

O-187-17

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO. 3129429

BY GIOVANNI LAPORTA

TO REGISTER THE TRADE MARK:

Hug

IN CLASSES 7, 8, 9, 11, 21, 35, 39, 40 AND 42

AND IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 405931 BY NATIONAL HOUSE-BUILDING COUNCIL

Background and pleadings

1. On 30 September 2015, Giovanni Laporta (“the applicant”) applied to register the trade mark **Hug** for a range of goods and services in classes 7, 8, 9, 11, 21, 35, 39, 40 and 42 (the full list of goods and services is attached as an annex to this decision). The application was published for opposition purposes on 30 October 2015.

2. The application is opposed by National House-Building Council (“the opponent”). Although the original pleadings included a ground under section 5(3) of the Trade Marks Act 1994 (“the Act”), the opposition now proceeds upon sections 5(1) and 5(2)(a) only. It is directed against the following goods and services:

Class 7 Food and beverage processing and preparation equipment; washing machines; dishwashers.

Class 8 Food preparation implements.

Class 9 Computer software; downloadable computer software for project, document, and database management and storage of electronic data; database management software; electric plugs; plug sockets; electric and electric components; switches, electrical wiring and cables.

Class 11 Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; oven; microwaves; food and beverage cooking, heating, cooling and treatment equipment; electric fan; fridges; drying machines.

Class 35 Database Management software services; computerised database management; advertising; retail services in connection with the sale electrical goods and hardware, namely food and beverage processing and preparation equipment, electric plugs, plug sockets, electric and electric

components, switches, electrical wiring and cables, apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes, oven, microwaves, food and beverage cooking, heating, cooling and treatment equipment, electric fan, microwaves, ovens, fridges, washing machines, drying machines, dishwashers, machines for household use, domestic electrical and electronic equipment.

Class 39 Electricity supply services; electricity distribution services.

Class 42 Database development services; hosting of databases.

3. The opponent relies upon UK Trade Mark registration no. 2646250 for the trade mark **HUG**, applied for on 19 December 2012 and for which the registration procedure was completed on 21 June 2013. The mark is registered for a range of goods and services; for the purposes of this opposition, the opponent relies upon the following:

Class 9 Phone applications; software for use in word processing, electronic mail, calendars and scheduling, and desktop publishing.

Class 35 Advertising.

Class 37 Provision of information and advice relating to the installation, maintenance, servicing and repair of buildings, solar thermal installations, plumbing, heating installations, electronic or air conditioning systems, environmental control systems, burners, boilers, steam condensers, air reheaters, condensing apparatus, solid fuel burners and boilers, gas water heaters, electric lighting apparatus, household appliances, beverage processing apparatus, catering equipment, cooking pots and pans, machines for processing and cooking food, cleaning machines, domestic

refrigeration, freezing machines and apparatus, water purifying apparatus, storage tanks.

Class 38 Providing access to computer, electronic and online databases.¹

Class 42 Hosting computer sites (websites); maintenance of websites and hosting on-line web facilities for others; updating websites for others.

4. In its Notice of Opposition, the opponent claims that there is a likelihood of confusion because the marks are identical and because the goods and services are identical or similar.

5. The applicant filed a counterstatement in which he denies the basis of the opposition. The applicant claims that the marks are not identical but accepts that “there are visual, aural and conceptual similarities between the Applicants [sic] and the Opponent’s Marks”. He denies that the goods and services are similar or identical.

6. Both parties have been professionally represented throughout, the applicant by Lawdit Solicitors and the opponent by Williams Powell. Neither party filed evidence. A hearing took place before me on 24 March 2017. The applicant did not attend the hearing and did not file written submissions in lieu. The opponent was represented by Ian Tollett for Williams Powell. I will not summarise Mr Tollett’s submissions here but will bear them in mind and refer to them, as appropriate, later in this decision.

