

O-145-10

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2506354  
BY  
SARSEN SOFTWARE LIMITED  
TO REGISTER THE TRADE MARK**

**CLAN**

**IN CLASS 09**

**AND**

**THE OPPOSITION THERETO  
UNDER NO 99199  
BY  
e-VILLAGE B.V.**

## Trade Marks Act 1994

**In the matter of application 2506354  
by Sarsen Software Limited  
to register the trade mark:**

### **CLAN**

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under no 99199  
by e-Village B.V.**

1. On 14 January 2009, Sarsen Software Limited (which I will refer to as SS) applied to register the above trade mark. Following examination, the application proceeded to publication in the *Trade Marks Journal* on 13 March 2009 for a goods specification of '*Computer software used to provide a local area network system*', which is in class 9<sup>1</sup>.

2. e-Village B.V. (which I will refer to as BV) filed notice of opposition to the trade mark application, claiming that registration would be contrary to section 5(2)(b) of the Trade Marks Act 1994 (the Act). It relies upon all of the goods of its earlier international trade mark registration (IR) 987808, also in class 9:

### CLANG

*Computer hardware and software.*

3. BV applied for UK protection of its mark on 14 November 2008, claiming a Benelux priority date of 5 November 2008. The IR was published in the UK for opposition purposes on 17 April 2009. No opposition was received to the granting of protection of the IR; consequently, the IR was protected in the UK with effect from 18 June 2009, the day after the expiry of the opposition period<sup>2</sup>. BV's trade mark is therefore an earlier trade mark which is not subject to proof of use<sup>3</sup> because at the date of publication of the application it had been protected for less than five years.

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<sup>1</sup> Class 09 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

<sup>2</sup> Schedule 2 of the Trade Marks (International Registration) Order 2008 S.I. 2206.

<sup>3</sup> See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations) 2004 (SI 2004/946) which came into force on 5<sup>th</sup> May 2004.

4. Section 5(2)(b) of the Act states:

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

....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

BV claims that the goods of both marks are identical and similar and that the marks are visually and phonetically similar, all of which would cause a likelihood of confusion. SS filed a counterstatement simply denying a likelihood of confusion. Both sides filed written submissions but no evidence, and neither asked for a hearing, both being content for a decision to be made from the papers on file. I have borne the parties' submissions in mind in making this decision.

### **Decision**

5. The leading authorities which guide me in this ground are from the Court of Justice of the European Union: *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723. It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,

(b) the matter must be judged through the eyes of the average consumer for the goods/services in question; *Sabel BV v Puma AG*, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*,

(g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(i) further, 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; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*.

#### Average consumer and the purchasing process

6. SS submits that the consumer will pay close attention to the purchase because the goods are relatively expensive and there will be a functionality requirement. In relation to its own goods, which are for local area network systems, the level of attention is likely to be high. These are not everyday consumer CD-ROMs. BV submits that computer software covers both relatively expensive and cheap goods, giving the example of shareware “which is virtually given away”, but also states that the consumer for the applicant’s goods will be an IT/network professional. I consider that within the term “computer software” there is room for wide ranging levels of consumer attention, depending on the requirement and the level of expertise, but that most purchases will involve at least some inspection of the goods to ensure compatibility and an enquiry into functionality. It is more than likely that the purchasing process will be primarily visual, although the aural aspect should not be ignored.

#### Comparison of goods

7. The application is made in respect of *computer software used to provide a local area network system*, while the goods relied upon of the earlier mark are *computer hardware and software*. BV does not have to prove use of its mark and

so can rely upon notional and fair use of its mark across the specification; it has volunteered no information about its use. SS takes issue with this, referring in its submissions to BV's (alleged) current use by reference to its website. Firstly, this is not in proper evidential form but secondly, even if this had been properly filed as evidence, it would not alter the position of notional and fair use. A trade mark registration can be sold and a new or subsequent proprietor may decide to use it in an altogether different market. In *Devinlec Développement Innovation Leclerc SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 147/03, the General Court (GC) said:

“104 Consideration of the objective circumstances in which the goods covered by the marks are marketed is fully justified. The examination of the likelihood of confusion which the OHIM authorities are called on to carry out is a prospective examination. Since the particular circumstances in which the goods covered by the marks are marketed may vary in time and depending on the wishes of the proprietors of the trade marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, that is, the aim that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions, whether carried out or not, and naturally subjective, of the trade mark proprietors.”

Although, according to SS, BV may currently occupy a particular section of the IT market, it may not always be the case, nor may BV always be the owner of its trade mark.

8. The General Court said in *Gérard Meric v OHIM*, Case T-133/05:

“29 In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

The goods of the application fall within the scope of the wider term ‘computer software’ in the earlier mark and so the goods are identical.

## Comparison of trade marks

9. The authorities direct that, in making a comparison between the marks, I must have regard to each mark's visual, aural and conceptual characteristics. I have to decide which, if any, of their components I consider to be distinctive and dominant, without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details. The marks are both single words in block capitals so neither can be said to possess any dominant element.

