

O/270/20

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. UK00003374536 BY
VEC LIMITED
TO REGISTER THE FOLLOWING TRADE MARK:**

VAPO

IN CLASS 34

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 416996 BY
JT INTERNATIONAL S.A.**

BACKGROUND AND PLEADINGS

1. On 11 February 2019, VEC Limited (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK. The application was published for opposition purposes on 26 April 2019 and registration is sought for the following goods:

Class 34: Electronic cigarettes; cartridges for electronic cigarettes; liquids for electronic cigarettes; cigarettes containing tobacco substitutes; tobacco substitutes; cigarettes; tobacco; tobacco products; cigarette cases; cigarette boxes.

2. On 17 July 2019, the application was opposed by JT International S.A. (“the opponent”). The opposition is based on section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opponent relies on the following trade marks:

VAPODS

EU registration no. 11757374

Filing date 22 April 2013

Relying on all goods namely:

Class 34: Tobacco, whether manufactured or unmanufactured; smoking tobacco, pipe tobacco, hand rolling tobacco, chewing tobacco, snus tobacco; cigarettes, cigars, cigarillos; tobacco sold in pods.

(“the first earlier mark”); and

The logo for 'vapods' is written in a lowercase, rounded, sans-serif font. The letters are black and have a slightly irregular, hand-drawn appearance.

EU registration no. 11757391

Filing date 22 April 2013

Relying on all goods namely:

Class 34: Tobacco, whether manufactured or unmanufactured; smoking tobacco, pipe tobacco, hand rolling tobacco, chewing tobacco, snus tobacco; cigarettes, cigars, cigarillos; tobacco sold in pods.

("the second earlier mark")

3. The opponent submits that there is a likelihood of confusion between the parties' respective marks due to the fact that they are highly similar and cover identical, highly similar and/or complementary goods.
4. The applicant filed a counterstatement denying the claims made.
5. The opponent is represented by CMS Cameron McKenna Nabarro Olswang LLP and the applicant is represented by TMJAM Limited. Neither party filed evidence. No hearing was requested and both parties have filed written submissions in lieu of a hearing. I have taken the written submissions into consideration and will refer to them below where necessary. This decision is taken following a careful perusal of the papers.

PRELIMINARY ISSUE

6. I note that in the applicant's submissions, it has put forward that:

"A rudimentary search of the register for "vap" in Class 34 will reveal a multitude of trade mark registrations and applications utilising the same banal and generic conceptual route."

7. For reasons that I will now explain, the applicant's point regarding the presence of multiple trade marks on the register under Class 34 containing the letters 'V-A-P' has no bearing on the outcome of this opposition.
8. I note that in the case of *Zero Industry Srl v OHIM, Case T-400/06*, the General Court ("GC") stated that:

“73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word ‘zero’, it should be pointed out that the Opposition Division found, in that regard, that ‘... there are no indications as to how many of such trade marks are effectively used in the market’. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word ‘zero’ is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T 135/04 GfK v OHIM – BUS(Online Bus) [2005] ECR II 4865, paragraph 68, and Case T 29/04 Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH) [2005] ECR II 5309, paragraph 71). “

9. The fact that there are a multitude of trade marks that contain the letters ‘V-A-P’ with Class 34 protection is not a relevant factor to the distinctiveness of the first and second earlier marks (collectively “the earlier marks”). The applicant has filed no evidence to demonstrate that any of these marks are actually in use in the market place. The outcome of this opposition will be determined after making a global assessment whilst taking into account all relevant factors and the state of the register is not relevant to that assessment.

DECISION

Section 5(2)(b): legislation and case law

10. Section 5(2)(b) of the Act reads as follows:

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

(a) ...

(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 or association with the earlier trade mark.”

11. Section 5A of the Act states as follows:

“Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

12. 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.”