Decision

7. Sections 5(1) and 5(2)(a) of the Act read as follows:

¹ These services are grouped under class 9 at p. 3 of the statement of grounds. I see no reason why the opponent should not be entitled to rely upon them, as they have been stated in the grounds, are covered by the opponent’s specification and are plainly not proper to class 9.

“5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

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

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

(b) [...]

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

8. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6. (1) In this Act an “earlier trade mark” means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered”.

9. In these proceedings, the opponent is relying upon the trade mark shown in paragraph 3, above, which qualifies as an earlier trade mark under the above provisions. As this trade mark had not completed its registration process more than 5 years before the publication date of the application in suit, it is not subject to proof of use, as per section 6A of the Act. The opponent can, as a consequence, rely upon all of the goods and services it has identified.

Identity of trade marks

10. It is a prerequisite of both sections 5(1) and 5(2)(a) that the trade marks are identical. The applicant has denied that the marks are identical but has conceded that there is a degree of similarity.

11. The marks in question are **Hug** and **HUG**. Both are plainly the same word, with the only difference between them being that one is in a combination of upper and lower case, while the other is all in upper case. Notional and fair use of either mark would include use in upper case, lower case or in upper and lower case. There is, therefore, no difference between them. If there were any doubt on that point, the Court of Justice of the European Union (“CJEU”) held in *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, Case C-291/00, that:

“54 [...] a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer”.

12. Even if I am wrong regarding the use of upper and lower case, I consider that the differences between the marks inherent in their respective cases are so insignificant that they may go unnoticed by the average consumer. As a consequence, the marks may still be considered identical.

Identity/similarity of goods and services

13. The applicant has made a number of submissions in his counterstatement to explain the difference between the goods and services covered by his marks and those in the earlier specification. His submissions are concerned with the actual goods and services on which the respective marks may be used. Whilst I acknowledge that the actual goods and services offered by the parties may differ, the comparison must be made on the basis of notional use of the mark across the full width of the specification. This concept of notional use was explained by Laddie J. in *Compass Publishing BV v Compass Logistics Ltd* ([2004] RPC 41) like this:

"22.It must be borne in mind that the provisions in the legislation relating to infringement are not simply reflective of what is happening in the market. It is possible to register a mark which is not being used. Infringement in such a case must involve considering notional use of the registered mark. In such a case there can be no confusion in practice, yet it is possible for there to be a finding of infringement. Similarly, even when the proprietor of a registered mark uses it, he may well not use it throughout the whole width of the registration or he may use it on a scale which is very small compared with the sector of trade in which the mark is registered and the alleged infringer's use may be very limited also. In the former situation, the court must consider notional use extended to the full width of the classification of goods or services. In the latter it must consider notional use on a scale where direct competition between the proprietor and the alleged infringer could take place".

14. This approach has recently been endorsed by the Court of Appeal in *Roger Maier v ASOS* ([2015] EWCA Civ 220 at paragraphs 78 and 84).

15. When making the comparison, all relevant factors relating to the goods and services in the specification should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*, the CJEU stated at paragraph 23 of its judgment:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

16. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) 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;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

17. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut fur Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

18. I also remind myself of the guidance given by the courts on the correct approach to the interpretation of specifications. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

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

19. In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) warned against construing specifications for services too widely, stating that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase”.

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

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

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

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

Whilst on the other hand:

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

22. In the same case, Mr Alexander also warned against applying too rigid a test when considering complementarity:

“20. In my judgment, the reference to “legal definition” suggests almost that the guidance in Boston is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to Boston”.

23. For the purposes of considering the issue of similarity of goods and services, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons (see *Separode Trade Mark* BL O/399/10 and *BVBA Management, Training en Consultancy v. Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs [30] to [38]).

Class 7

Food and beverage processing and preparation equipment; washing machines; dishwashers

24. The opponent claims that the above goods are similar to its services in class 37 because the goods and services share the same users and because they are complementary.

