

O-268-18

TRADE MARKS ACT 1994

**IN THE MATTER OF THE APPLICATION BY
SARL AAM TRANSPORT
UNDER NO 3214810 FOR THE TRADE MARK**



AND

**IN THE MATTER OF OPPOSITION NO. 409432 THERETO
BY
NORDCAR FINANCE A/S**

Background and pleadings

1) On 23 February 2017 SARL AAM Transport (“the Applicant”) applied to register the following trade mark (“the opposed mark”) in the UK:



It was accepted and published for opposition purposes in the Trade Marks Journal on 3 March 2017 for goods and services in several classes, of which only the following are opposed in these proceedings:

Class 37: *Providing information relating to the rental of car washing apparatus; Rental of car-washing apparatus.*

Class 39: *Providing information relating to car rental services; Rental of storage cartons; Car transporters (Rental of -); Rental of motor cars; Rental of cars; Rental of chauffeur driven cars; Cars (Rental of -); Cargo container rental services; Rental of car parking spaces; Car rental services; Rental car reservation; Motor car rental; Car rental; Rental of car transporters; Rental of motor racing cars.*

2) The application is opposed by NordCar Finance A/S (“the Opponent”) under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), for the purposes of which it relies upon the following earlier EU trade mark (“EUTM”) registration 3815354 for the following services:

DRIVEON.NET

Class 39: *Rental and leasing of motor vehicles.*

3) The earlier mark was filed on 27 April 2004 and registered on 02 August 2005. The significance of these dates is that (1) the Opponent's mark constitutes an earlier mark in accordance with section 6 of the Act, and (2) it is subject to the proof of use conditions contained in section 6A of the Act, its registration process having been completed more than five years before the publication of the Applicant's mark. The period during which use must be proved ("the relevant period") is from 4 March 2012 to 3 March 2017.

4) The Opponent claims that because of similarity between the opposed mark and the earlier mark and identity or similarity between their respective services there exists a likelihood of confusion with the earlier mark. The Applicant filed a counterstatement, containing detailed observations amounting to submissions, in which it denied that the requirements of section 5(2)(b) of the Act are satisfied. It also put the Opponent to proof of use of the earlier mark in respect of the services relied on under that mark. The Opponent filed evidence and written submissions during the evidence rounds. The Applicant filed written submissions in reply. The Opponent is represented by WP Thompson. The Applicant is represented by Maître Sophie Tidier of the Paris Bar. Neither side requested a hearing. I therefore give this decision after a careful review of all the papers before me.

The Opponent's best case and the evidence of proof of use

5) In the interests of procedural economy I shall assume for the purposes of my assessment that genuine use of the earlier mark has been shown in respect of *rental and leasing of motor vehicles* in Class 39. I shall discuss whether the evidence could have any bearing on the possibility of distinctiveness enhanced through use later in this decision. At this point it is sufficient to record that the evidence filed by the Opponent consists of a witness statement by its CEO, Mr Christian Ree, to which he appends copies of designs for advertisements promoting the Opponent's services between 2012 and 2016, together with copy invoices for advertisement prints dated from 2012 to 2015. Though one of these invoices is in English, its description of services rendered ("COM renewal DRIVEON.NET") is not very illuminating, and it is issued (as are all the other invoices) by a business located at a Danish address. All the other invoices, together with all the advertisement designs, are in the Danish

language. The evidence includes no invoices issued by the Opponent to its own customers, nor any total sales or marketing figures for the relevant period.

Section 5(2)(b)

6) 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”.

7) The following principles are gleaned from the decisions of the Court of Justice of the European Union (“CJEU”) in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public 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 services

8) In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“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”.

9) In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05 (“*Meric*”), the General Court (“the GC”) 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 the trade mark application (Case T-388/00 *Institut für 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 (Case T-104/01 *Oberhauser v OHIM — Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM — Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42”.

10) In the interests of procedural economy I shall assume for the purposes of my assessment that the services are identical.

The average consumer and the purchasing process

11) The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion,

it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*. 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.”

12) The average consumer of *rental and leasing of motor vehicles* and related or similar services may be a member of the general public or a business. Private customers may rent vehicles for leisure or holiday use or, for example, for a house move. Nowadays many private customers may also lease vehicles for long periods of time in order to have a modern car on a monthly fee basis. Corporate customers may rent or lease vehicles for their employees or to use in their own businesses. Private or business consumers may be provided with temporary replacement vehicles under insurance policies while their own vehicles are off the road after an accident or breakdown. Some bookings may be made on the spot at a transport hub such as an airport or railway station. Advance bookings may be made on car rental companies' websites (or mobile apps) or via third party websites. There is scope for word of mouth recommendations. Some bookings may be made by telephone; but in this case the telephone number will normally have been obtained after perusal of online or printed material such as websites, directories, articles, advertisements and other promotional materials. The selection process will be a predominantly visual one, but aural considerations will not be overlooked in my assessment.