13. The earlier marks upon which the opponent relies qualify as earlier trade marks under the above provisions. As the earlier marks had not completed their registration process more than 5 years before the application date of the applicant’s mark, they are not subject to proof of use pursuant to section 6A of the Act. The

opponent can, therefore, rely upon all of the goods for which the earlier marks are registered.

14. 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 Office for Harmonization in the Internal Market (Trade Marks and Designs) ("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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

15. The earlier marks' specifications are identical (as set out in paragraph 2 above). The same comparison with the applicant's mark can therefore be applied to both the earlier marks.

16. The competing goods are as follows:

The earlier marks' goods	The applicant's goods
<u>Class 34:</u>	<u>Class 34:</u>

Tobacco, whether manufactured or unmanufactured; smoking tobacco, pipe tobacco, hand rolling tobacco, chewing tobacco, snus tobacco; cigarettes, cigars, cigarillos; tobacco sold in pods.	Electronic cigarettes; cartridges for electronic cigarettes; liquids for electronic cigarettes; cigarettes containing tobacco substitutes; tobacco substitutes; cigarettes; tobacco; tobacco products; cigarette cases; cigarette boxes.
--	--

17. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 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”.

18. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, 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. 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.

19. The GC confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, that, even if goods or services are not worded identically, they can still be considered identical if one term falls within the scope of another or (vice versa):

“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 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”.

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. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the 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 GC 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-0-255-13:

“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.”

22. Whilst on the other hand:

“.....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.

23. In its counterstatement, the applicant stated that:

“at paragraph 5 of its Statement of Grounds the Opponent alleges that the Applicant’s goods are identical or of a closely similar nature to the goods covered by the Opponent’s Mark. The Applicant agrees there is overlap, but notes there are certain differences between the respective coverage.”

24. The applicant has not provided further clarification in respect of the ‘overlap’ or the ‘certain differences’ referred to in its counterstatement. I must therefore carry out my own assessment on the comparison of the goods and their level of similarity (if any). The opponent has provided submissions regarding the comparison of the goods. I do not propose to reproduce these in full but have taken them into account in making my comparison.

25. “Cigarettes” contained within the applicant’s mark’s specification has a direct counterpart in the earlier marks’ specifications. These goods are identical.

26. "Tobacco" contained within the applicant's mark's specification is self-evidently identical to "tobacco, whether manufactured or unmanufactured" contained within the earlier marks' specifications.
27. "Cigarettes, cigars, cigarillos" and "smoking tobacco, pipe tobacco, hand rolling tobacco, chewing tobacco and snus tobacco" contained within the earlier marks' specifications are all tobacco products. These goods would therefore fall within the broader category of "tobacco products" contained within the applicant's mark's specification. These goods can therefore be considered identical on the principle outlined in *Meric*.
28. "Tobacco substitutes" contained within the applicant's mark's specification can describe several types of products. In the absence of any submissions to the contrary, I find that "tobacco substitutes" describes a product which a consumer can smoke, inhale or chew instead of tobacco in order to provide them with nicotine or maintain their smoking habit. These goods can include herbal cigarettes, nicotine gum or nicotine patches. These goods will all overlap in use and user with "tobacco, whether manufactured or unmanufactured" and "cigarettes" contained within the earlier marks' specifications. Some of these goods may also overlap in nature and method of use with each other but I do not discount the fact that some may not (nicotine gum or patches). The goods are likely to be found in the same location within shops. A consumer may purchase a tobacco substitute as an alternative to traditional tobacco and there may be a competitive relationship between them. These goods are, therefore, similar to a higher than medium degree.
29. "Electronic cigarettes" contained within the applicant's mark's specification describes a device that is shaped like a cigarette that contains nicotine liquid which is breathed in as a steam rather than a smoke¹. The purpose of these goods overlaps with "cigarettes" contained within the earlier marks' specifications i.e. to provide the consumer with nicotine via inhalation. These goods also overlap in user, method of use and nature. The goods will be found in the same location within

¹ <https://www.collinsdictionary.com/dictionary/english/electronic-cigarette>

shops. A consumer may purchase an electronic cigarette as an alternative to a traditional cigarette and so there may be a competitive relationship between them. These goods are, therefore, highly similar.