25. The applicant's goods fall within the general category of household appliances. The opponent's specification includes the "provision of information and advice relating to the installation, maintenance, servicing and repair of household appliances". The nature of the competing goods and services is different (there is always a difference in nature between goods and services) and their purpose is not the same, as the applicant's goods consist of equipment to carry out a particular task, while the opponent's services are concerned with the provision of advice and information about the same equipment. The method of use of the respective goods and services will differ and the goods and services are not in competition. However, the users may coincide and there may be an overlap in the channels of trade. In terms of the particular goods at issue, it would not be unusual for the same undertaking both to offer the goods for sale and to provide information about, for example, warranties and recommended service regimes. In my view, the goods and services are complementary. There is a low degree of similarity between the applicant's goods and the services of the earlier specification.

Class 8

Food preparation implements

26. These goods include implements such as mandolins and slicers, which fall within the general category of catering equipment. The opponent's specification covers, in class 37, the "provision of information and advice relating to the installation,

maintenance, servicing and repair of catering equipment”. The goods and services differ in nature, purpose and method of use. They are not in competition but there may be an overlap in both in users and channels of trade. The average consumer may assume that responsibility for the respective goods and services lies with the same undertaking and there is, therefore, a degree of complementarity. Overall, I consider that the opposed goods in class 8 and the opponent’s class 37 services are similar to a very low degree.

Class 9

Computer software; downloadable computer software for project, document, and database management and storage of electronic data; database management software

27. At the hearing, Mr Tollett argued that the different types of software included in the specification applied for are covered by “phone applications” in the earlier specification. My understanding is that phone applications are a type of computer software specifically designed for use with mobile phones. The particular scope of that software is not, to my knowledge, limited to certain products (for example, computer game software) and could include applications intended for, for example, document management. It follows that all of the applicant’s software goods could include phone applications, or vice versa. I find that “computer software; downloadable computer software for project, document, and database management and storage of electronic data; database management software” are identical to the opponent’s “phone applications” on the principle outlined in *Meric*.

Electric plugs; plug sockets; electric and electric components; switches, electrical wiring and cables

28. The opponent argues that these goods are similar to the earlier mark’s “provision of information and advice relating to the installation, maintenance, servicing and repair of electronic systems, electric lighting apparatus” on the basis that the goods and services shares users and have a complementary relationship. To my mind, “electronic”

suggests systems which are more technological in nature and I regard the opponent's best case as being with its services in relation to electric lighting apparatus. The applicant's goods are all components which would be used in electric lighting apparatus. While nature, purpose and method of use all differ, and the goods and services are not in competition, I agree with Mr Tollett that the users of the respective goods and services are likely to intersect. I also consider that the goods and services may reach the market through the same channels of trade. I find that there is a low degree of similarity between "electric plugs; plug sockets; electric and electric components; switches, electrical wiring and cables" and the services in the earlier specification.

Class 11

Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; oven; microwaves; food and beverage cooking, heating, cooling and treatment equipment; electric fan; fridges; drying machines.

29. The applicant's "apparatus for lighting, heating, cooking, refrigerating, drying; oven; microwaves; food and beverage cooking, heating, cooling and treatment equipment; fridges; drying machines" are all goods which would encompass or be encompassed by the terms "electric lighting apparatus", "heating installations", "household appliances" and/or "catering equipment". "Apparatus for ventilating; electric fan" would be included within the term "air conditioning systems", while "apparatus for water supply and sanitary purposes" would be covered by "plumbing installations". In the absence of any evidence or submissions otherwise, "boilers" would include steam boilers, which would also be included in the term "apparatus for steam generating". Clearly, the earlier specification does not cover the goods in the specification applied for; rather, it is concerned with the provision of information and advice relating to the installation, maintenance, servicing and repair of the same goods. Nonetheless, I consider that the goods and services are likely to be provided through the same channels of trade and that they may share users. I find that they share a low degree of similarity.

