

O-166-20

TRADE MARKS ACT 1994

IN THE MATTER OF THE APPLICATION No. 3323771

BY SHAANXI HEAVY-DUTY AUTOMOBILE CO., LTD.

TO REGISTER AS A UK TRADE MARK:

**SHACMAN**

FOR GOODS IN CLASS 12


AND

IN THE MATTER OF THE OPPOSITION THERETO UNDER NO. 414715

BY MAN SE

## BACKGROUND AND PLEADINGS

1. On 1 July 2018, Shaanxi Heavy-Duty Automobile Co., Ltd. (“**the Applicant**”) filed an application to register the figurative mark shown on the cover of this decision as a UK trade mark in respect of the following goods, in Class 12: *Vehicles for locomotion by land, air, water or rail; automobiles; vehicle chassis; engines for land vehicles; undercarriages for vehicles; automobile bodies; gear boxes for land vehicles; bicycles; casting carriages; tyres for vehicle wheels; boats; motorcycles; vehicle seats; trucks; sports cars; cross-country vehicles; camping cars; hose carts; trailers(vehicles); cleaning trolleys; military vehicles for transport; concrete mixing vehicles; vans (vehicles); motor buses; automobile chassis; automobile wheel.*
  
2. The application was published for opposition purposes in the Trade Marks Journal on 14 September 2018. On 13 December 2018 MAN SE (“**the Opponent**”) filed a notice of opposition based on two grounds under the Trade Marks Act 1994 (as amended) (“**the Act**”), namely, **sections 5(2)(b)** and **5(3)**. The opposition under each ground is directed against all goods under the application.
  
3. As the basis of its claims, both under section 5(2)(b) and 5(3), the Opponent relies on its ownership of the following UK trade mark registration and two international registrations designating the EU (collectively “**the earlier marks**”) as follows:

“The Opponent’s UK trade mark”	
<p><b>UK trade mark No.:</b> 1393018</p> <p><b>Filing date:</b> 26 July 1989</p> <p><b>Registered</b> on 22 January 1993</p>	
<p><b>Relying only on the following of its registered goods in Class 12:</b> <i>Freight-carrying motor land vehicles; dumper trucks; trucks and lorries; buses; motor cars for fire brigade; parts and fittings for all the aforesaid goods; all included in Class 12.</i></p>	

**“The Opponent’s IR/EU word mark”**

**IR/EU trade mark no:** WE00000914360 for 'MAN' (word mark)

**IR date / Date of designation of the EU:** 28 March 2006 (Based on a German registration priority date of 29 September 2005)

**Protection granted in EU:** 2 March 2009

**Relying only on the following of its registered goods in Class 12:** *Heavy goods vehicles and their parts; omnibuses with diesel, gas, hydrogen or electric drive and their parts; special vehicles, in particular platform trucks, tippers or saddle tractors and their parts; drive machines, namely all-wheel-drive for land-based vehicles; engines for land-based vehicles, in particular gas/diesel engines; chassis, also suitable for off-road use, for vehicles; bodywork and frame parts for motor vehicles; gear mechanisms for land-based vehicles, in particular chain-driven vehicle mechanisms; (controllable) clutches for rail-bound vehicles, gear wheels (except engine parts), (controllable) clutches, sliding bearings, and torque converters for land-based vehicles, water-borne craft; high-speed diesel engines for land-based vehicles, in particular for locomotives*

**“The Opponent’s IR/EU figurative mark”**

**EU trade mark no:** WE00000873563

**IR date / Date of designation of the EU:**

2 December 2004 (based on a German registration priority date of 3 June 2004)

**Protection granted in EU:** 19 May 2010



**Relying only on the following of its registered goods in Class 12:** *Vans and parts thereof; busses with diesel, gas, hydrogen or electric drives and parts thereof; special vehicles, particularly platform trucks, tipper trucks or semi-trailer towing trucks and parts thereof; driving engines, namely four-wheel drive engines for land vehicles; engines for land vehicles, particularly gas or diesel engines; chassis and frames for road vehicles and off-road vehicles; vehicle bodies and frame parts for motor vehicles;*

*gearing for land vehicles, particularly for track-laying vehicles; fast-running diesel engines, particularly for locomotives; clutches and couplings for rail vehicles; gear wheels, clutches, couplings and torque converters for land vehicles.*

4. The claim under **section 5(2)(b)** is that the parties' marks are highly similar and that the goods are identical or highly similar such that a likelihood of confusion arises. The Opponent also claims that each of the earlier trade marks has a "*high distinctiveness through use and an enormous reputation. MAN is the third biggest truck manufacturer in the EU and has a high market share for trucks and other commercial vehicles in the UK. MAN made, for example, revenue of more than 8.7 billion EUR in Western Europe in 2017 with commercial vehicles, like trucks, buses, engines and parts therefore. The MAN trade mark is more than 100 years old.*"

5. **Section 5(3)** of the Act provides as follows:

*"(3) A trade mark which-*

*is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."*

6. For its section 5(3) ground, the Opponent claims to have a reputation in relation to the specified goods variously relied on under each of the earlier marks, and its statement of grounds reads (verbatim) as follows in relation to the types of injury claimed in consequence of that reputation:

i. UNFAIR ADVANTAGE: "The applicant and the opponent had cooperation from the 1980s until 2009/2010. Due to the applicant became sole company in China introducing the tech of MAN F2000 and MAN TG-A series, which enjoys great popularity in world market. The applicant got all information and all technology from the opponent. After finishing the cooperation the applicant combined his name Shanxxi [sic] with the famous trade mark of the opponent MAN and created

SHACMAN. The applicant has no link to the opponent after the cooperation ended. MAN never agreed to the use of the trade mark SHACMAN. Since the technology of the goods of the applicant based on the technology of the opponent and since the specialised public knows about the cooperation, the public will assume that there is a link between the trade marks. The applicant wants to benefit from this link and from the reputation of the earlier sign, especially since he had cooperation with the owner of the sign, so it is unfair to use and apply for a trade mark which contains the trade mark of the former cooperation partner.”

- ii. DETRIMENT TO THE REPUTATION OF THE EARLIER MARK: “In this context, we have to mention that the reputation of the earlier trade mark is extraordinary high. This extremely strong reputation constitutes itself an indication of the future, non-hypothetical risk of the trade mark applied for, as such, taking unfair advantage in relation to each of the goods and services, which are not similar to the goods and services in respect of which the earlier mark is registered (see EC T-625/13). The relevant products are high tech products and all of his products bases on this technology. Since they do not have any cooperation anymore, the high tech standard of the opponent is not guaranteed anymore, but the public will still transfer the high tech quality of MAN to the goods of the applicant, since the trade mark of the applicant still created a link to the opponent and the trade marks are highly similar. The high technology of MAN Trucks and Buses could be used as well for advertising of the products and the appreciation of these high tech products by the customers will be transferred to the nearly identical goods of the applicant. Furthermore, it is possible that the robustness of the MAN Trucks could be transferred to such goods. As you can see, it is quite possible that the characteristics of MAN products will be transferred to the applicant’s goods. The applicant could also take unfair advantage of the fact that the relevant consumer knows the opponent’s trade mark very well and so he will save a lot of money for introducing his trade mark, because he uses the reputation of the earlier trade mark. The use of the applicant’s trade mark will immediately [be] associated with the opponent’s trade mark and all investments made by the opponent and all reputation, which was built for years by the opponent, will lead to a magnificent simplification of the applicant’s marketing and sale for identical and similar services [sic].”

