In making this decision, I bear in mind the following principles 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

54. The term “telescopic wheel loaders” in LWE’s specification falls within the broader category of “wheel loaders” in GLGC’s specification. The goods are identical on the principle outlined in *Meric*.

55. I will, therefore, assess the opposition on the basis that the contested goods are identical to those covered by GLGC’s mark. If the opposition fails, even where the goods are identical, it follows that the opposition will also fail where the goods are only similar. For this reason, I will not undertake a full comparison of the goods.

The average consumer and the nature of the purchasing act

56. 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 (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.”

57. The average consumer for the goods is likely to be construction businesses/workers. The cost of the goods in question is likely to vary, however, on balance it is likely to relatively high. The purchase of the goods will also not be frequent. The average consumer will take various factors into consideration such as the cost, quality, safety, durability, size and the suitability of the goods for the users’

needs. Therefore, taking all of the above into account, the level of attention paid during the purchasing process will be between a medium and high degree.

58. The goods are likely to be obtained from undertakings that specialise in construction machinery, and their online equivalent. 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

59. 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."

60. 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.

61. The respective trade marks are shown below:

GLGC's trade mark	LWE's IR
	LG

62. At the hearing, Mr Fiddes submitted that GLGC's mark consists of the letters "LG in a stylised form", which is recognised by this office because on the UK IPO website, under the "mark description/limitation", it states that "the mark consists of two letters "L" and "G" in a stylized form". However, I bear in mind that in the recent appeal decision by Mr Simon Clark, sitting as the Appointed Person, in *Kawish Ali Siddiqui v A.P.G S.R.L.,* case BL- O/0283/23, the opponent had also noted that the UKIPO's website showed the text of the applicant's trade mark "which the Opponent assumed was as a result of the Applicant having himself stated at the time of filing the application that the text within the mark represented the word 'ALEE'". However, the Appointed Person noted at paragraph 19 that "the mark must be judged through the eyes of the average consumer of the goods or services in question. The average consumer in this case would not know what the Applicant was intending in choosing the Trade Mark when they came across the Trade Mark being used in respect of the goods for which it was applied. I therefore reject the criticism of the Hearing Officer that she failed to take that factor into account." I therefore dismiss Mr Fiddes above submission, and instead agree with Mr Eldridge's submissions that the letters "LG" in GLGC's mark would not be readily apparent to the average consumer. Mr Eldridge drew my attention to the case *Sony Interactive Entertainment Europe Ltd v European Union Intellectual Property Office (EUIPO)* (T-463/20) [2021] E.T.M.R.61. which concerned a mark which was argued to be "GT" in a stylised form. However, the CJEU stated that "the consumer would have to engage in a highly imaginative cognitive process in order to "decipher" that figurative sign and to perceive it as representing the capital letters "G" and "T". The close interconnection of the lines comprising that figurative sign will lead the relevant consumer to perceive it as an abstract and unitary shape". Whilst this Tribunal is not bound by decisions of the EUIPO, I find this case persuasive. I also remind myself that the average consumer normally perceives a mark as a whole and

does not proceed to analyse its various details.[8] I therefore find that the average consumer will also see GLGC's mark as an abstract figurative device, composed of three elements: 2 curved lines, with the first forming a curved right angle line, which contains a second curved line with a triangle at the end of it. The lines are presented in black with the triangle presented in a grey colour. I consider that the overall impression of the mark lies in the combination of these elements.

63. LWE's IR consists of the letters "LG". There are no other elements to contribute to the overall impression which lies in the word itself.

64. Visually, as highlighted above, GLGC's mark will be seen as an abstract figurative device composed of two curved lines and a triangle. LWE's IR is composed of the letters L and G. I therefore consider that the marks are visually dissimilar.

65. However, for the sake of completeness, if any similarity is identified by virtue of the shape of the abstract figurative device, and the letters L and G, then this will only result in a very low degree of visual similarity.

66. Aurally, LWE's IR will be pronounced as EL-GEE. GLGC's mark is composed of an abstract device. I note that in *Dosenbach-Ochsner AG Schuhe und Sport v OHIM*, T- 424/10, the GC stated:

> "46. A figurative mark without word elements cannot, by definition, be pronounced. At the very most, its visual or conceptual content can be described orally. Such a description, however, necessarily coincides with either the visual perception or the conceptual perception of the mark in question. Consequently, it is not necessary to examine separately the phonetic perception of a figurative mark lacking word elements and to compare it with the phonetic perception of other marks."

67. Therefore as GLGC's mark cannot be articulated, the IR and mark are aurally dissimilar.

[8] *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97

68. Conceptually, GLGC's mark consists of an abstract figurative device which isn't an identifiable shape or image, and therefore would not be attributed any meaning. LWE's IR, which consists of the letters "LG", will also not be assigned any conceptual meaning, since the letters may stand for any number of word combinations. I also note that letters on their own don't convey a particular concept over and above their existence as letters in the English alphabet. Therefore, taking the above into account, the IR and mark are conceptually neutral.

Distinctive character of the earlier trade mark

69. 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 1-2779, 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)."

70. 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.

71. I will begin with the inherent distinctiveness of the GLGC's mark. As it is an abstract figurative device, which conveys no particular meaning, it is inherently distinctive to a high degree.