30. Whilst cigarettes traditionally contain tobacco, I am of the view that a cigarette containing a tobacco substitute would still fall within the broader category of 'cigarettes'. For example, a herbal cigarette may not contain tobacco but would still be considered a cigarette by the average consumer in every practical sense. Therefore, I find that "cigarettes containing tobacco substitutes" in the applicant's specification falls within the category of "cigarettes" contained within the earlier marks' specifications. These goods can therefore be considered identical on the principle outlined in *Meric*. However, if I am wrong in my finding that these goods are identical, they will overlap in use, user, method of use, nature and trade channels and will have a competitive relationship. They will, therefore, be highly similar.

31. "Cartridges for electronic cigarettes" and "liquids for electronic cigarettes" within the applicant's mark's specification both describe goods that will be purchased by a consumer to refill an electronic cigarette. The goods will then be inhaled via the electronic cigarette to supply the consumer with nicotine. Without a cartridge or liquid within the electronic cigarette itself, a consumer would be unable to use it for its desired purpose. While these goods are not identical to "cigarettes" contained within the earlier marks' specification, they will overlap in user. The goods will be found in the same location within shops and may overlap in trade channels. Given that a consumer may choose to use electronic cigarettes (and, therefore, be required to buy cartridges and liquids as refills) over traditional cigarettes, the goods may share a competitive relationship. These goods are, therefore, similar to a medium degree.

32. "Cigarette cases" and "cigarette boxes" within the applicant's mark's specification describe goods used for carrying and/or storing cigarettes. They are complementary to "cigarettes" within the earlier marks' specifications. The goods will share users and will overlap in trade channels because the same undertakings

are likely to produce both cigarette cases and cigarettes. I therefore consider these goods to be similar to a medium degree.

The average consumer and the nature of the purchasing act

33. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then decide the manner in which these goods 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.”

34. The opponent has submitted that, “the average consumer purchasing the goods covered by the Earlier Marks and the Application is identical, that being a male or female adult aged 18 and over (the legal smoking age in the UK).” I note that the opponent has also submitted that “it is not possible to legally purchase tobacco and or nicotine products online”.

35. I consider that the average consumer for the goods at issue will be a member of the general public aged over 18. The cost of the purchase is likely to be fairly low, and the goods are likely to be purchased reasonably frequently. However, the average consumer will still take various factors into account such as nicotine content and flavour. In the case of goods such as cigarette cases, factors such as size, durability and aesthetic appearance are likely to be taken into consideration.

Consequently, I consider that at least a medium degree of attention will be paid during the purchasing process for the goods.

36. The goods at issue will generally be sold through a range of retail shops, such as supermarkets and tobacco specialists. In retail shops, the goods will normally be stored behind a counter and will not be visible to the consumer. To purchase the goods, the average consumer is likely to request them from a shop assistant. For these purchases, the aural component will, of course, play a prominent role. However, once the request has been made, the average consumer will still have sight of the packaging at the point of purchase, and so visual consideration cannot be discounted. I recognise that the opponent has made reference to the fact that it is not possible to purchase tobacco or nicotine products legally online. However, no evidence has been filed in support of this submission. In any event, at least some of the goods (such as cigarette cases) can be purchased by self-selection. For these purchases, visual considerations will play a greater role in the selection process. However, as advice may still be sought from a sales assistant, aural components cannot be discounted. A similar process will apply to online retailers, where the consumer will select the goods having viewed an image displayed on a webpage. While the visual aspect plays a greater role in the online selection, I do not discount aural considerations in the form of advice sought via telephone queries with retailers.

Distinctive character of the earlier marks

37. 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-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).”

38. Trade marks possess various 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. The distinctiveness of a mark can be enhanced by virtue of the use made of it. In this case, the opponent has not pleaded that its marks have acquired enhanced distinctiveness through use and has not filed any evidence to support such a claim. Consequently, I have only the inherent position to consider.