- iii. DETRIMENT TO THE DISTINCTIVE CHARACTER OF THE EARLIER MARK: “The signs are so close to each other that the reputation of the opponent will suffer and the applicant can exploit the reputation and appreciation, which is not acceptable. Especially since the quality of the goods as well as the design is not the same and the applicant’s trade mark creates a link to the opponent’s trade mark, the opponent’s trade mark will suffer. The distinctiveness of the MAN trade mark would suffer as well. The applicant’s trade mark has a dilutive effect to the earlier MAN trade mark. The suitability of the well known trade mark of the opponent to identify the goods is impaired and even the identity of the brand dissolves. If there are other MAN trade marks or other MAN combinations, the trade mark MAN will lose its possibility to give a link to the products. Finally, the consumer will buy the Shacman truck, because he will think that the trade mark MAN cannot guarantee the quality anymore, because there are other MAN combinations and MAN lost his distinctiveness and his function as a trade mark.”
  
- iv. ECONOMIC LINK CONFUSION: “The market as well as the public will be confused by similar trade marks especially if the trade mark contains the part MAN like in SHACMAN. The same would happen to Apple (SHACAPPLE) or Tesco (SHACTESCO) or BMW (SHACBMW) or other combination with famous trade marks. Furthermore, the people will think there is a link like an economic or legal link between the companies behind the trade mark, but this is not the case. The applicant will use the reputation of MAN to surf in the slipstream of the earlier and famous sign and this cannot be accepted by the opponent. This is unfair, there is an unfair advantage and the distinctiveness and uniqueness of MAN will be reduced.”

### **The Applicant’s defence**

- 7. The Applicant submitted a notice of defence denying the allegations in the statement of grounds. The Applicant specifically did not admit that the respective marks are confusingly similar and did not accept that MAN is the distinctive and dominant element. The Applicant argued that the marks are clearly distinguishable, and referred to the existence of other registered marks containing the word MAN where “customers already have to determine the source of other products containing this word.”

## **Papers filed and representation**

8. The Opponent is professionally represented in these proceedings by **RDP Rechtsanwälte mbB**; the Applicant by Briffa. During the evidence rounds, both parties filed evidence and submissions, as follows:

### **Opponent's evidence and submissions in chief:**

- Witness Statement of Rüdiger Köbbing, dated 12 June 2019, with **Exhibits 1 - 8**
- Written submissions dated 14 June 2019

### **Applicant's evidence and submissions:**

- Witness Statement of Lina Fu, dated 4 September, with Exhibits 1 – 2
- Written submissions dated 5 September 2019

### **Opponent's evidence and submissions in reply:**

- Second Witness Statement of Rüdiger Köbbing, with Exhibits 9 – 10 (25 October 2019)
- Written submissions dated 25 October 2019 with Exhibit 11

Neither party requested an oral hearing, but the Opponent filed written submissions in lieu, dated 27 November 2019. I make this decision based on the papers filed, all of which I have read, but to which I shall refer only to the extent that I consider warranted.

## **Proof of use**

9. In relation to the Applicant's mark, each of the marks relied on by the Opponent is an "earlier mark" within the definition of section 6(1)(a) of the Act (since each has an earlier date of application for registration). Each of the earlier marks had completed its registration process more than five years before the date on which Applicant filed its trade mark application. Each had therefore been registered long enough to engage the proof of use provisions under section 6A of the Act, and, by ticking the relevant box in its Form TM7, the Opponent duly provided a statement of use in relation to all the goods relied on.
10. In its Form TM8 notice of defence, the Applicant ticked the box to indicate that it did not request proof of use from the Opponent. However, in its counterstatement it asked that the Opponent "*file evidence that their marks have been used in the United Kingdom to such an extent that British consumers would recognise the Opponent's marks.*" In its written submissions dated 14 June 2019, filed during the evidence rounds, the Opponent clarified its understanding of the Applicant's position to be that it sought proof of the

claimed reputation, not evidence for the purpose of satisfying genuine use. The Applicant has not contradicted that understanding and this decision proceeds on that basis.

11. There is therefore no question of having to consider the evidence with any prospect of framing a fair specification of what goods are shown to have been used. For its section 5(2)(b) ground the Opponent is able to rely on its earlier marks in these proceedings in respect of its claimed goods without having to prove that it has used the mark at all. However, my consideration of the evidence will need to explore the extent to which it is sufficient to establish the enhanced distinctiveness of the earlier marks claimed by the Opponent. For its section 5(3) ground the evidence of use will of course be central to establishing the extent of the claimed reputation in the UK.

## **THE EVIDENCE**

### **Opponent's evidence and submissions**

12. In his witness statement dated 12 June 2019, Rüdiger Köbbing states that since April 2019 he has been Head of Corporate IP at MAN Truck & Bus SE ("MAN T&B"), in which department he has worked since March 2011, and which covers trade mark matters for the Opponent. The facts in his statement come from his personal knowledge or the records of his company or other publicly available sources. I note the following points from his evidence:
  - The Opponent is a German mechanical engineering company and parent company of the MAN Group;
  - MAN T&B is the largest subsidiary of the MAN Group, and one of the leading international providers of commercial vehicles. MAN T&B produces under the trade mark "MAN" a range of vans, trucks, heavy goods vehicles, road, train, bus-chassis, coaches, city buses and other vehicles including spare parts for all these goods. MAN T&B also produces diesel and natural-gas engines including spare parts. This is supported by **Exhibit 1** which comprises extracts from *Wikipedia* detailing the company history of MAN T&B and the Opponent (whose name is based on the acronym Maschinenfabrik Augsburg-Nürnberg). Exhibit 1 references and details numerous MAN vehicle models, some with example photographs. Categories listed include "Commercial trucks", "Military trucks", "Buses" – I particularly note the

references listed under “Commercial trucks” to F2000 and TGA, both of which are specified in the Opponent’s claim in relation to unfair advantage.