13) When concluding high value contracts or on entering a continuing business relationship business consumers may display a higher degree of care, but even when arranging one-off short-term car rentals for employees, for example, they can be

expected to show a medium level of attention. In general, for the private consumer, renting a vehicle is both an infrequent and a considered transaction. Typically, a vehicle is hired for some specific, occasional purpose, such as a holiday. It is a moderately expensive transaction, but not a particularly expensive one. Overall, the average consumer will show a medium level of attention.

Comparison of the marks

14) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

15) It would be wrong, therefore, to dissect the trade marks artificially, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

16) The marks to be compared are shown below:

The opposed mark	The earlier mark
	<p data-bbox="1034 600 1326 640">DRIVEON.NET</p>

17) In the opposed mark the words DRIVE ONE appear in dark capitals in a plain font. Although they are written without a gap between them, they are visually separated by the fact that the initial letter of both words appears in white against the background of a red disk surrounding the letter. Above the words are two simple lines. Although in themselves these lines are stylised to the point of abstraction, the visual effect produced by their combination with the words and the red discs (with their suggestion of wheels) immediately suggests to the mind's eye the profile of a sports car.

18) The Opponent submits that, as admitted by the Applicant in its counterstatement, the figurative elements of the opposed mark represent the roof, bonnet and wheels of a car, and are therefore highly descriptive in relation to the services claimed in the application. For this reason, it submits, these figurative elements should play a minor role in the comparison of the marks. If by this the Opponent means that the figurative elements are of relatively little significance in this case, I cannot agree. They amount to more than a simple visual indication of the services offered under the mark. Though achieved with simple means, I consider that the way in which the profile of a car is evoked by the configuration of the mark as a whole is both skilful and memorable. The figurative elements play an important and distinctive role in the overall impression of the opposed mark. Having said that, the words DRIVE ONE are the most important distinctive element of the mark, not least because it is by these words that the mark will be referred to orally.

19) It is by no means rare nowadays for trade marks to consist of domain names. The message that will be conveyed to the average consumer by the earlier mark is that an enterprise doing business under a name or mark which consists of, or includes, DRIVEON wishes to inform the public where it can be found online. Although the .NET element is not negligible, the distinctive weight of the earlier mark lies heavily on the initial DRIVEON, which dominates it.

20) I bear in mind that since the earlier mark is a word mark not limited to colour, it may be used in any colour, so that colour is not a significant factor in the comparison. Although .NET does make some contribution to the overall visual impression of the earlier mark, it is the initial distinctive sequence DRIVEON on which the consumer's attention will focus. Apart from the addition of a final E, exactly the same sequence of letters appears in the opposed mark. As I have pointed out, however, in the opposed mark they are resolved graphically into the two separate words DRIVE ONE. Moreover, the skilful and memorable figurative elements, which have no counterpart in the earlier mark, also play an important role in the overall visual impression of the opposed mark. Overall, there is a low degree of visual similarity between the marks.

21) The opposed mark consists of two syllables; DRIVE and ONE will be pronounced in the conventional manner. DRIVEON.NET consists of three syllables, though the earlier mark's .NET may not be pronounced in the course of trade. Although written as one word, I have no doubt that DRIVEON will be pronounced conventionally as the words "drive on". The initial syllable DRIVE will therefore be aurally identical with that of the opposed mark. Although the second syllable in both marks ends in an N sound, however, their vowel sounds are different. Overall, there is a fairly high degree of aural similarity between the marks.

22) The conceptual content of .NET in the opposed mark is confined to informing the consumer that the mark consists of a domain name. There is clearly considerable conceptual commonality in the DRIVE element of the two marks, though its precise conceptual content will depend on its context, on whether it is seen as a noun or verb, and so on. The respective ON and ONE elements differentiate the marks conceptually. DRIVE ON could be understood as a qualifying phrase used in

expressions such as “drive on ferry”. I consider it most likely, however, that the sense evoked in the mind of the average consumer will be “drive further” or “keep driving”. The conceptual content of DRIVE ONE is more difficult to pin down. Particularly in the light of the visual sports car reference I suppose it could conceivably be understood as an elliptical way of encouraging the consumer to “drive one [of these/of our cars]”. Nevertheless, I think it more likely that it will not be seen as a conventional phrase, but rather as a general coupling of the concept of driving with the category “one”, evoking the positive associations and undertones connected with concepts such as “number one”, etc. Overall, I consider that there is a low level of conceptual similarity between the marks.

The distinctiveness of the earlier mark

23) The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, either on the basis of inherent qualities or because of use made, the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). 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 *WindsurfingChiemsee v Huber and Attenberger* [1999] ECR I-0000, 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).”

