O/1184/23

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO. 3739660
BY SAMI ASGHAR & RAFI ASGHAR

TO REGISTER:

Kubana

AS A TRADE MARK IN CLASS 34

AND

IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 432203 BY
CORPORACIÓN HABANOS S.A.

BACKGROUND AND PLEADINGS

1. On 5 January 2022, Sami Asghar and Rafi Asghar ("the applicants") applied to register **Kubana** as a trade mark in the United Kingdom in respect of the following goods:

> *Class 34*
> *Cartridges for electronic cigarettes; Cartridges sold filled with chemical flavorings in liquid form for electronic cigarettes; Chemical flavourings in liquid form used to refill electronic cigarette cartridges; Electric cigarettes [electronic cigarettes]; Electronic cigarette atomizers; Electronic cigarette boxes; Electronic cigarette cartomizers; Electronic cigarette liquid [e-liquid] comprised of flavourings in liquid form used to refill electronic cigarette cartridges; Electronic cigarette liquid [e-liquid] comprised of propylene glycol; Electronic cigarette liquid [e-liquid] comprised of vegetable glycerin; Electronic cigarettes; Electronic cigarettes for use as an alternative to traditional cigarettes; Electronic devices for the inhalation of nicotine containing aerosol; Electronic nicotine inhalation devices; Flavorings, other than essential oils, for tobacco; Flavorings, other than essential oils, for use in electronic cigarettes; Flavourings, other than essential oils; Flavourings, other than essential oils, for use in electronic cigarettes; Liquid for electronic cigarettes; Liquid nicotine solutions for electronic cigarettes; Liquid nicotine solutions for use in electronic cigarettes; Liquid solutions for use in electronic cigarettes; Liquids for electronic cigarettes; Personal vaporisers and electronic cigarettes, and flavourings and solutions therefor; Refill cartridges for electronic cigarettes; Vaporizers for smoking purposes; Electronic cigarettes for use as an alternative to traditional cigarettes; Cartridges sold filled with chemical flavourings in liquid form for electronic cigarettes; Chemical flavorings in liquid form used to refill electronic cigarette cartridges; Electric cigarettes [electronic cigarettes]; Liquid solutions for use in electronic cigarettes; Personal vaporisers and electronic cigarettes, and flavourings and solutions therefor.*

2. On 25 March 2022, the application was opposed by Corporación Habanos S.A. ("the opponent"). The opposition is based on sections 5(2)(b) and 3(3)(b) of the Trade Marks Act 1994 ("the Act") and concerns all the goods in the application.

3. Under section 5(2)(b), the opponent is relying on UKTM No. 2461257 (shown below), which has a filing date of 12 July 2007 and a registration date of 14 December 2007. It is registered for goods in Class 34 and the opponent is relying on the following: *Tobacco, including cigars, cigarettes, cigarillos, cut tobacco for pipes.*

4. This mark qualifies as an earlier mark under section 6(1)(a) of the Act by virtue of its earlier filing date. Because the mark was registered more than five years before the application date of the contested mark, the opponent has made a statement to the effect that it has used the mark for all the goods it is relying upon.

5. The opponent claims that the marks are similar, with the word element of the earlier mark (CUBANA) being *"practically identical"* to the contested mark, and that the goods covered by the contested mark are similar or complementary to the goods it relies upon. Consequently, it claims that there exists a likelihood of confusion on the part of the relevant public in the UK.

6. Under section 3(3)(b), the opponent claims that the average consumer would understand the contested mark to be related to Cuba, which, it argues, is well-known for tobacco, tobacco products and associated goods. Consequently, the average consumer would be deceived if the goods were not produced in, or did not originate from, Cuba.

7. On 5 June 2022, the applicants filed a defence. They deny that the marks are similar, that there would be a likelihood of confusion, or that the average consumer would understand the contested mark to be related to Cuba. They did not tick the box requiring the opponent to provide proof of use of the earlier mark.

8. Both parties filed evidence, which is listed below. The opponent also filed written submissions dated 18 August 2022 and 9 January 2023 during the evidence rounds.