Class 35

Advertising

30. This is self-evidently identical to “advertising” in the earlier specification.

Database Management software services; computerised database management

31. The opponent argues these services are similar to “software for use in word processing, electronic mail, calendars and scheduling, and desktop publishing” and “providing access to computer, electronic and online databases” in the earlier specification. Mr Tollett submitted that the users of the respective goods and services will be the same and that the goods and services are complementary. “Database Management software services; computerised database management” are (given that they are in class 35) administrative or management services involving the organisation or systemisation of databases and the information contained therein. In light of that, my view is that the opponent’s “providing access to computer, electronic and online databases” represents its best case. That service is a telecommunications service which provides a user with the means of accessing a database. Whilst I acknowledge that the users may overlap at a very superficial level (they may both be, for example, businesses), the user of the applicant’s services will be the owner of the database and its information, while the user of the opponent’s services will be interested in accessing the data in order to make use of it. As far as complementarity is concerned, the services are not, in my view, indispensable to one another and I do not think it likely that the consumer would assume that responsibility for them lies with the same undertaking. The nature, purpose and method of use of the respective services are all different and they are not in competition. The services are not similar.

I do not consider that the opponent’s goods in class 9 are any closer to the services of the applicant. The fact that the applicant’s services may make use of software to

function is not determinative.² The software covered by the earlier specification is different in nature and purpose and the goods and services are not in competition. The method of use and users are also unlikely to overlap and there is no complementarity. There is no similarity between the respective goods and services.

Retail services in connection with the sale electrical goods and hardware, namely food and beverage processing and preparation equipment, electric plugs, plug sockets, electric and electric components, switches, electrical wiring and cables, apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes, oven, microwaves, food and beverage cooking, heating, cooling and treatment equipment, electric fan, microwaves, ovens, fridges, washing machines, drying machines, dishwashers, machines for household use, domestic electrical and electronic equipment.

32. Mr Tollett argued that these retail services are similar to the opponent's class 38 services for the "provision of information and advice relating to the installation, maintenance, servicing and repair" for the identical goods, as information and advice about specific products would be offered as part of a retail service. He also argued that a consumer would "expect a retail outlet to offer ancillary services should the products sold need installation, maintenance, servicing or repair". I agree with Mr Tollett that the particular retail services in issue are likely to share channels of trade with the services in the earlier specification and that the users of the services are likely to coincide. I consider that the services are similar to a low degree.

² See *Les Editions Albert René v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-336/03 at [69] and *Commercy AG v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-316/07 at [54]-[62].

Class 39

Electricity supply services; electricity distribution services.

33. The opponent argues that these services are similar to, in class 37 of the earlier specification, “provision of information and advice relating to the installation, maintenance, servicing and repair of buildings, solar thermal installations, electronic or air conditioning systems, electric lighting apparatus” on the basis that they are complementary and share the same users. The core purpose of the services applied for is to provide the distribution network through which electricity is supplied to the end consumer. The opponent’s best case lies, in my view, with its services in relation to solar thermal installations. Their core purpose is the provision of advice about the installation and proper repair of solar thermal installations. I am not persuaded that there is any meaningful similarity between the services. The nature, intended purpose and method of use are all different. The services are not in competition. Nor, in the absence of evidence on the point, am I persuaded that a consumer would expect an entity supplying or distributing electricity also to provide advice about constructing or maintaining a solar thermal installation. The services are not complementary. There may be an overlap in users but this is at a superficial level, which is insufficient to engage overall similarity. The opponent’s case is no better in relation to the other class 37 services relied upon. The services are not similar.

Class 42

34. The opponent relies upon “hosting computer sites (websites); maintenance of websites and hosting on-line web facilities for others; updating websites for others” in class 42 of the earlier specification.

Database development services

35. The opponent claims that these services are included within the terms in the earlier specification and that they are, therefore, identical. A database development service would be offered to a data owner in order to create a new, or improve upon an existing, database. It would include design as well as technical aspects of database development, such as coding. The opponent's "updating websites for others" is a wide term which would cover both design and technical elements of website maintenance, including online databases. There is, therefore, some similarity in nature and purpose between the services, and both users and channels of trade may be shared. The services are not, however, complementary as defined in the case law, though there may be a degree of competition. The services are similar to a medium degree.