39. The opponent has submitted that, “in the present instance, the Opponent’s Earlier Marks are *prima facie* highly distinctive of the Opponent’s goods per se as “VAPODS” is entirely fanciful in relation to those goods.”

40. The applicant has submitted the following:

“The Opponent’s Applications start also with the common feature of “vap[e]” alluding to products associated with vaping, but end with the word “pods”. “Pods” in its natural meaning is taken to mean a container or small insertable device of some kind”

and;

“the common shared element of the respective marks derives from the words ‘vape’ or ‘vaping’ which has a direct meaning in relation to the subject goods. [...] it is submitted by the Applicant that the shared common feature of the Applicant’s Application and the Opponent’s Applications possesses low or no distinctive character, and any distinctive characters comes from the addition of other elements added to the marks.”

The first earlier mark

41. I must make an assessment on the inherent distinctiveness of the whole of the first earlier mark. VAPODS is an invented word. ‘Vaping’ is the act or habit of breathing in a steam containing nicotine from a special device² and is a noun of the word ‘vape’³. The purpose of vaping products is to enable users to obtain nicotine without having to consume tobacco products. Vaping products are, therefore, not considered tobacco products. The goods contained within the first earlier mark’s specification are all tobacco-based products. While the earlier mark’s specification does not cover vaping goods, in the absence of any submissions to the contrary, I find that vaping products are so closely associated with tobacco products, in that they are both consumed for the purpose of maintaining a nicotine habit, the average consumer would, at least initially, view the word VAPODS as a mark that offered vaping products. Given the similarity between the earlier marks’ goods and goods used for vaping, I find that the first part of the first earlier mark, being the letters ‘V-A-P’ will be viewed by a significant proportion of average consumers as descriptive of the type of goods for which the first earlier mark is applied for.

42. The word ‘pods’ may also be identified in VAPODS, which may lead to it being seen as a portmanteau of the words ‘vape’ and ‘pods’. However, I do not consider that this will be descriptive of the goods that I have found to be similar with the applicant’s mark (as none of them would, on an ordinary understanding, be sold in

² <https://www.collinsdictionary.com/dictionary/english/vaping>

³ <https://www.collinsdictionary.com/dictionary/english/vape>

a form which could be described as a 'pod'). However, I recognise that it will be descriptive of 'tobacco pods'. Taken as a whole, I find that the word VAPODS is inherently distinctive to between a low and medium degree.

The second earlier mark

43. The second earlier mark contains the same word as the first earlier mark, albeit presented in a slightly stylised, cursive font, with the last four letters of the mark, being 'P-O-D-S', presented in bold. The stylisation elements of the second earlier mark slightly increase the inherent distinctive character of the mark to a very small degree. Overall, I consider the second earlier mark will still be inherently distinctive to a lower than medium degree.

Comparison of marks

44. It is clear from *Sabel v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components.

45. 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.”

46. It would be wrong, therefore, to artificially dissect the trade marks, 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.

47. The respective trade marks are shown below:

The earlier marks	The applicant's mark
<p data-bbox="379 689 687 779">VAPODS (the first earlier mark)</p>  <p data-bbox="352 1010 715 1043">(the second earlier mark)</p>	<p data-bbox="1066 689 1158 723">VAPO</p>

48. Both parties have made detailed submissions regarding the visual, aural and conceptual comparison between the marks. Whilst I do not propose to reproduce these in full here, I will refer to them below where necessary.

Overall Impression

The applicant's mark

49. The applicant's mark consists of the word VAPO. A significant proportion of average consumers will connect the letters 'V-A-P' in VAPO to vaping. There are no other elements to contribute to the overall impression, which lies in the word itself.

The first earlier mark

50. The first earlier mark consists of the words VAPODS. As noted above, the letters 'V-A-P' are likely to be seen as a reference to the goods. There are no other elements to contribute to the overall impression, which lies in the word itself.