9. Neither side requested a hearing and both filed final written submissions on 22 May 2023. In these proceedings, the opponent is represented by Marks & Clerk LLP and the applicants are not professionally represented.

EVIDENCE

10. The opponent's evidence in chief comes from Hernán Ríos, Principal Associate at the opponent's legal representatives. His witness statement, dated 18 August 2022, is a vehicle for exhibiting articles and other material on the history and renown of Cuban tobacco and cigars in particular and on the use of the word "Cubana".

11. The applicants' evidence comes from Sami Asghar and consists largely of submissions. However, it also contains information on smokers' articles and vaping, and the UK location of its manufacturing. Mr Asghar's witness statement is dated 1 March 2023. It supersedes the earlier witness statement dated 10 October 2022 which was filed under the name of a Mr Richard Russell, whose relationship to the applicants was unclear.

12. The opponent filed evidence in reply in the form of a second witness statement from Mr Ríos dated 9 January 2023. It is accompanied by a single exhibit, consisting of an article from the National Health Service on the use of electronic cigarettes as a means of helping smokers give up the habit.

PROCEDURAL ISSUES

The applicant's pleadings

13. In his witness statement for the applicant, Mr Asghar had said that the applicants wished *"if helpful"* to request proof of use of the earlier mark as they had selected "No"

in response to the relevant question on the TM8 form in error.[1] Unfortunately, this statement was not picked up earlier in the proceedings and I noticed it when reviewing the case following the end of the evidence rounds. The Registry wrote to the parties on 6 April 2023 to call a Case Management Conference ("CMC") for 24 April 2023. Both parties attended the CMC.

14. I explained to the applicants, who were represented at the CMC by Mr Asghar's sister, that it would be possible to consider a request to amend the pleadings. Mr Asghar's sister asked me whether this would involve additional costs. I replied that at this stage in the proceedings that was likely. The applicants therefore decided not to make any request to amend the pleadings. I confirmed this in a letter sent to the parties later that day. The case was therefore ready to go for a decision, and the opponent was not required to prove it had used the earlier mark for the goods it is relying on.

The opponent's pleadings

15. I also need to address an issue with the opponent's pleadings. In its notice of opposition, the opponent stated that, under section 5(2)(b), it was relying on only some of the goods for which the earlier mark was registered. These are listed in paragraph 3 above. However, its written submissions are predicated on a reliance on <u>all</u> the goods, the additions being as follows: *Smokers' articles, including ashtrays, cigar-cutters, matchboxes, cigar cases; matches*. The applicants' submissions are also based on this longer list. However, no request to amend the pleadings has been received. I therefore wrote to the opponent on 9 November 2023 to inform it that I was intending to proceed on the basis of the pleaded case and giving a period of 14 days in which any comments could be made. No comments were received.

[1] Paragraph 2.

DECISION

Section 5(2)(b)

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

> "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."

16. In considering the opposition under this section, I am guided by the following principles, gleaned from the decisions of the Court of Justice of the European Union ("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 BV* (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-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):[2]

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

[2] Section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to refer to the trade mark case-law of EU courts, although the UK has left the EU.

b) the matter must be judged through the eyes of the average consumer of the goods or services in question. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but someone who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their 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; and

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

17. It is settled case law that I must make my comparison of the goods on the basis of all relevant factors. These include the nature of the goods, their purpose, their users and method of use, the trade channels through which they reach the market, and whether they are in competition with each other or are complementary: see *Canon*, paragraph 23, and *British Sugar Plc v James Robertson & Sons Limited (TREAT Trade Mark)* [1996] RPC 281 at [296]. Goods are complementary when

> "… 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."[3]

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

Contested goods	**Earlier goods**
<u>*Class 34*</u> *Cartridges for electronic cigarettes; Cartridges sold filled with chemical flavorings in liquid form for electronic cigarettes; Chemical flavourings in liquid form used to refill electronic cigarette cartridges; Electric cigarettes [electronic cigarettes]; Electronic cigarette atomizers; Electronic cigarette boxes; Electronic cigarette cartomizers; Electronic cigarette liquid [e-liquid] comprised*	<u>*Class 34*</u> *Tobacco, including cigars, cigarettes, cigarillos, cut tobacco for pipes.*

[3] *Boston Scientific Ltd v OHIM*, Case T-325/06, paragraph 82.