Hosting of databases

36. This term falls within "hosting computer sites (websites)" in the earlier specification. The terms are identical on the principle outlined in *Meric*.

Section 5(1)

37. I have found that the marks are identical and that the following goods and services are identical:

Class 9: Computer software; downloadable computer software for project, document, and database management and storage of electronic data; database management software

Class 35: Advertising

Class 42: Hosting of databases

38. The ground under section 5(1) succeeds against these goods and services, for which registration will be refused. The remaining goods and services are not identical and the opposition under section 5(1) must fail against them.

Section 5(2)(a)

39. My finding under section 5(1) does not dispose of matters and I turn now to consider the likelihood of confusion under section 5(2)(a). The following principles 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. Although some of these principles relate to section 5(2)(b), I include them to show the interdependency of the various elements in the assessment of a likelihood of confusion.

The principles:

(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.

Similarity of goods and services

40. My assessment of the similarity of the goods and services is recorded at paragraphs 24-36, above, and also applies under this ground.

The average consumer and the nature of the purchasing act

41. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then determine the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median”.

42. The applicant claims in his counterstatement that the average consumer will be “consumers of household appliances” and “purchasers/owners of houses”. He submits that the average consumer will pay a high degree of attention to the purchase. The applicant also submits that (reproduced as written):

“The Applicant’s Goods are smart technology products and will be sold via its website and also by general high street shops. The Opponent’s Goods ie it’s home information pack is advertised and is available to download via its website and only it’s website. Therefore, the average consumer will not have the opportunity to compare the Applicant’s and the Opponent’s goods and services directly”.

43. However, as I have indicated above, the assessment I must make is a notional one, rather than an assessment of the average consumer of the particular products which the applicant states are currently on offer by the parties. In this case, the specifications cover a wide variety of goods and services, with the average consumer also likely to vary widely. The relevant public will include members of the general public and tradespersons (for example, in relation to switches and electric components), as well as business professionals (for example, in relation to database development services). The level of attention paid to the purchase will also vary. Having said that, none of the goods or services strikes me as being the most casual of purchases; the consumer is likely to make the purchase with at least an average degree of attention and in some cases, such as with the more expensive goods (e.g. washing machines) or more technical services (e.g. database development), a reasonably high, though not the very highest, level of attention will be paid.

44. The parties have made no specific submissions on the purchasing process for the goods and services at issue. It is likely to be dominated by visual considerations. The goods will be inspected before purchase, whether on a shelf or in a brochure, catalogue or website. The services are also likely to be purchased following exposure to the trade mark on signage, brochures and websites. However, I do not discount that there may be an aural component to the purchase of both the goods and the services, given that orders may be placed over the telephone and advice may be sought from sales assistants or representatives

Distinctive character of the earlier trade mark

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

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

46. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities (KODAK is the paradigm example).

47. As the opponent has not filed any evidence to show that its mark has enhanced its distinctiveness through use, I have only the inherent position to consider. Mr Tollett argued that the earlier mark is highly distinctive because it is a “short”, “ordinary” and “pithy” word which is “not descriptive in the slightest” of the goods and services. I accept that the word is not descriptive of the goods and services—nor is it allusive— but it does not automatically follow that the mark should be considered highly distinctive. It is a common dictionary word, albeit unconnected to the goods and services. I consider that the mark has an average degree of inherent distinctive character.

Likelihood of confusion

48. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle, i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent’s trade mark, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind.