- **Exhibit 2** is an article dated 24 August 2018, said to be from a UK truck magazine called *The Truck Expert*. The author is an award-winning automotive journalist and editor of Commercial Vehicle Engineer magazine. The article shows that in 2018, in respect of trucks of 6 tons and above, MAN had a market share in the UK of 8.1%, up from a 7.7 % market share in 2017. Others listed in the top ten include DAF, Mercedes-Benz, Scania and Iveco, which names I recognise.
- **Exhibit 3** is a report (“**the Texaco report**”) called “Overview of the UK Commercial Vehicle Industry – 2016 Edition” produced on behalf of Texaco. Pages 30-32 show that MAN had a market share of over 9% of commercial vehicles (over 6 tonnes) in 2013, 2014 and 2015. MAN also had a market share in relation to tractors of 12.3% in 2013, 11.5% in 2014 and of 10.94% in 2015. It also refers to MAN having market shares in relation to “multi-axle rigid registrations” of over 9% in 2014 and over 7% in 2015. The Texaco report also states that MAN has an extensive Supplier Dealer network in the UK with 66 dealers in the UK, and at the time of the report was the third largest leasing company by truck fleet size (almost 9000).
- **Exhibit 4** comprises various print-outs from the website of “smtt.co.uk”, showing that “SMTT represents the UK automotive industry through the membership of companies involved in design, concept, manufacture, sale, after sale, disposal and recycling of motor vehicles, components and accessories.” It includes data showing that in Quarter 4 of 2018 over 1000 new MAN heavy goods vehicles were registered in the UK, up over 18% on the 2017 figure.
- **Exhibit 5** is not clear as to its source, but it appears to be effectively a MAN promotional catalogue of its 100+year history (up to 2017), becoming a leading manufacturer internationally under its trade mark. The exhibit shows MAN to have garnered awards as Truck of the Year in 1987, 2001 and 2008, Coach of the Year in 1994 and Bus of the Year in 2005. The context (e.g. geographical context) of those awards is not clear. The witness also refers to MAN having worked with Rudolph Diesel, after whom that type of engine is named. The exhibit also refers to the introduction in 2005 of a new generation of engines “with innovative Common-Rail-Systems” (the D20) “and MAN HydroDrive® switchable all-wheel drives”. It refers too, to the then (2014) “newest

flagship, the TGX D38” the core element of which “is the new D38 six-cylinder inline engine ...”.

- **Exhibit 6** is a report entitled “MAN Factbook 2016” which gives a further overview relating to MAN truck and bus vehicles, engines and components. It highlights various innovations, including in natural-gas-powered buses (attracting further international award recognition in 2015), electric hybrid buses, and in emergency brake systems. The report also references the application of MAN engines across various fields including not only on-road, but also rail, construction, agriculture, power generation, yacht and work boats. However, the pattern of sales of say, engines and components, to which sectors and in which countries is not clear. It shows sales revenues from 2011 – 2015 as consistently well over 8 billion EUROS annually – mostly (56%) from trucks, 12% from buses, 20% from after sales and services and 4% from engines and components. The exhibit also indicates various other statistics on market share in Europe (including the UK): around 19% in 2012 for trucks<sup>1</sup>; and in 2015 over 16% for trucks (more than 6 tonnes) and over 12% for buses. It is not clear who in the UK will have seen this report, nor the extent to which the statistics are attributable to the UK market.
- **Exhibit 7** is MAN’s Annual Report 2018, which shows sales revenue of nearly 11 billion EUROS for commercial vehicles (more than 100,000 vehicles sold that year). It gives an overview of the company’s interests globally and reveals little in relation to the UK.
- **Exhibit 8** presents a press overview confirming the witness statement that MAN trucks and buses have won numerous different prizes, including several international vehicle design awards in 2019 for one of its buses, and in Great Britain MAN won the 2018 award for Fleet Truck of the Year the Large VAN Heavyweight Champion Award at HonestJohn.co.uk. The exhibits also show examples of sales to UK logistics companies: DSV UK taking in 2018 its 1000<sup>th</sup> MAN truck since 1997; and HOYER Petrolog, which specialises in transportation for petroleum, chemical and gas markets, and which in 2018 took delivery of 89 MAN TGS semitrailer tractors for tankers.

### **The Applicant’s evidence**

13. The basis of the Applicant’s evidence was a **Witness Statement** dated “Sep 4”, of **Lina Fu**, a China-based trade mark attorney representing the Applicant. She gives evidence

---

<sup>1</sup> Page 15 of the exhibit, the data derived seemingly from Daimler (Mercedes).

based on her knowledge of the Applicant's trade mark portfolio or from publicly available sources. She states to the effect that the Applicant has registered the mark applied-for in various territories and its applications have been opposed without success in various countries. The witness statement mis-references the mark as "SACHMAN", but **Exhibit 1** to Lina Fu's statement shows the applied-for mark as the subject of the registrations in other territories around the world including the USA and China, and **Exhibit 2** shows trade mark opposition decisions against that same mark that found in favour of the Applicant, in for example, New Zealand and Qatar. While I note the evidence submitted by the Applicant, I do not consider it relevant or influential in the decision before me, which I make on the basis of the claimed grounds, evidence filed, and on the basis of applicable legislation and legal principles and the perception of the average consumer for the contested goods in the UK, where, for example, the evidenced reputation and/or distinctiveness of the mark through use may be quite different from the perception in the countries cited.

#### **Opponent's evidence and submissions in reply**

14. A second Witness Statement of Rüdiger Köbbing was filed on 25 October 2019.<sup>2</sup> The witness stated that he knows both from the records of his own company and from the website of the Applicant, that the Applicant "*signed a strategic cooperation agreement with German MAN Company and become sole company introducing in China the tech of MAN F2000 and MAN TG-A series with enjoys great popularity in world market.*" That evidence statement directly supports the same claim in the statement of grounds.
15. **Exhibit 9** appears to be a print-out from the internet of online material originating from Shaanxi Automobile Group Co. Ltd. It is not clear that this comes from Applicant's current website as no URL is visible and a copyright symbol is shown with the date 2005 (and the exhibit is otherwise undated). However, under the heading beginning "brief introduction" the exhibit refers explicitly to Shaanxi Automobile introducing "*the advanced design and technology of heavy-duty truck from STEYR (Austria) and bus and bus chassis from MAN (Germany) since 1980's*" and that it has since "*been studying the new technology continuously. In 2003, it signed the strategic cooperation agreement with Germany MAN Company and become sole company introducing in China the tech of*

---

<sup>2</sup> The Witness Statement is signed, but not dated, but both its exhibits and the submissions it was filed with were dated.

*MAN F2000 and MAN TG-A series with enjoys great popularity in world market, therefore own brand-new upgraded Chinese heavy-duty automobiles products. The new generation product F2000, which is the only heavy-duty automobile awarded, won “The Best Advanced Technology” in first session of China 12 Vehicles (commercial vehicles).”*

16. The witness also states that he knows from the information of his own company and from Wikipedia that the Applicant utilizes Magna Steyr and MAN SE technologies. This statement is borne out by **Exhibit 10**, which is print out of a Wikipedia entry in respect of Shaanxi Automobile Group. The page is shown to have been last updated on 27 September 2019. The exhibit appears to have been printed on 24 October 2019.
17. The Opponent’s written submissions in reply, make various points relating the similarity of the marks, the level of consumer attention and the overall likelihood of confusion. They refer to various decisions made by the EUIPO (at first instance and Board of Appeal levels) that have found in favour of the Opponent in proceedings involving marks ending “MAN”, namely Huntsman, Lifeman and Techman. Those EUIPO decisions are included as **Exhibit 11**. The comments I made above in relation to the Applicant’s Exhibit 2 apply comparably to the Opponent’s Exhibit 11; the claims in each case must be determined according to the particular facts and evidence filed, and on the basis of applicable law, taking into account the perception of the average consumer for the contested goods in the relevant territory (in this case the UK). It is possible for a decision of the EUIPO Board of Appeal to be taken into account by a UK tribunal as a point of precedent having persuasive (though not binding) effect; however, given the different factual matrices in the present circumstances, Exhibit 11 contains very little that is influential or relevant to the decision before me.