The second earlier mark

51. The second earlier mark consists of the same words as the first earlier mark but it is presented in a stylised, cursive font. The last four letters of the second earlier mark, being 'P-O-D-S' are bold. While the presentation of the word is noticeable, the word VAPODS plays the greater role in the overall impression, with the stylisation playing a lesser role.

Visual Comparison

52. The opponent submits that:

“Visually, the signs are similar to the extent that the Earlier Marks comprise of the words ‘VAPODS’ and the contested mark is for ‘VAPO’. These words coincide in the string of the first four letters ‘V-A-P-O’. Furthermore, the low level of stylisations of EUTM registration no. 011757391 does nothing to differentiate the visual similarity between the Earlier Marks and the Application.”

53. The applicant states that the marks are dissimilar and submits that, “The Opponent’s Applications have two additional words supporting the ability of consumers to make a differentiation.” However, I note that the opponent’s marks are, in fact, only one word.

The first earlier mark and the applicant’s mark

54. Visually, the marks coincide in that they share the first four letters, being ‘V-A-P-O’. However, in other respects the marks are different. The letters ‘D-S’, present at the end of the first earlier mark, are absent in the applicant’s mark. Both marks are

word only marks. It is established case law that the beginnings of marks tend to have more impact than the end (see *El Corte Inglés, SA v OHIM* Cases T-183/02 and T-184/02). However, it is important to note that this is a general rule and there are exceptions (see *CureVac GmbH v OHIM*, T-80/08). Given that the part of the similarities between the marks will be viewed by a significant proportion of average consumers to be descriptive (i.e. the letters 'V-A-P' being a reference to vaping), more focus will be given to the end of the marks ('-O' and '-ODS' respectively). As the end of the marks is where the differences lie, I consider the marks to be visually similar to a slightly higher than medium degree.

The second earlier mark and the applicant's mark

55. Visually, the marks share the same similarities and differences as the first earlier mark and the applicant's mark. However, there are additional differences in that the second earlier mark is displayed in a stylised, cursive font with the last four letters, being 'P-O-D-S', presented in bold. I note that the applicant's mark is a word only mark and can be used in any standard typeface. As I have found that word VAPODS plays a greater role in the overall impression, with the stylisation of the word playing a lesser role, I consider the marks to be visually similar to a medium degree.

Aural Comparison

56. The opponent has submitted the following:

"Aurally, the marks are similar to the extent that the word 'VAPODS' in the Earlier Marks is two syllables, pronounced V-A-P-O/DS. The contested mark of the Application is also two syllables pronounced V-A-P-O. These word elements are pronounced almost identically given the identical phonetics between the beginning of the Earlier Marks and the contested sign of the Application. As noted above, where the marks coincide at the beginning, the likelihood of confusion is greater."

57. The applicant, in its written submissions, has highlighted the following differences between the marks:

“The Applicant’s Application and the Opponent’s Applications are entirely dissimilar aurally. The Applicant’s Application is pronounced in English as “vay”-“po”. The Opponent’s Applications are pronounced in English as “vay”-“pods”. The Applicant’s Applications end with the rising inflexion on the “po”, whereas the the Opponent’s Applications end with a hard stop and the latter word “pods” is pronounced flat.

58. I find that the stylisation of the second earlier mark will have no impact on the pronunciation of the mark. Therefore, the earlier marks will have identical pronunciation and the below comparison will apply to both.

59. Aurally, the applicant’s mark will consist of two syllables that will be pronounced VAYP-OH. The earlier marks also consist of two syllables that will be pronounced VAYP-ODS. The pronunciation of the first syllable of the marks is identical. However, the marks do differ aurally in the pronunciation of the second syllables, albeit the second syllables both start with an ‘O’ sound. While there are aural differences between the marks, I disagree with the applicant’s submissions that these differences make the marks “entirely dissimilar”. I consider the marks to be aurally similar to a slightly higher than medium degree.