<b>Earlier mark</b>	<b>Application</b>
CLANG	CLAN

BV submits that the first four letters of each mark are the same (and in the same sequence). This is undeniable. SS points to the difference that only one letter can make to short words in relation to visual similarity<sup>4</sup>. There is a good deal of visual similarity but the addition of the 'g' means that there is not the very highest level of visual similarity. In the English language, the pronunciation of the 'g' in this position will be soft; 'n' is also a relatively soft sounding consonant in CLAN. There is a good deal of similarity of sound between both marks.

11. The similarity between the marks ends here as there is a divergence between them on a conceptual level. BV itself says that there are 'some' conceptual differences between the two marks as both have separate meanings in the English language. Collins English Dictionary (2000) gives the following definitions:

### **Clang**

*“verb*

1. to make or cause to make a loud resounding noise, as metal when struck.

2. (intransitive) to move or operate making such a sound.

*noun*

3. a resounding metallic noise.

4. the harsh cry of certain birds.”

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<sup>4</sup> The reference SS quotes appears to be from *Inter-Ikea v OHM*, IT-112/06, paragraph 54: “As regards the visual comparison between the verbal element of the contested mark and the earlier word marks, the applicant claims that the only difference between them is the presence of the letter 'd' in the contested mark and the letter 'k' in the earlier word marks. However, the Court has already held in *Case T-185/02 Ruiz-Picasso and Others v OHIM – DaimlerChrysler(PICARO)* [2004] ECR II-1739, paragraph 54) that, in the case of word marks which are relatively short, even if two marks differ by no more than a single consonant, it cannot be found that there is a high degree of visual similarity between them.”

## **Clan**

“*noun*

1. a group of people interrelated by ancestry or marriage.
2. a group of families with a common surname and a common ancestor, acknowledging the same leader, especially among the Scots and the Irish.
3. a group of people united by common characteristics, aims, or interests.”

The conceptual differences between the words CLAN and CLANG are marked. Consequently, there is a conceptual dissonance between the parties’ trade marks.

### Likelihood of confusion

12. It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark (either by nature or nurture) the greater the likelihood of confusion<sup>5</sup>. The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public<sup>6</sup>. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the mark to identify the goods 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<sup>7</sup>. BV has not filed any evidence of a claim to an enhanced distinctive character through use; I therefore approach the earlier mark on the basis of inherent distinctive character. CLANG describes a loud noise (metallic or otherwise) but although the purpose of software could theoretically be to produce such a sound, this seems rather far-fetched. I consider the earlier mark to possess a high degree of inherent distinctive character.

13. The average consumer rarely has the opportunity to compare trade marks side by side, relying instead upon the imperfect picture he has of them in his mind. Bearing in mind the interdependency principle (*Canon*), whereby a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa, the position here is of identical goods, a good degree of visual and aural similarity between the marks, but conceptual dissimilarity. In considering the likelihood of confusion it is necessary to bear in mind how the trade marks are likely to be used. In *New Look Ltd v OHIM* Joined cases T-117/03 to T-119/03 and T-171/03 the GC stated:

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<sup>5</sup> *Sabel BV v Puma AG* [1998] RPC 199.

<sup>6</sup> *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

<sup>7</sup> *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

“49 However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (*BUDMEN*, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs.”

The nature of the purchase will be primarily by the eye; the purchaser is likely to examine packaging or literature, or research the software prior to buying. The marks are arguably closer phonetically than they are visually, but the aural aspect of the purchasing process does not carry as much weight as the visual<sup>8</sup>.

14. In *Devinlec*, the GC stated:

“98 It is true that, according to case-law, a conceptual difference between the marks at issue may be such as to counteract to a large extent the visual and aural similarities between those signs (*BASS*, cited in paragraph 60 above, paragraph 54). However, for there to be such a counteraction, at least one of the marks at issue must have, from the point of view of the relevant public, a clear and specific meaning so that the public is capable of grasping it immediately.”

Both marks have clear and specific meanings which the public is capable of grasping immediately. The conceptual hooks which the two marks engender are completely different. This is enough to counteract the visual and aural similarities, despite the identity of goods. Even if the consumer does not display the above average attentiveness of an IT/network professional, the perception and memory of the marks will be dissimilar, which will obviate the risk of imperfect recollection. Taking all the factors into account, I do not consider that there is a likelihood of confusion. The opposition fails.

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<sup>8</sup> See *Mülhens GmbH & Co KG v OHIM* Case C-206/04 P.

Costs

15. SS has been successful and is entitled to an award of costs on the following basis:

Considering the other side's statement and preparing a counterstatement: £200

Considering the other side's written submissions and preparing written submissions: £300

**Total: £500**

16. I order e-Village B.V. to pay Sarsen Software Limited the sum of £500. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 11 day of May 2010**

**Judi Pike  
For the Registrar,  
the Comptroller-General**