## **DECISION**

### **The section 5(2)(b) grounds**

18. Section 5(2)(b) of the Act, reads as follows:  
“5. – [...]”  
(2) A trade mark shall not be registered if because – [...]”  
(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

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

19. Determination of a section 5(2)(b) claim must be made in light of the following principles, which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P. The principles are:
- (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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

**Comparison of the goods**

20. The goods to be compared are those in the table below:

<b>The applied-for goods</b>
<p><b>Class 12:</b> <u>Vehicles for locomotion by land, air, water or rail; automobiles; vehicle chassis; engines for land vehicles; undercarriages for vehicles; automobile bodies; gear boxes for land vehicles; bicycles; casting carriages; tyres for vehicle wheels; boats; motorcycles; vehicle seats; trucks; sports cars; cross-country vehicles; camping cars; hose carts; trailers(vehicles); cleaning trolleys; military vehicles for transport; concrete mixing vehicles; vans (vehicles); motor buses; automobile chassis; automobile wheel.</u></p>

### The Opponent's goods

**Goods based on the Opponent's UK trade mark:** *Freight-carrying motor land vehicles; dumper trucks; trucks and lorries; buses; motor cars for fire brigade; parts and fittings for all the aforesaid goods; all included in Class 12.*

**Goods based on the Opponent's IR/EU word mark:** *Heavy goods vehicles and their parts; omnibuses with diesel, gas, hydrogen or electric drive and their parts; special vehicles, in particular platform trucks, tippers or saddle tractors and their parts; drive machines, namely all-wheel-drive for land-based vehicles; engines for land-based vehicles, in particular gas/diesel engines; chassis, also suitable for off-road use, for vehicles; bodywork and frame parts for motor vehicles; gear mechanisms for land-based vehicles, in particular chain-driven vehicle mechanisms; (controllable) clutches for rail-bound vehicles, gear wheels (except engine parts), (controllable) clutches, sliding bearings, and torque converters for land-based vehicles, water-borne craft; high-speed diesel engines for land-based vehicles, in particular for locomotives*

**Goods based on the Opponent's IR/EU figurative mark:** *Vans and parts thereof; busses with diesel, gas, hydrogen or electric drives and parts thereof; special vehicles, particularly platform trucks, tipper trucks or semi-trailer towing trucks and parts thereof; driving engines, namely four-wheel drive engines for land vehicles; engines for land vehicles, particularly gas or diesel engines; chassis and frames for road vehicles and off-road vehicles; vehicle bodies and frame parts for motor vehicles; gearing for land vehicles, particularly for track-laying vehicles; fast-running diesel engines, particularly for locomotives; clutches and couplings for rail vehicles; gear wheels, clutches, couplings and torque converters for land vehicles.*

21. **My approach on the goods comparison:** In the submissions filed with its evidence in chief the Opponent referred to the Applicant having accepted that the following goods are identical “because all these goods are either trucks, buses or motors or parts for this”:

Vehicles for locomotion by land; automobiles; vehicle chassis; engines for land vehicles; undercarriages for vehicles; automobile bodies; gear boxes for land vehicles; casting carriages; tyres for vehicle wheels; vehicle seats; trucks; camping cars; trailers(vehicles); military vehicles for transport; concrete mixing vehicles; vans (vehicles); motor buses; automobile chassis; automobile wheel

22. I was not able to locate that acceptance in the papers filed, although I do note that the Applicant made no specific denial at all as to the claimed identity and/or similarity between the goods, neither in its counterstatement nor its submissions; indeed, its submissions focused almost exclusively on the extent to which the marks themselves may or may not be considered similar and referenced the goods only to the extent of dealing with the level of attention likely to be paid by the relevant average consumer.
23. In the circumstances, I will deal with the comparison of goods relatively briefly, or at least not exhaustively, but will highlight points of identity and similarity. For the purposes of the goods comparisons, I shall focus more on the **Opponent's UK trade mark** and the **Opponent's IR/EU word mark** and less on the **Opponent's IR/EU figurative mark**. This is because the **Opponent's IR/EU word mark** relies on a comparable specification of goods to the **Opponent's IR/EU figurative mark**, plus the elaborations immediately evident in the latter mark itself mean that there is no risk that this approach could undermine the opposition case.
24. I will first consider the extent to which the Applicant has specified goods that may be considered identical to those on which the Opponent relies. In *Gérard Meric v Office for Harmonisation in the Internal Market (OHIM)*, the Court of Justice of the European Union ("the CJEU") (the General Court) stated that goods can be considered as identical when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (and vice versa).<sup>3</sup> With this inclusion principle in mind, I make the following findings:
25. vehicles for locomotion by land... or rail

This broad term includes many of the relevant goods under the **Opponent's UK trade mark**: *freight-carrying motor land vehicles; trucks and lorries; buses; motor cars for fire*

---

<sup>3</sup> Case T- 133/05 at paragraph 29 of that judgment.

*brigade*. These goods are identical. There is also identity with certain goods under the **Opponent's IR/EU word mark**, including *heavy goods vehicles* and *omnibuses with diesel, gas, hydrogen or electric drive*; and with certain goods under the **Opponent's IR/EU figurative mark**, including *vans...; busses [sic] with diesel, gas, hydrogen or electric drives*.

26. automobiles

I understand 'automobile' to be an American-English word for a car. On an ordinary interpretation, this term includes *motor cars for fire brigade* under the **Opponent's UK trade mark** and those goods may be considered identical.

27. vehicle chassis; engines for land vehicles; undercarriages for vehicles; automobile bodies; gear boxes for land vehicles; tyres for vehicle wheels; vehicle seats; automobile chassis; automobile wheel; trailers (vehicles)

All of these vehicle component goods are identical to goods under the **Opponent's UK trade mark**, which includes *parts and fittings* for (inter alia) *freight-carrying motor land vehicles; dumper trucks; trucks and lorries; buses; motor cars for fire brigade*. There is also identity with goods under the **Opponent's IR/EU word mark** - for example: the applied-for goods vehicle chassis and automobile chassis are identical to *chassis, also suitable for off-road use, for vehicles*; engines for land vehicles are identical to *engines for land-based vehicles, in particular gas/diesel engines*; undercarriages for vehicles; automobile bodies are identical to *bodywork and frame parts for motor vehicles*; and the Opponent's specification of *heavy goods vehicles and their parts* is broad enough for there to be identity with (inter alia) gear boxes for land vehicles; tyres for vehicle wheels; vehicle seats.

28. trucks, cross-country vehicles and military vehicles for transport

These goods are identical to *trucks and lorries* under the **Opponent's UK trade mark** and to *heavy goods vehicles* under the **Opponent's IR/EU word mark**.

29. motor buses

These are identical to *buses* under the **Opponent's UK trade mark**, and to *omnibuses with diesel, gas, hydrogen or electric drive* under the **Opponent's IR/EU word mark**, and

to *busses* [sic] with diesel, gas, hydrogen or electric drives under the **Opponent's IR/EU figurative mark**.

30. vans (vehicles) are identical to *vans* under the **Opponent's IR/EU figurative mark**.