49. The marks are identical. I have found that the level of similarity between the goods and services varies, with some of the goods and services being similar only to a very low degree. The attention which the average consumer pays in selecting the goods and services will also vary, from average to reasonably high. The lower the degree of

similarity between the goods and services, and the higher the level of attention paid to the selection, the less likely it is that there will be confusion. I take into account that the earlier mark enjoys an average level of inherent distinctiveness. Nevertheless, even taking the case most favourable to the applicant, I do not consider that a very low degree of similarity between the goods and services is sufficient to offset the identity between the marks. There is a likelihood of confusion for the goods and services I have found to share any degree of similarity. There is no likelihood of confusion where there is no similarity between the goods and services, because some similarity is a prerequisite for a positive finding under section 5(2)(a).³

Conclusion

50. The application is refused for the following goods and services, against which the opposition has been successful:

Class 7 Food and beverage processing and preparation equipment; washing machines; dishwashers

Class 8 Food preparation implements

Class 9 Computer software; downloadable computer software for project, document, and database management and storage of electronic data; database management software; electric plugs; plug sockets; electric and electric components; switches, electrical wiring and cables

Class 11 Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; oven; microwaves; food and beverage cooking, heating, cooling and treatment equipment; electric fan; fridges; drying machines.

³ On the need for similarity, see, for example, *Waterford Wedgwood plc v OHIM*, C-398/07 P (CJEU).

Class 35 Retail services in connection with the sale of electrical goods and hardware, namely food and beverage processing and preparation equipment, electric plugs, plug sockets, electric and electric components, switches, electrical wiring and cables, apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes, oven, microwaves, food and beverage cooking, heating, cooling and treatment equipment, electric fan, microwaves, ovens, fridges, washing machines, drying machines, dishwashers, machines for household use, domestic electrical and electronic equipment; advertising.

Class 42 Database development services; hosting of databases

51. The opposition has failed against the following services, for which the application will proceed to registration:

Class 35 Database Management software services; computerised database management

Class 39 Electricity supply services; electricity distribution services.

Costs

52. The opponent has enjoyed the greater share of success and is entitled to a contribution towards its costs. The fairest way to proceed seems to me to be to reflect the proportion of success enjoyed by the opponent. Applying the rough and ready approach advocated by Amanda Michaels, sitting as the Appointed Person, in *WM Morrison Supermarkets plc v Nisa-Today's (Holdings) Limited* (BL O/197/11), the award is reduced by twenty per cent. Awards of costs are governed by Annex A of Tribunal Practice Notice ("TPN") 4 of 2007. Using that TPN as a guide but bearing in mind my comments, above, I award costs to the opponent on the following basis:

Official fees:	£200
Preparing the notice of opposition and considering the counterstatement:	£150
Preparing for and attending a hearing	£250
Total:	£600

53. I order Giovanni Laporta to pay National House-Building Council the sum of **£600**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 13th day of April 2017

**Heather Harrison
For the Registrar
The Comptroller-General**

ANNEX

Specification for UK trade mark application 3129429

- Class 7 Food and beverage processing and preparation equipment; washing machines; dishwashers; food mixers; food processors.
- Class 8 Electric shavers; food preparation implements, kitchen knives and cutlery.
- Class 9 Computer software; downloadable computer software for project, document, and database management and storage of electronic data; database management software; TVs; radios; weighing scales; electric plugs; plug sockets; electric and electric components; switches, electrical wiring and cables; speakers.
- Class 11 Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; toasters; oven; microwaves; food and beverage cooking, heating, cooling and treatment equipment; electric fan; coffee machines; fridges; drying machines.
- Class 21 Household or kitchen utensils and containers; electric toothbrushes.
- Class 35 Database Management software services; computerised database management; advertising; retail services in connection with the sale electrical goods and hardware namely food and beverage processing and preparation equipment,TVs, radios, weighing scales, electric plugs, plug sockets, electric and electric components, switches, electrical wiring and cables,speakers, apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes, toasters, oven, microwaves, food and beverage cooking, heating, cooling and treatment equipment, electric fan, food mixers, microwaves, coffee machines, food processors, ovens, fridges, washing machines, drying machines, dishwashers,machines for household use, domestic electrical and electronic equipment.
- Class 39 Electricity supply services; electricity distribution services.
- Class 40 Custom manufacture of electrical goods and hardware; electricity generation; energy production.
- Class 42 Database development services; hosting of databases.