Contested goods	Earlier goods
of flavourings in liquid form used to refill electronic cigarette cartridges; Electronic cigarette liquid [e-liquid] comprised of propylene glycol; Electronic cigarette liquid [e-liquid] comprised of vegetable glycerin; Electronic cigarettes; Electronic cigarettes for use as an alternative to traditional cigarettes; Electronic devices for the inhalation of nicotine containing aerosol; Electronic nicotine inhalation devices; Flavorings, other than essential oils, for tobacco; Flavorings, other than essential oils, for use in electronic cigarettes; Flavourings, other than essential oils; Flavourings, other than essential oils, for use in electronic cigarettes; Liquid for electronic cigarettes; Liquid nicotine solutions for electronic cigarettes; Liquid nicotine solutions for use in electronic cigarettes; Liquid solutions for use in electronic cigarettes; Liquids for electronic cigarettes; Personal vaporisers and electronic cigarettes, and flavourings and solutions therefor; Refill cartridges for electronic cigarettes; Vaporizers for smoking purposes; Electronic cigarettes for use as an alternative to traditional cigarettes; Cartridges sold filled with chemical flavourings in liquid form for electronic cigarettes; Chemical flavorings in liquid form used to refill electronic cigarette cartridges; Electric cigarettes [electronic cigarettes]; Liquid solutions for use in electronic cigarettes; Personal vaporisers and electronic cigarettes, and flavourings and solutions therefor.	

19. The earlier goods consist of *Tobacco* in all its forms. The use of the word "*including*" in the specification means that protection is not restricted to the items listed.

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

> "12. … Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

21. In *Sky Plc & Ors v Skykick UK Ltd & Anor* [2020] EWHC 990 (Ch), Arnold LJ set out the following summary of the correct approach to interpreting broad and/or vague terms:

> "56. …the applicable principles of interpretation are as follows:
>
> (1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.
>
> (2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.
>
> (3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.
>
> (4) A term which cannot be interpreted is to be disregarded."

22. In *SEPARODE Trade Mark*, BL O-399-10, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, stated that:

> "5. The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision."

23. The first group of goods consists of the following: *Cartridges for electronic cigarettes; Cartridges sold filled with chemical flavorings in liquid form for electronic cigarettes; Chemical flavourings in liquid form used to refill electronic cigarette cartridges; Electric cigarettes [electronic cigarettes]; Electronic cigarette atomizers; Electronic cigarette cartomizers; Electronic cigarette liquid [e-liquid] comprised of flavourings in liquid form used to refill electronic cigarette cartridges; Electronic cigarette liquid [e-liquid] comprised of propylene glycol; Electronic cigarette liquid [e-liquid] comprised of vegetable glycerin; Electronic cigarettes; Electronic cigarettes for use as an alternative to traditional cigarettes; Electronic devices for the inhalation of nicotine containing aerosol; Electronic nicotine inhalation devices; Flavorings, other than essential oils, for use in electronic cigarettes; Flavourings, other than essential oils, for use in electronic cigarettes; Flavourings, other than essential oils; Liquid for electronic cigarettes; Liquid nicotine solutions for electronic cigarettes; Liquid nicotine solutions for use in electronic cigarettes; Liquid solutions for use in electronic cigarettes; Liquids for electronic cigarettes; Personal vaporisers and electronic cigarettes, and flavourings and solutions therefor; Refill cartridges for electronic cigarettes; Vaporizers for smoking purposes; Electronic cigarettes for use as an alternative to traditional cigarettes; Cartridges sold filled with chemical flavourings in liquid form for electronic cigarettes; Chemical flavorings in liquid form used to refill electronic cigarette cartridges; Electric cigarettes [electronic cigarettes]; Liquid solutions for use in electronic cigarettes; Personal vaporisers and electronic cigarettes, and flavourings and solutions therefor.*