31. concrete mixing vehicles; hose carts; cleaning trolleys

The **Opponent's IR/EU word mark** includes *special vehicles, in particular platform trucks, tippers or saddle tractors and their parts*. It is not precisely clear what falls within the term 'special vehicles', but I do not consider that the words 'in particular' excludes goods that are not *platform trucks, tippers or saddle tractors*. In my view, an ordinary understanding of the term 'special vehicles and their parts' could extend to include concrete mixing vehicles and hose carts (which I take to refer to a vehicle, or vehicle part, used to fight fires or otherwise to deploy water). In my understanding the cleaning trolleys would include vehicles adapted for cleaning things, including roads, so again may reasonably be considered identical to a 'special vehicle'.

32. So far in the above I have found there to be identity in respect of the majority of the applied-for goods. I have yet to deal with the following applied-for goods: Vehicles for locomotion by ..., air, water ...; bicycles; casting carriages; boats; motorcycles; sports cars and camping cars.

33. I note that the Opponent's submissions in chief state as follows:

*"Some other goods of the applicant's sign are highly similar (like Vehicles for locomotion by air, water or rail; bicycles; boats; motorcycles; sports cars; cross-country vehicles; hose carts; cleaning trolleys), because all of these goods are also vehicles or parts for vehicles and for carrying products or people, so the goods serve the same purpose. Furthermore usually vehicle manufacturer produce such goods like bicycles or motorcycles as well, as you can see in the following picture:*



34. In determining the extent to which the goods may be considered similar, I take account of the factors identified by the CJEU in *Canon*<sup>4</sup> where it stated that:

*“In assessing the similarity of the goods ... all the relevant factors relating to those goods .. themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”*.<sup>5</sup>

35. In *Boston Scientific*<sup>6</sup>, the General Court described goods as “complementary” in circumstances where “... *there is a close connection between [the goods], 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*”. I also take note that in *Kurt Hesse v OHIM*<sup>7</sup>, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods.

36. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case<sup>8</sup> for assessing similarity were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive.

---

<sup>4</sup> *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97C-39/97, at paragraph 23.

<sup>5</sup> The essence of case law points on similarity made in relation to goods applies correspondingly to services.

<sup>6</sup> *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

<sup>7</sup> Case C-50/15 P

<sup>8</sup> *British Sugar PLC v James Robertson & Sons Ltd* [1996] R.P.C. 281

37. Vehicles for locomotion by ... water ... and boats

The goods relied on by the Opponent are very largely concerned with various types of land vehicles. However, the **Opponent's IR/EU word mark** includes *bodywork and frame parts for motor vehicles* – and 'motor vehicles' may include boats and other vehicles for locomotion by water. It also includes *gear wheels (except engine parts), (controllable) clutches, sliding bearings, and torque converters for land-based vehicles, water-borne craft*. Clearly '*water-borne craft*' includes boats and other vehicles for locomotion by water. The Opponent therefore relies on goods that are various parts for vehicles that may include vehicles for locomotion by ... water ... and boats. I find such goods to be **similar to medium degree** on the basis that they are complementary in the sense described in *Boston Scientific*, they share the same users, have the same nature and are likely to share trade channels.

38. Vehicles for locomotion by ... air ...

The **Opponent's IR/EU word mark** includes *bodywork and frame parts for motor vehicles*. Although the focus of the specification is on various types of land vehicles (plus one explicit reference to water-borne craft), words in specifications are to be given their ordinary natural meaning, and since vehicles include aircraft, which may be motorised, '*motor vehicles*' include vehicles for locomotion by air.<sup>9</sup> The Opponent therefore relies on goods that may be parts for vehicles for locomotion by air and I am constrained to find similarity for the respective goods based on complementarity, shared users, nature and trade channels (though **no higher than medium**).

39. Bicycles

I am not persuaded by the Opponent's submission that vehicle manufacturers usually produce goods such as bicycles or motorcycles. That is not shown in evidence; it is not even clear that the image of a branded bicycle included in its submissions are goods actually sold by the Opponent. However, to the extent that the Opponent's goods involve other modes of transport (*buses; motor cars for fire brigade*), there may be considered a degree of similarity based on competition and purpose. Moreover, the goods under **the Opponent's IR/EU word mark** include *gear mechanisms for land-based vehicles, in*

---

<sup>9</sup> And certainly Class 12 is apt to cover vehicles and apparatus for the transport of people or goods by air, as much as by land or water.

*particular chain-driven vehicle mechanisms*; bicycles are of course chain driven and can have gears, so I find similarity for the respective goods based on complementarity, shared users, nature and trade channels (though **no higher than medium**).

40. casting carriages

Regrettably, I simply do not know what a casting carriage is, nor did I find any assistance in the papers filed. The **Opponent's UK trade mark** covers *parts and fittings for freight-carrying motor land vehicles* and the **Opponent's IR/EU word mark** covers *heavy goods vehicles and their parts*. I frankly do not know if a casting carriage is something that runs on rails or is apt for use with road-based freight vehicles, or something else, but since I have noted that the Opponent's submissions in chief refer to the Applicant having accepted identity in relation to casting carriages, I will allow for a **notional medium degree of similarity** between a casting carriage and the Opponent's protected parts for vehicles (and potentially identity).

41. motorcycles; sports cars and camping cars

Such vehicles are not the focus of the marks relied on by the Opponent. Although these are all land vehicles, the vehicles (complete) under the Opponent's marks are commercially- or service-oriented and they have different consumers from motorcycles, sports cars and camping cars. However, under its **IR/EU word mark**, the Opponent has protection for *engines for land-based vehicles, in particular gas/diesel engines; chassis, also suitable for off-road use, for vehicles; bodywork and frame parts for motor vehicles* and each of these goods could be parts for motorcycles, sports cars and camping cars. I find such goods to be **similar to medium degree** on the basis that they are complementary in the sense described in *Boston Scientific*, they share the same users, have the same nature and are likely to share trade channels. (Again, I have noted that the Opponent's submissions in chief refers to the Applicant having accepted that camping cars are identical goods.)

## The average consumer and the purchasing process


42. In *Hearst Holdings Inc*,<sup>10</sup> Birss J explained that “... 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 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 word “average” denotes that the person is typical”.
43. Many of the goods at issue are commercial vehicles and their parts, and both parties accepted the specialist nature of the relevant goods. The Opponent stated that commercial vehicles are “made for companies or experts and not for the general public”, and that the relevant public for commercial vehicles have a good knowledge of the market. The Applicant argued that due to the specialist nature of the relevant goods, the level of attention of the relevant public is likely to be 'high'. I find that the notional average consumer group in this case certainly includes **business users**, such as logistics and transport companies. Commercial vehicles are expensive and will not be frequent purchases. They will be selected with care and in my view the **level of attention on the part of the consumer** for such goods and their parts **is likely to be high**.
44. However, the Applicant’s goods include some goods, such as vehicle seats, motorcycles, boats, sports cars and bicycles, for which the average consumer will not be limited to business users, and which will be of interest to the **general public at large**. That said, such goods still entail quite some expense (in varying degrees) and will not be frequent purchases. They will be selected with care and in my view the level of attention on the part of the average consumer for such goods will be at least **between medium and high**.
45. The consumer will see the marks used on the goods, as signage at dealerships and in advertising for the goods in various media, including in print and on the internet. Therefore, I consider the purchase to be a primarily visual one, but aural considerations may also play a part, such as on the basis of word of mouth recommendations, so I also take into account the aural impact of the marks.