24) The Opponent has not expressly claimed that its earlier mark has acquired enhanced distinctiveness through use in the UK, but I think it appropriate to note that the evidence filed would not in any case support such a claim. There is nothing in the evidence to indicate that the Opponent’s services have been marketed under the earlier mark to consumers in the UK (which is the market on which any likelihood of confusion is to be assessed), nor anything which could warrant the inference that the distinctiveness of the earlier mark has been enhanced by use among a significant proportion of the relevant public in the UK.

25) This leaves the question of inherent distinctive character. I have already observed that the registration of domain names is not uncommon. Nor is the conjoining of words in trade marks. Neither the .NET suffix nor the omission of the gap between the words of the phrase “drive on”, therefore, add much to the distinctiveness of the earlier mark. The word “drive” is clearly descriptive and non-distinctive in relation to the rental and leasing of motor vehicles and related services. Understood as a qualifier in phrases like “drive on ferry” the phrase “drive on” also has a descriptive quality. Understood as a slogan-like encouragement to “drive further” or “keep driving”, I consider that DRIVEON is of weak distinctiveness. Overall, I consider the earlier mark to have a low degree of inherent distinctiveness.

Likelihood of Confusion

26) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

27) The Applicant, having stated that the Applicant and the Opponent operate on different markets, submits that I should take this into account in considering the likelihood of confusion. As the Opponent points out, this submission is misconceived. The specifications I have to compare are those set out for the respective marks. It is settled law that in assessing whether there is a likelihood of confusion I must make my comparison on the basis of notional and fair use over the whole range of services covered by the Applicant's and (since I am assuming for the purposes of my assessment that the Opponent has proved genuine use of the services relied on) the Opponent's respective specifications. It is the inherent nature of the services of the specifications which I have to consider; current use and business strategy are irrelevant to this notional comparison (see Case T- 147/03, *Devinlec Développement Innovation Leclerc SA v OHIM*). This is because they may change over time. As a result of future use and business strategies, the marks may be used to target the same consumers. Consequently, I am required to consider the likelihood of confusion "in all the circumstances in which the mark applied for might be used if it were to be registered" (See Case C-533/06, *O2 Holdings v Hutchison 3G UK* at paragraph 66).

28) I make my assessment on the basis of the assumption that that the Opponent has proved genuine use of the earlier mark in respect of the services relied on and that these are identical to the services claimed for the opposed mark. I have found that a medium level of attention will be paid by the average consumer to the selection of the relevant services, and that the purchasing process is primarily a visual one (though I do not overlook an aural element). I have found that the marks have a low degree of visual similarity, a fairly high degree of aural similarity, and a low degree of conceptual similarity, and that the earlier mark has a low degree of inherent distinctiveness.

29) I have found that the figurative elements play an important and distinctive role in the overall impression of the opposed mark, and that they are both skilful and memorable. Even leaving out of consideration for the present the differences between the DRIVE ONE and DRIVEON word elements of the marks, I consider that the figurative elements of the opposed mark suffice to ensure that the marks will not be mistaken for one another, i.e. there will be no direct confusion (though the role of the .NET suffix of the earlier is limited, it too takes the earlier mark further from the opposed mark).

30) This leaves the question of indirect confusion to be considered. In this connection it is helpful to bear in mind the observations of Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, where he noted that:

“Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark”.”

In this case I must assess whether there is a risk that the presence of DRIVE ONE in the opposed mark and DRIVEON in the earlier mark will lead the average consumer to believe that the respective services are provided by the same or economically linked undertakings. The word “drive” is clearly descriptive and non-distinctive in relation to the rental and leasing of motor vehicles and related services. This being so, and bearing in mind my findings on the average consumer and the purchasing process, the consumer will be alert to the differences between expressions containing this word which would differentiate one provider from another¹. I have considered earlier the meanings which the word elements of the respective marks may bear. Whichever of the alternative meanings one attributes to them, there is clearly a conceptual difference between the words “drive one” and the phrase “drive on” which will be immediately apparent and form a conceptual hook in the memory of the consumer.

¹ See on this point the observations of Jacob LJ at paragraphs 83-85 of *Reed Executive Plc and Another v Reed Business Information Ltd, Reed Elsevier (UK) Ltd, Totaljobs.com Ltd*, considering the judgment of the CJEU in *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.*, Case C-342/97.

No *distinctive* significance independent of these respective phrases will be attributed to the word “drive”. The consumer will simply assume that two different producers have chosen to use the same descriptive word in their different marks. There will be no indirect confusion.

31) Since I have found no likelihood of confusion even where the services are identical, it follows that there could not be any likelihood of confusion where the services are similar.

Outcome

32) **The opposition fails in its entirety.**

Costs

33) The Applicant has been successful and is entitled to a contribution towards its costs. I hereby order NordCar Finance A/S to pay SARL AAM Transport the sum of £1,100. This sum is calculated as follows:

Preparing a statement and considering the other side’s statement	£300
Considering the other side’s evidence	£500
Written submissions	£300

This sum should 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 2nd day of May 2018

**Martin Boyle
For the Registrar,
The Comptroller-General**