24. I shall compare these goods to the opponent's *Cigarettes*. A cigarette is a paper tube filled with tobacco and so I do not consider that it is identical to the applicant's goods. The physical nature of the products is different. However, they share a purpose and method of use, which is the inhalation of products containing nicotine to satisfy a craving for that chemical. I disagree with the applicant that the goods do not share the same end-user. The opponent has filed evidence from the NHS website indicating that electronic cigarettes are promoted as a way of helping people to stop smoking.[4] The goods are therefore in competition. The applicant submits that the trade channels are different and that they are stocked in different parts of a supermarket. I agree. I am aware that current UK regulations on the sale of tobacco require the goods not to be on display. I do not consider that there is any complementarity between the goods. Taking all these factors into account, I find that the goods are similar to a medium degree.

25. The next goods I come to are *Electronic cigarette boxes.* I have been given no definition of this term and so I shall follow the guidance in *YouView* and *Skykick*. The literal meaning of the term is a box for holding electronic cigarettes. The purpose of the goods is dissimilar from that of the opponent's goods, as is the method of use and nature. There will be shared end-users, but this is the only point of similarity that I can find, based on the opponent's pleaded case. The goods are not in competition and they are not complementary. The similarity in end-users is not sufficient for me to find any similarity between the goods.

26. The final goods are *Flavorings, other than essential oils, for tobacco.* These are substances used to add flavour to pipe or rolling tobacco. The end-users of these goods would therefore be the same as those of the opponent's goods. There are likely to be at least some shared trade channels as both parties' goods would be obtainable from tobacconists. They would be added to the tobacco and both goods inhaled in the same way, at the same time, through a pipe or rolled cigarette. It is likely that the flavourings would come in the form of liquids or powders and so the physical nature would be different. The opponent's goods are essential for the use of the applicant's goods but, given the differences in physical nature, I do not consider that the average

[4] Exhibit 5.

consumer would assume that they come from the same undertaking. The goods are not in competition. Overall, I find that there is a low to medium degree of similarity between the goods.

27. In *eSure Insurance Limited v Direct Line Insurance Plc*, [2008] EWCA Civ 842 CA, Lady Justice Arden stated at paragraph 49 that *"If there is no similarity at all, there is no likelihood of confusion to be considered."* As I found them to be dissimilar to the opponent's goods, the section 5(2)(b) ground fails for *Electronic cigarette boxes*.

Average consumer and the purchasing process

28. The average consumer is deemed to be reasonably well informed and reasonably circumspect: see *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch), paragraph 60. For the purposes of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods and services in question: see *Lloyd Schuhfabrik*, paragraph 26.

29. The average consumer of the parties' goods is an adult member of the general public who uses tobacco products or electronic cigarettes. The goods are likely to be purchased fairly frequently and tobacco products will be relatively inexpensive. Electronic cigarettes may be slightly more expensive, at least initially. The average consumer will consider factors such as flavour and nicotine content. In my view, they will pay a medium degree of attention during the purchasing process. The level of attention is likely to be slightly higher for electronic cigarettes, given their higher price point, but not by a great deal.

30. In a physical shop, the consumer will request tobacco products orally, as they are stored behind a counter and are not on display. Once the consumer has bought the goods in a shop or if they buy them online, they will see the mark and so both visual and aural aspects will be relevant. In contrast, electronic cigarettes and liquids for use in them are not subject to such sales restrictions. They are displayed on shelves and the consumer will see the marks in use. The goods may also be bought online. The

purchasing process will largely be visual, but the consumer may also seek assistance from sales staff.

Comparison of marks

31. It is clear from *SABEL* (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. It would be wrong, therefore, artificially to dissect the marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks: see *Bimbo*, paragraph 34.