---

<sup>10</sup> *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), at paragraph 60.

### Comparison of the marks

46. It is clear from *Sabel* that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo* 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.”
47. It would therefore be wrong to dissect the trade marks artificially, but it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features that are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are shown below:

The Applicant’s contested mark:	<b>SHACMAN</b>
The earlier marks:	
The Opponent’s UK trade mark	<b>MAN</b>
The Opponent’s IR/EU word mark	MAN
The Opponent’s IR/EU figurative mark	

48. The **applied-for trade mark** consists of the single, meaningless word “SHACMAN”; although it has been filed as a figurative mark, I find that the overall impression resides

largely in the word itself. However, the thick upper-case lettering and slight stylisation also contribute to the overall impression.

49. The **Opponent's UK trade mark** consists of the three letters "MAN", forming one of the most basic of short words in English. It is registered as a figurative mark, and although I find that the overall impression resides largely in the word itself, the slight stylisation of the thick, slightly squat, upper case lettering also contributes to the overall impression.
50. The **Opponent's IR/EU word mark** consists only of the word registration "MAN"; no other elements contribute to the overall impression which lies in the word itself (a basic English word).
51. The **Opponent's IR/EU figurative mark**, like its UK trade mark, consists of the three letters "MAN", forming one of the most basic of short words in English. However, beyond its font, the additional figurative aspects of the arch and the shining metallic effect are notable in the overall impression.
52. **My approach to assessing similarity of the marks:** In my view, of the three earlier marks, the Opponent's IR/EU figurative mark is self-evidently most distant from the applied-for mark; since ordinary use of Opponent's IR/EU word mark allows for changes of case and typeface and given the obvious similarity of the font in the Opponent's UK trade mark, they shall be the focus of my comparison.

#### *Visual similarity*

53. I note that the verbal element of the earlier marks is present in its entirety in the applied-for mark; moreover, the typeface used in the earlier UK trade mark is very similar to that used in the applied-for figurative mark, although it is not an especially idiosyncratic typeface. However, the applied-for mark is more than twice the length of the earlier marks (seven versus three letters), since it begins with four additional letters (SHAC) that do not appear in earlier marks. In line with assumptions about how consumers perceive marks, courts have tended towards a general principle that in determining whether marks are similar, particular attention should be paid to the beginnings of marks. However, this is not a hard-and-fast rule, and in my view the average consumer will not overlook as part of the whole the presence of such a basic and perceptible word component MAN. Taking

account of the overall impressions of the marks, I consider the marks to be **visually similar to a degree between low and medium**.

*Aural similarity*

54. The applied-for mark has two syllables. There is an aural overlap in that the second syllable of the applied-for mark may well be pronounced identically to the earlier marks; some may pronounce those three letters in the applied-for mark as more akin to “mun” – which is anyway similar. However, the first part of the applied-for mark requires the voicing of “sh-ac”, which creates a very noticeable aural difference. I consider the marks aurally **similar to a degree between low and medium**.

*Conceptual similarity*

55. Clearly, in English, “MAN” has an immediately graspable concept of an adult male; this is true notwithstanding that it is quite possible that some among the average consumer group may assume that the mark is an acronym of some sort.
56. In comparing the applied-for mark “SHACMAN”, the Opponent submits that “MAN is the only known word of these two syllables and is identical” and that “both signs are based on the same part MAN, since SHACMAN is a variation of MAN, so the signs are conceptually actually identical.”
57. For its part, the Applicant provided a non-exhaustive list of over ninety words of seven letters ending with MAN, such as fireman, newsman, ottoman, oarsman, pullman, goodman. The Applicant argued that there is a striking conceptual *dissimilarity* between the earlier marks and the mark applied for because of the “common and generic nature of the three-letter “MAN” element at the end of many words in the English language” and that this “is also significant because it undermines the Opponent’s various arguments concerning the high reputation and enhanced distinctiveness of the earlier marks.”
58. Addressing first the Applicant’s position: it is true that the average consumer in the UK will have encountered many words that end with MAN, both as surnames (e.g. Jackman, Altman, Letterman), and as ordinary English nouns (postman, milkman, inhuman, snowman) – however, unlike the words referenced in the Applicant’s submissions, the word in this case (SHACMAN) appears to be an invented word, albeit one founded on the familiar ending of ‘man’. It does not create its own immediately graspable concept and

does not therefore present a distinctly contrasting or strongly *dissimilar* concept. While I also reject the Opponent's assessment that the marks are conceptually *identical*, there is a conceptual overlap to the extent that the invented word SHACMAN contains the word MAN. I estimate the **conceptual similarity as medium**.

### **Distinctiveness of the earlier mark**

59. The distinctive character of the earlier mark must be assessed, as, potentially, the more distinctive the earlier mark, either inherently or through use, the greater the likelihood of confusion.<sup>11</sup> In *Lloyd Schuhfabrik*, the CJEU stated that:

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

60. I have noted from the evidence that the verbal element of the mark derives from an acronym in the German language. That acronym may carry some sort of descriptive message, but that message will not be apparent to the notional UK average consumer. The earlier marks do not involve full stops between the letters that would indicate their acronym nature, and although I have noted that some among the average consumer

---

<sup>11</sup> *Sabel* at [24]

group may possibly assume that MAN is an acronym, the marks still essentially involve an ordinary, very common English word, but one which will not be seen as allusive in relation to the goods at issue. The figurative elements are relatively modest and I consider all of the earlier marks to be **inherently distinctive to a medium degree**. The Opponent has claimed that the mark has achieved a high degree of distinctiveness through use. The evidence shows that the Opponent has long enjoyed a high market share in the UK for commercial vehicles (for example the Texaco report at Exhibit 3). I find that the distinctiveness of the marks has thus been **enhanced through use** and may be considered **highly distinctive overall for many of the goods relied on, particularly lorries, trucks and vans (and parts and fittings therefor, including their engines)**.

### **Conclusion as to likelihood of confusion**

61. I now turn to reach a conclusion as to the likelihood of confusion between the applied-for **SHACMAN** and the earlier marks, for example, **MAN**, if they were used in relation to the goods I have considered in class 12. The likelihood of confusion must be appreciated globally, taking account of all relevant factors. The question is whether there is a likelihood of confusion amongst a significant proportion of the relevant public;<sup>12</sup> Confusion can be direct or indirect. Whereas direct confusion involves the average consumer mistaking one trade mark for the other, indirect confusion is where the average consumer realises that the trade marks are not the same but puts the similarity that exists between the trade marks/goods down to the responsible undertakings being the same or related.
62. The construct of an average consumer in this case includes business users, whose level of attention in purchasing commercial vehicles is likely to be 'high'; for other goods it also includes the general public, where still the attention level will be at least between medium and high. Such levels of attention may tend to mitigate against confusion. Visual selection will dominate in the purchasing process and my finding is that the marks are visually similar only to a degree between low and medium. The additional four letters that begin the contested mark make it a significantly longer and different word. In my view, the difference created by "SHAC", ahead of the shared element "MAN" will ensure that

---

<sup>12</sup> Kitchin L.J. in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41 at §34

the average consumer will not imperfectly recall one mark as the other, even where the goods are identical. **There is no likelihood of direct confusion.**

63. That still leaves open the question of indirect confusion. Indirect confusion, was considered by Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*,<sup>13</sup> from which I note the following:

“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”.