72. Although GLGC has not specifically pleaded enhanced distinctiveness, for the sake of completeness, I will make a finding as to whether I consider the evidence sufficient to demonstrate enhanced distinctiveness. The relevant market for assessing this is the UK market. GLGC has provided me with UK sales figures for between 2015 and 2021 which amounts to £84.2 million. I note that this is supported by invoice evidence dated between 2017 and 2020. For GLGC's wheel loader goods, the contract and invoice evidence relating to products shipped to the UK from **exhibit ZJ5** amounts to ¥1,582,346.00. **Exhibit ZJ7** also contains an invoice for a wheel loader delivered to Kent which amounts to £185,000.00. This is further supported by brochure and article evidence, and the UK advertising figure of £800,000 which was spent between 2015 to 2021. I am therefore satisfied that the distinctiveness of GLGC's mark has been enhanced to a very high degree.

Likelihood of confusion

73. 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. The first is 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.

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

- I have found the mark and IR to be visually dissimilar. However, if any similarity is identified by virtue of the shape of the abstract figurative device, and the letters L and G, then this will only result in a very low degree of visual similarity.
- I have found the mark and IR to be aurally dissimilar.
- I have found the mark and IR to be conceptually neutral.
- I have found that the inherent distinctiveness of GLGC's mark has been enhanced to a very high degree.
- I have identified the average consumer for the goods to be construction businesses/workers, who will select the goods primarily by visual means, although I do not discount an aural component.
- I have concluded that between a medium and high degree of attention will be paid during the purchasing process for the goods.
- I have found the parties' goods to be identical for the purpose of my analysis.

75. As noted above, Mr Fiddes argued that GLGC's mark is composed of the letters "LG". However, I do not consider that the average consumer would recognise these letters within the mark. This would involve the average consumer undertaking a "highly imaginative cognitive process" to "decipher" GLGC's mark. The case law has also made it clear that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. Consequently, the average consumer will recognise GLGC's mark as an abstract figurative device without attributing it to stylised letters. Even though for the purposes of my assessment I have found the goods to be identical, there are significant visual and aural differences between the mark and IR. Therefore, even bearing in mind the principle of imperfect recollection, I

am satisfied that the mark and IR are unlikely to be mistakenly recalled or misremembered as each other. This is particularly the case given the visual dissimilarity between the mark and IR, or at best, the very low visual similarity between them, and the predominantly visual purchasing process. Even where aural considerations play a greater role, the aural dissimilarity between the marks will have the same result.

76. Therefore, taking all of the above into account, I do not consider there to be a likelihood of direct confusion.

77. 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."

78. 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.

79. I consider that having noticed that the competing trade mark and IR are different, I see no reason why the average consumer would assume that they came from the same or economically linked undertakings. I do not consider that the average consumer would think that LWE's IR was connected with GLGC and vice versa because the mark and IR are clearly not natural variants or brand extensions of each other (abstract figurative device vs LG). Consequently, I consider there is no likelihood of indirect confusion.

CONCLUSION

Revocation

80. The registration UK00810994281 in the name of Guangxi Liugong Group Co., Ltd is revoked for the following goods and services in which the revocation has been successful:

Class 7 Agricultural machines; bearings (parts of machines); concrete mixers (machines); derricks; drilling machines; bulldozers; elevators (lifts); machine wheelwork; road making machines; road rollers; road sweeping machines (self-propelled); snow ploughs; taps (parts of machines, engines or motors); asphalt paving machines; stabilized soil mixing machine; rammer compactor; motor graders; loaders; cold milling machines; hydraulic pumps; torque converters, not for land vehicles; hydraulic valve actuators; skid steer loaders; trailer-mounted concrete pump; loader parts; parts of motor graders; parts of asphalt paving machine; bulldozer parts; derrick parts; backhoe loaders; road maintenance machines; piling rigs; concrete pumps for trucks; concrete block making machines; hydraulic coupler (parts of machines); parts of excavators included in this class.

Class 12 Bodies for vehicles; concrete mixing vehicles; driving motors for land vehicles; fork lift trucks; gear boxes for land vehicles; gearing for land vehicles; lorries; motors for land vehicles; sprinkling trucks; tires for

vehicle wheels; torque converters for land vehicles; transmission shafts for land vehicles; vans (vehicles); vehicle seats; vehicle wheel rims; vehicles for locomotion by land, air, water or rail; mobile storage tanks; structural parts for trucks; axles; flexible shafts for land vehicles.

Class 37 Construction; machinery installation, maintenance and repair; motor vehicle maintenance and repair; rental of bulldozers; rental of construction equipment; rental of cranes (construction equipment); rental of excavators; upholstery repair; rental of loading-unloading machines and apparatus; rental of snow ploughs; rental of backhoe loaders; rental of road rollers; rental of motor graders; rental of drilling machines; rental of concrete pump trucks; rental of concrete mixers; rental of trailer-mounted concrete pump; rental of asphalt paving machines; rental of cold milling machines; rental of skid steer loaders; rental of telescopic boom hoist; rental of road making machines.

81. The effective date of revocation is 11 October 2017.

82. The registration UK00810994281 in the name of Guangxi Liugong Group Co., Ltd will remain registered for the following amended specification:

Class 7 Excavators; wheel loaders.

Class 37 Machinery installation, maintenance and repair.

Opposition

83. The opposition is unsuccessful, and the IR 1610942 may proceed to registration.

COSTS

84. LWE has been wholly successful in the opposition, and enjoyed a greater degree of success in the revocation. LWE is therefore entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the

circumstances, I award LWE the sum of **£1,850** as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Preparing a statement and considering GLGC's Statement (x2)	£350
Considering GLGC's evidence	£500
Preparation for and attendance at hearing	£800
Official fee for revocation	£200
Total	**£1,850**

85. I therefore order Guangxi Liugong Group Co., Ltd to pay Liebherr-Werk Ehingen GmbH the sum of £1,850. This sum is to be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 11th day of December 2023

L FAYTER

For the Registrar