32. The respective marks are shown below:

Contested mark	**Earlier mark**
KUBANA	

33. The contested mark is a word mark. Such plain word marks protect the word or words contained in the mark in whatever form, colour or typeface is used: see *LA Superquimica v European Union Intellectual Property Office (EUIPO)*, Case T-24/7, paragraph 39. The mark consists of a single word and the overall impression of the mark lies in this word alone.

34. The earlier mark is a composite mark. The larger part consists of a detailed oval device containing three figures. At the centre is a woman dressed in white and red

classical costume and holding a shield in her left hand and a staff in her right. At the top of this staff is the Latin word “PAX” (meaning “peace”) surrounded by what I take to be a laurel wreath. Two young men, also dressed classically, sit either side of the woman. One holds foliage resembling tobacco leaves and the other holds a smaller staff. Beneath the woman is a document to which three seals are affixed. At the bottom of the group, there can be seen six coins. The group appears to be sitting on a cloud and behind it there are depicted the rays of the sun and details of a landscape containing palm trees, mountains, ships on the sea, and a lighthouse. Above the device in small gold capital letters are the words “LA GLORIA CUBANA”. In my view, some consumers would see these words as a unit. Although they are in a foreign language, the words are close enough to the English versions for a significant proportion of consumers to understand the phrase to mean “the glory of Cuba”. I accept, however, that there may be some consumers who do not understand what the words mean.

35. The opponent submits that the average consumer would pay greater attention to the verbal element of the mark and refers me to the decision of the General Court (“GC”) in *Wassen International Ltd v OHIM (SELENIUM-ACE)*, Case T-312/03, where it said:

> “37. Finally, with regard to the figurative element, the Board of Appeal observed, in the contested decision, that, where a trade mark is composed of verbal and figurative elements, the former should, in principle, be considered more distinctive than the latter, because the average consumer will more easily refer to the goods in question by quoting their name than by describing the figurative element of the trade mark. It correctly takes the view that that general line of reasoning could reasonably be applied in the present case. According to the Board of Appeal, it is reasonable to assume that the average consumer will perceive the verbal element as the trade mark and the figurative element as a decorative element. Moreover, the figurative element is placed below the verbal elements, i.e. in a less visible position.”

36. The GC did not say that the verbal element would always take precedence over the figurative element, but that this was a general principle. Although the words in the earlier mark are placed above the device, they are considerably smaller. However, I had found that, in a shop, the consumer would need to ask a sales assistant for the opponent's goods. They are likely to refer to them by the words, rather than attempt to describe the device. Nevertheless, the relative sizes of the words and the device mean that when the consumer sees the mark either after purchasing or if they buy the goods online, the device will have a significant visual impact. Consequently, I find that both the verbal and the device element make a roughly equal contribution to the overall impression of the mark.

Visual comparison

37. The opponent submits that the marks are visually similar to a medium to high degree. It argues that the device would reinforce the words by being seen as a representation of "Cubana", which means "a Cuban female", given the prominence of what it says are three female figures. I have found that the smaller figures appear to be male, but the opponent has provided me with no evidence to suggest that the word "Cubana" would be understood in this way by the average consumer, rather than as a general adjective related to the country Cuba. The only evidence I have is an extract from Wiktionary presenting translations of "Cubana" from various languages.[5] This does not tell me anything about whether it is understood by the average consumer in the UK.

38. I accept that the words "CUBANA" and "KUBANA" are visually highly similar, but I must guard against the artificial dissection of the marks. I have found that the average consumer would see the words "LA GLORIA CUBANA" as a unit. I must also take into account the impact of the device, which is large in size. Consequently, I find that the degree of visual similarity between the marks is low.

[5] Exhibit 3.

Aural comparison

39. I agree with the opponent that the words “KUBANA” and “CUBANA” would be pronounced identically. In the earlier mark, “CUBANA” is preceded by four syllables. Despite this additional content, the opponent submits that the marks are aurally highly similar. Mindful of the need not to dissect a mark, the verbal elements of which I found would hang together, I find that the marks are aurally similar to a medium degree.