64. Paragraph 17 of the same decision indicated typical instances where one may expect the average consumer to reach such a conclusion:

*“(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.).*

---

<sup>13</sup> Case BL-O/375/10

(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).”*

65. I also note the conclusion in the High Court case of *Virgin Enterprises Limited v Virginic, LLC*<sup>14</sup> that the average consumer would be likely to think that the invented word VIRGINIC was a brand extension of VIRGIN, and therefore indirect confusion.<sup>15</sup> I note too that as emphasised by James Mellor QC, sitting as the Appointed Person in *Eden Chocolat*<sup>16</sup>: “... *it is important to stress that a finding of indirect confusion should not be made merely because the two marks share a common element.*” No likelihood of confusion arises where a later mark merely calls to mind the earlier mark (mere association).
66. With such guidance in mind, my global assessment of likelihood of confusion encompasses the following considerations:
- i. There is a greater likelihood of confusion where the earlier mark has a highly distinctive character and I have found the Opponent’s marks highly distinctive in relation to many of the goods relied on, particularly lorries, trucks and vans (and parts and fittings therefor, including their engines), based on the level of their long-standing and significant use in the UK.
  - ii. In a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark.
  - iii. While I have found that the overall impression of applied-for mark resides largely in the word itself, and although I am duly cautious not to divide the applied-for mark into its constituent parts in a way that is artificial, I have found that the average consumer (deemed reasonably well informed and reasonably circumspect and observant) will not overlook as part of the whole the presence of the basic and perceptible word component MAN.

---

<sup>14</sup> [2019] EWHC 672 (Ch)

<sup>15</sup> Arnold J also concluded there was a risk that the average consumer would perceive adding –IC made VIRGINIC a 'newly-minted adjective "of or pertaining to VIRGIN" and that there was accordingly, a fairly high degree of conceptual similarity between the trade marks.

<sup>16</sup> Case BL O-547-17 *Duebros Limited v Heirler Cenovis GmbH* (27 October 2017) at paragraph 81.4.

- iv. I must consider how the average consumer may be expected to see the mark in normal and fair use; this would include on the goods themselves, for example, on the grill of a truck in the common way; the average consumer will perceive the component MAN, not simply as having the concept of an adult male, but as the highly distinctive trade mark for such goods. The average consumer will in those circumstances perceive the other component “SHAC” either as meaningless, or, if aware of the company behind the mark, as an acronym for Shaanxi Heavy-Duty Automobile Co (the Applicant).
- v. While 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, if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.
67. In my view this is a case where it can reasonably be said that there is a likelihood of indirect confusion on the part of the average consumer, since they may perceive the invented word SHACMAN as indicating some sort of joint venture, thus attributing the similarity that exists between the trade marks/goods to the responsible undertakings being the same or related. I consider this to be the case in relation to the applied-for goods to the extent that they are sufficiently closely similar to the goods in respect of which the earlier marks benefit from enhanced distinctiveness (namely lorries, trucks and vans (and parts and fittings therefor, including their engines).
68. I therefore find indirect confusion in relation to the following goods in Class 12:
- Vehicles for locomotion by land ... ; automobiles; vehicle chassis; engines for land vehicles; undercarriages for vehicles; automobile bodies; gear boxes for land vehicles; casting carriages; tyres for vehicle wheels; vehicle seats; trucks; cross-country vehicles; camping cars; hose carts; trailers (vehicles); cleaning trolleys; military vehicles for transport; concrete mixing vehicles; vans (vehicles); motor buses; automobile chassis; automobile wheel.*
69. I find no indirect confusion in relation to the following goods: *Vehicles for locomotion by air, water or rail; bicycles; boats; motorcycles; sports cars.*

### The section 5(3) ground

70. I have previously set out the provisions of section 5(3).<sup>17</sup> The relevant case law for section 5(3) can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel Corporation*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L'Oreal v Bellure*, Case C-487/07 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

- (a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.
- (b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.
- (c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.
- (d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42.
- (e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.
- (f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic

---

<sup>17</sup> At paragraph 8, contextualising the pleadings.

behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel*, paragraphs 76 and 77.

- (g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.
- (h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L’Oreal v Bellure NV*, paragraph 40.
- (i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark’s image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court’s answer to question 1 in *L’Oreal v Bellure*).

## **Reputation**

- 71. Reputation must be assessed as at the relevant date, which is the date on which the Applicant filed its trade mark application - 1 July 2018. The CJEU in *General Motors* gave guidance on assessing the existence of a reputation: paragraph 27 of that judgment requires that I “*take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.*”

72. To show that an earlier mark has acquired a reputation there must be clear and convincing evidence on which to conclude safely that the mark is known by a significant part of the relevant public. The relevant public for the goods in respect of which the Opponent claims a reputation will be business users in the UK interested in commercial vehicles and their parts.
73. Reputation cannot be merely assumed and must be evaluated by making an overall assessment of all factors relevant to the case. The witness evidence and **Exhibit 1** establish the range of goods manufactured by MAN T&B under the trade mark “MAN”. However, the evidence is not uniformly strong on establishing reputation in the UK for the full range of those goods. Some of the evidence is less focused on the UK, more on the EU at large. For example, although **Exhibit 6** refers to MAN engines used in connection with rail and with yacht and work boats, the extent to which such goods are sold in the UK is not clear. I am not satisfied the evidence shows a relevant reputation for those goods.
74. However, the evidence is very clear in relation to such commercial vehicles as heavy goods vehicles, trucks, lorries and vans. It shows various reliable sources confirming that MAN has for years enjoyed significant market share and sales in the UK for a range of the relevant goods (e.g. information from the UK truck magazine at **Exhibit 2**, and the Texaco report at **Exhibit 3**). Although I noted no specific evidence on the investment made in promoting the marks, this hardly undermines the strength of the evidence of reputation since the listed factors only serve as examples.<sup>18</sup> Overall the evidence presented in relation to lorries, trucks and vans is compelling. I have reservations about the evidence of reputation in the UK specifically for buses. This is despite buses clearly being a significant part of the MAN business in, for example, Germany, and notwithstanding that **Exhibit 8** indicates *international* recognition for its bus design, albeit that the 2019 award may be after the relevant date.
75. In my view, I can safely conclude that the earlier marks satisfy the criteria for the required level of reputation (in the UK) to sustain a claim under section 5(3) in relation to, broadly put, heavy goods vehicles, **trucks, lorries and vans**. The reputation extends to the parts for those goods.

---

<sup>18</sup> See the comments of the General Court in *Farmeco AE Dermokallyntika v OHIM*, Case T-131/09 at paragraph 59.