Conceptual comparison

40. The contested mark is likely to be perceived either as a misspelling of “Cubana”, which itself would be understood to be related to the name of the country Cuba, or as an invented word. The first interpretation puts the opponent in a more favourable position, so I shall proceed on this basis. The device in the earlier mark may be interpreted as an allegorical representation of Cuba, in the same way as Britannia is an allegorical representation of Britain. This would reinforce the message of the words “La Gloria Cubana”. For consumers who perceive the marks in this way, the marks are conceptually highly similar. However, I consider it more likely that the average consumer will see the device in the earlier mark simply as a group of figures against a tropical background with the words “La Gloria Cubana” above them. I find that the marks are conceptually similar to a medium degree.

Distinctive character of the earlier mark

41. Distinctive character is a measure of how strongly a mark distinguishes the goods or services of one undertaking from those of others. The factors that I must take into account in assessing the level of distinctive character were set out by the CJEU in *Lloyd Schuhfabrik Meyer*:

> “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)."

42. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The opponent has provided no evidence of use of the earlier mark and so I have only the inherent position to consider.

43. Earlier in my decision, I found that a significant proportion of consumers would understand the meaning of the words "La Gloria Cubana" and for these consumers the phrase is mildly allusive and laudatory. In this instance, the verbal element would have a relatively low degree of inherent distinctive character, although the use of the foreign language edges it towards a medium degree. The figurative elements increase the distinctive character of the mark as a whole to a medium to high level.

44. I also found that a group of consumers would not understand the meaning of the words used in the mark. For this group, the inherent distinctive character of the words is at a higher than medium level, with the figurative elements serving to increase the distinctive character of the mark as a whole to a high level.

Conclusions on likelihood of confusion

45. There is no arithmetical formula to apply in determining whether there is a likelihood of confusion. It is a global assessment where a number of factors need to be borne in mind. I must also take account of the interdependency principle, i.e. that a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods or vice versa. I keep in mind 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 they have in their mind.

45. Earlier in my decision, I found that:

- *Electronic cigarette boxes* were dissimilar to the opponent's goods;
- The applicant's remaining goods were similar to the opponent's goods to a medium or low to medium degree;
- The average consumer of the opponent's goods would be paying a medium degree of attention and the aural element of the mark would be important, given restrictions on the sale of tobacco;
- The average consumer of the applicant's goods would be paying a medium to high degree of attention during a largely visual purchasing process;
- The marks are visually similar to a low degree, aurally similar to a medium degree, and conceptually similar to either a medium or high degree; and
- The earlier mark has a medium to high degree of inherent distinctive character, but the distinctiveness of the verbal element is either low to medium or slightly higher than medium, depending on whether the average consumer understands the meaning of the phrase.

46. There are two types of confusion that may occur. Direct confusion is where the average consumer mistakes one mark for the other, while indirect confusion is where the average consumer recognises that the marks are different, but for some reason assumes that the later mark also identifies the goods or services of the owner of the earlier mark, or that the two undertakings are related: see *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, paragraph 16.

47. The opponent invites me to apply the interdependency principle and find that there is a likelihood of confusion, even if I reach a finding that the marks are not as similar as the opponent argues. However, I have also found a lower degree of similarity between the goods as I have based my findings on the case the opponent pleaded in its statement of grounds. Even if the purchasing is done orally, and only the words of the earlier mark are relevant, it is, in my view, important to bear in mind that the identically-sounding word is at the end of the verbal element of the earlier mark. I consider that, whether the consumer understands the meaning of "La Gloria Cubana" or not, there are sufficient differences between the marks that they will not be mistaken

one for the other, even taking account of the imperfect recollection of the average consumer. I find there is no likelihood of direct confusion.

48. I move on now to consider whether there is a likelihood of indirect confusion, which is sometimes referred to as a likelihood of association. This concept was explained by Mr Iain Purvis, sitting as the Appointed Person, in *L.A. Sugar*:

> "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 recognised 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)."