## Link

76. My assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:
- (a) *The degree of similarity between the conflicting marks*
77. I have assessed the marks to be visually and aurally similar to a degree between low and medium, the conceptual similarity to be medium, and I have noted that the whole of verbal element of the earlier marks appears within the applied-for mark.
- (b) *The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public*
78. Clearly many of the Applicant's goods are very close or identical to the Opponent's reputed goods. There is certain degree of closeness between all of the goods inasmuch as they are all concerned with various types of vehicles and their parts, so none of the goods is therefore entirely dissimilar; however, goods such as bicycles, motorcycles and boats are much less close to the large, land-based commercial vehicles for which the earlier marks have a reputation. There is also considerable overlap in the relevant section of the public, which includes businesses concerned with transport, commercial vehicles and logistics (as well as the general public for some of the goods).
- (c) *The strength of the earlier mark's reputation*
79. In my view, the earlier marks enjoyed a qualifying reputation in the UK at the relevant date that was very strong in relation to trucks, lorries and vans and their parts.
- (d) *The degree of the earlier mark's distinctive character, whether inherent or acquired through use*
80. The earlier marks may be considered inherently distinctive to a medium degree and their distinctiveness has been enhanced through use so that they may be considered highly distinctive overall, especially in relation to lorries, trucks and vans and their parts.

*(e) Whether there is a likelihood of confusion*

81. I concluded that, for purposes of the section 5(2)(b) ground, a likelihood of indirect confusion arose in relation to most of the applied-for goods – as I set out in paragraph 68 above, taking account, inter alia, of the similarity of the marks and of the goods.
82. For a link to arise under section 5(3) it is not necessary that the goods be similar (although as indicated at factor (b) above, closeness or similarity is certainly not irrelevant). When I consider the matter in the round, including factors (a) – (e) above, **I find that the average consumers will make a link between the reputed earlier marks and the contested mark in relation to most of the goods at issue.**
83. Taking account of the matrix of factors, including the strength and focus of the reputation of the Opponent’s marks in the UK and the limited degree of similarity between the marks, **I find the link will not arise in respect of the following goods:** *Vehicles for locomotion by .., air, water ..; bicycles; boats; motorcycles; and sports cars.* These goods coincide with those that I excluded from the reach of indirect confusion, with the exception of *vehicles for locomotion by rail.* In my view the Opponent’s reputation under its earlier marks in respect of what are large, land-based commercial vehicles is sufficient to afford protection under section 5(3) in relation to *vehicles for locomotion by rail.*
84. According to case law, the types of injury or damage under section 5(3) may be the consequence of a lesser degree of similarity between the earlier and the later mark than may be required for a likelihood of confusion. Thus, in relation to provisions analogous to the grounds in this case, the judgment of the CJEU in *Intra-Press SAS v OHIM* stated as follows:

*“The Court has consistently held that the degree of similarity required under Article 8(1)(b) of Regulation No 40/94, on the one hand, and Article 8(5) of that regulation, on the other, is different. Whereas the implementation of the protection provided for under Article 8(1)(b) of Regulation No 40/94 is conditional upon a finding of a degree of similarity between the marks at issue so that there exists a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) of Regulation No 40/94 may be the consequence of a lesser degree of similarity between the earlier and the later marks, provided that it is*

*sufficient for the relevant section of the public to make a connection between those marks, that is to say, to establish a link between them (see judgment in Ferrero v OHMI, C-552/09 P, EU:C:2011:177, paragraph 53 and the case-law cited)."*<sup>19</sup>

### **Risk of injury**

85. Having found that a link will arise, I proceed to consider whether there is a serious likelihood that use of the later mark, without due cause, would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark(s). As I set out in the pleadings section of this decision, the Opponent expressed in some detail why it envisages the claimed types of injury; despite the detail of the those claims, followed up with submissions and evidence filed during the evidence rounds, the Applicant has offered little by way of response; its defence rests primarily on the marks being distinguishable.
86. I take note of references in the Opponent's evidence to the parties having previously had a commercial relationship wherein the Applicant was given access to specified MAN technology and the evidence and that the fact of that relationship appears to be in the public arena both via Wikipedia and seemingly via the Applicant itself. The Applicant has not taken issue with the evidence of **Exhibits 9 and 10** and in view of that silence, I accept the account given by the Opponent in relation to the technology of MAN F2000 and MAN TG-A series of trucks. There is of course nothing wrong *per se* in one company making public the fact of its having engaged commercially with another enterprise in this way. However, the Opponent's claim is that the Applicant has chosen a trade mark featuring 'MAN', and that may be seen to reference the historical commercial relationship, particularly as the other part of the mark SHAC may appear to reflect the initials of the Applicant's corporate name. The Applicant has not responded specifically on its selection of the mark. Although the question of whether there is a link must be judged from the perspective of an average consumer, the question of whether an advantage is unfair can include evidence that the applicant intended to take advantage of the reputed mark.
87. Case law suggests that it is possible to conclude that there is a risk of free-riding on the basis of logical inferences from real-world facts, provided they are more than mere

---

<sup>19</sup> Joined cases C-581/13P & C-582/13P (at paragraph 72)

supposition, and having analysed the probabilities and taking into account the practices in the relevant commercial sector and all other circumstances.<sup>20</sup>

88. In my view, taking account of all relevant factors, there is a sufficient, non-hypothetical risk that the applied-for trade mark will create a link to the trade mark MAN from which the relevant consumer may interpret some sort of commercial cooperation or joint venture, and unfair advantage would arise whereby the Applicant would benefit from the power of attraction and the reputation of the Opponent's marks. Given the evidence of awards and popularity associated with the Opponent's goods, there is also a serious likelihood that such image may transfer to the relevant goods identified by the Applicant's mark, and it thus derive an advantage on the coat-tails of the earlier marks with a reputation; this is unfair advantage.<sup>21</sup> As the Opponent submits, the Applicant may by that connection save in advertising costs and ease the introduction of its mark in the market.

## OUTCOME

89. **The opposition has largely succeeded both on the basis both of its section 5(2)(b) and section 5(3). Consequently, the application is able to proceed in relation to the following goods only: *Vehicles for locomotion by ..., air, water ...; bicycles; boats; motorcycles; and sports cars.* It may ***not proceed*** in relation to the remainder of the goods applied for.**

## COSTS

90. MAN SE has had the greater level of success in these proceedings and is entitled to a contribution towards its costs, based on the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award MAN the sum of **£1650** as a contribution towards the costs of the proceedings. This sum is calculated as follows:

Official fee	£200
Preparing a statement and considering the TM8	£500
Preparing evidence and commenting on the other side's evidence	£1200
Submissions in lieu of oral hearing	£300

<sup>20</sup> See *Coca-Cola v EUIPO — Mitico (Master)* (Case T-61/16)

<sup>21</sup> See *Claridges Hotel Limited v Claridge Candles Limited and Anor*, [2019] EWHC 2003 (IPEC)

Reduction of 25% to reflect partial nature of the success in the opposition	- £550
<b>TOTAL</b>	£1650

91. I therefore order Shaanxi Heavy-Duty Automobile Co., Ltd to pay MAN SE the sum of £1650. This sum should 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 13<sup>th</sup> day of March 2020**

**Matthew Williams**  
**For the Registrar**

---