49. In *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ said:

"12. This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition.

13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/291/16) at [16] 'a finding of likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion'. Mr Mellor went on to say that, if there is no likelihood of direct confusion, 'one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion'. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."

50. The element common to the marks is the word "CUBANA" or "KUBANA", which is aurally identical. Exhibit 4 of the opponent's evidence contains details of a number of businesses in different sectors (bars and restaurants, dance classes, aviation) that use the word "CUBANA" on its own or as part of a longer sign to indicate the origin of their services. I agree that this element is not so strikingly distinctive that the average consumer would believe that only the opponent was using it, even if they imperfectly recalled the different spelling used by the applicant. The first of Mr Purvis's examples does not apply here. Neither, in my view, do the second or third. The contested mark does not add a non-distinctive element and the change in letter from "C" to "K" does not appear to be a logical brand extension. I accept that these are examples, rather than an exhaustive list, but I see no other reason why the average consumer would, having recognised that the marks are different, assume that they come from the same or related undertakings. I find there is no likelihood of indirect confusion.

51. The opposition under section 5(2)(b) fails.

Section 3(3)(b)

52. Section 3(3)(b) of the Act is as follows:

> "A trade mark shall not be registered if it is-
>
> …
>
> (b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).

53. In *TWG Tea Company Pte Ltd v Mariage Frères SA*, BL O/358/17, Mr Phillip Johnson, sitting as the Appointed Person, conveniently summarised the case law as follows:

> "(a) it is necessary to establish that the mark will create actual deceit or a sufficiently serious risk that the consumer will be deceived: C-87/97 *Consorzio per la tutela del formaggio Gorgonzola*, ECLI: EU:C:1999:115, paragraph 41; C-259/04 *Emanuel,* ECLI:EU:C:2006:2015, paragraph 47; C-689/15 *W. F. Gözze Frottierweberei*, EU:C:2017:434, paragraph 54;
>
> (b) the deception must arise from the use of the mark itself (i.e. the use per se will deceive the consumer): *Gorgonzola*, paragraph 43; *Emanuel*, paragraph 49; *Gözze Frottierweberei*, paragraph 55;
>
> (c) the assessment of whether a mark is deceptive should be made at the date of filing or priority date and so cannot be remedied by subsequent corrective statements: *Axle Associates v Gloucestershire Old Spot Pig Breeder's Club* [2010] ETMR 12, paragraphs 25 and 26;
>
> (d) the deception must have some material effect on consumer behaviour: *CFA Institute's Application* [2007] ETMR, paragraph 40;

(e) where the use of a mark, in particular a collective mark, suggests certain quality requirements apply to goods sold under the mark, the failure to meet such requirements does not make use of the mark deceptive: *Gözze Frottierweberei*, paragraphs 57 and 58;

(f) only where the targeted consumer is made to believe that the goods and services possess certain characteristics which they do not in fact possess will the consumer be deceived by the trade mark: T-248/05, *HUP Uslugi Polska v OHIM*, ECLI:EU:T:2008:396, paragraph 65;

(g) where a mark does not convey a sufficient specific and clear message concerning the protected goods and services or their characteristics but, at the very most, hints at them, there can be no deception in relation to those goods and services: *HUP*, paragraphs 67 and 68; T-327/16, *Aldi v EUIPO*, ECLI:EU:T:2017:439, paragraph 51;

(h) once the existence of actual deceit, or a sufficiently serious risk that the consumer will be deceived, has been established, it becomes irrelevant that the mark applied for might also be perceived in a way that is not misleading: T-29/16 *Caffè Nero Group v EUIPO*, ECLI:EU:T:2016:635, paragraph 48;

(i) where a trade mark contains information which is likely to deceive the public it is unable to perform its function of indicating the origin of goods: T-41/05 *SIMS – École de ski internationale v OHIM*, EU:T:2991:200, paragraph 50; *Caffè Nero*, paragraph 47."[6]

54. The opponent claims that Cuba has a reputation for, or association with, smoking articles and associated products and that the consumer of the applicant's goods would be deceived if the applicant's goods did not come from Cuba. The applicant denies this claim and submits that, as its packaging contains information about the UK origin of the goods, there is no likelihood that consumers will be deceived. However, section 3(3)(b) claims relate to the actual mark at issue and the message that that mark sends,

[6] Paragraph 84.

rather than the way in which the applicant markets the goods. The additional signs and words that appear on the packaging are not relevant to my consideration of this ground.

55. For this ground to succeed, the message given by the contested mark must be clear enough for deception of the average consumer to take place, or for there to be a sufficiently serious risk that such deception would occur: see *HUP Uslugi Polska sp. z o.o. v OHIM*, Case T-284/05, paragraphs 67-68. Earlier in my decision, I found that the average consumer is likely to understand the contested mark to be a misspelling of the word "Cubana" which itself would be perceived as related to the name of the country Cuba, or an invented word. It is the former group of consumers that is more likely to be deceived and so I shall focus on them for the rest of this decision.

56. The opponent submits that the situation is analogous with the example given of a deceptive mark in the Registry's practice manual: WHYTE'S SOMERSET CIDER. The opponent quotes the following paragraphs from the manual:

> "52. … On the basis that Somerset has a well-known reputation for producing cider, the relevant consumer would, at the point of selection and/or purchase, expect the product to have been produced in Somerset. Furthermore, the quality associated with cider produced in Somerset (as opposed to anywhere else in the world) may well influence the consumer's decision to select and/or purchase that particular product over any other.
>
> 53. In such a case, where the geographical reference contained within the mark is understood to be an objective indicator of quality (resulting from Somerset's reputation for cider), deception would occur wherever the product sold under the trade mark does not correspond to the geographical reference as presented in the trade mark. So in this case, the mark WHYTE'S SOMERSET CIDER would deceive the public if used in respect of ciders produced outside of Somerset."

57. This example is not on all fours with the contested mark for the reasons I shall now set out.

58. The opponent has adduced a collection of extracts from Wikipedia and the websites of Havana House Cigar Merchants, regardingluxury.com, *GQ* magazine, Cuba Direct, Hunters & Frankau cigar importers and The Observatory of Economic Complexity.[7] What I take from this evidence is that Cuban cigars are known for their quality and constitute one of the country's top exports. No other tobacco products are mentioned; neither are vaping products.

59. I therefore accept that a geographical reference to Cuba contained within a mark may in principle be understood to be an objective indicator of quality for cigars. However, I do not consider that the message given by the contested mark is direct enough to be viewed as attempting to inform the public that the goods at issue originate from Cuba, particularly as the contested mark begins with a "K" rather than a "C". In addition, the applicant's specification does not cover cigars and the only tobacco-related goods are flavourings for tobacco. Earlier in my decision, I found that the purchasing process for the contested goods would be largely visual. The average consumer is likely to see the mark before deciding which goods to buy. I accept that, for a proportion of consumers, the contested mark might bring Cuba to their minds. For example, they may be prompted to think of Cuban flavours. However, this is not the same as a belief that the goods themselves come from Cuba. As, in my view, the message of the contested mark is not sufficiently clear or specific to deceive the public into thinking that the contested goods originate from Cuba, the section 3(3)(b) ground fails.

OUTCOME

60. The opposition fails and, subject to a successful appeal and the outcome of Opposition No. 433109, Application No. 3739660 may proceed to registration.

[7] Exhibit 2.

COSTS

61. The applicants have been successful and would therefore be entitled to an award of costs. On 31 March 2023, the Registry wrote to the applicants to inform them that if they intended to request an award of costs they should complete and return a pro-forma setting out the time spent on particular activities during the proceedings. They were informed that, if the pro-forma were not completed, costs, other than official fees arising from the action, may not be awarded. A completed pro-forma was not received and, as the applicants have not incurred any official fees, I make no costs award.

Dated this 14th day of December 2023

Clare Boucher,
For the Registrar
Comptroller-General