Conceptual Comparison

60. In its written submissions, the opponent has argued that “Conceptually, a comparison is not possible as the contested sign of the Application and the Earlier Marks have no meaning in the English language.”

61. However, the applicant has submitted that marks “share a common concept. They both find their etymology in the “vape” part of the marks in the reliance of the following words: vaping and vape.” The applicant proceeded to include the

Cambridge Dictionary definition of the words 'vape' and 'vaping' which I do not propose to re-produce in full as I have assessed the meaning of the words above.

The first earlier mark and the applicant's mark

62. The marks are invented words. However, a significant proportion of average consumers will connect the letters 'V-A-P' in both marks to vaping. The marks are, therefore, conceptually similar to this extent.

63. The word 'pods' may also be identified in the first earlier mark and, if so, will be given its ordinary dictionary meaning. If this word is not recognised, then the ending of the earlier mark will convey no particular meaning. Overall, when taken as a whole, I find that the first earlier mark and the applicant's mark are conceptually similar to a medium degree.

The second earlier mark and the applicant's mark

64. The only element of the second earlier mark that might convey a conceptual message is the word VAPODS. The stylisation does not contribute to the conceptual message conveyed. Therefore, the conceptual similarities and differences set out above in my comparison of the first earlier mark and the applicant's mark also apply to the comparison between the second earlier mark and the applicant's mark. Overall, I find that the marks are conceptually similar to a medium degree.

Likelihood of confusion

65. 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 marks, the average consumer for the goods 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 that he has retained in his mind.

66. I have found the goods to vary from being identical to similar to a medium degree. I have found the average consumer to be a member of the general public who is over 18. I have found that both visual and aural components will apply to the purchase of the goods. I have concluded that at least a medium degree of attention is likely to be paid in the purchasing process for the goods. I have taken these factors into account in my assessment of the likelihood confusion between the marks.

67. I have found the earlier marks to be visually and aurally similar to a medium or slightly higher than medium degree and conceptually similar to a medium degree to the applicant's mark. The first earlier mark is inherently distinctive to between a low and medium degree and whilst the stylisation of the second earlier mark increases its inherent distinctiveness slightly, it remains inherently distinctive to a lower than medium degree.

68. I bear in mind the decision of the CJEU in *L'Oréal SA v OHIM*, Case C-235/05 P, in which the court confirmed that weak distinctive character of the earlier trade mark does not preclude a likelihood of confusion. However, it is clear from the judgment of the of the CJEU in *Lloyd* (cited above), that descriptive matter should be given less weight when comparing trade marks. Further, I bear in mind the comments of Mr Iain Purvis Q.C., sitting as the Appointed Person, in *Kurt Geiger v A-List Corporate Limited*, BL O-075-13. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.”

69. In other words, it is important to ask, ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out. The distinctiveness of the earlier marks lies in the word VAPODS as a whole.

70. The common element between the marks is the letters ‘V-A-P-O’. I have found the letters ‘V-A-P’ to be descriptive of the goods both parties seek to protect. Given that this part of the common element is descriptive of the goods for which they are applied for, greater weight will be attributed to the other letters in the marks. Even though the marks share the additional letter ‘O’, the letters ‘D-S’ are sufficient to differentiate between them. Notwithstanding the principle of imperfect recollection, and taking all of the above factors into account, I consider that the presence of the letters ‘D-S’ at the end of the earlier marks will be sufficient to enable the consumer to differentiate between them. This is particularly the case in circumstances in which the consumer will be paying at least a medium degree of attention when selecting the goods at issue. I do not, therefore, consider that there is a likelihood of direct confusion.

71. I will now consider whether there is a likelihood of indirect confusion. Indirect confusion was described in the following terms by Iain Purvis Q.C., sitting as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10.

“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 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.”

72. I must now consider the possibility of indirect confusion and whether average consumers would believe that there is an economic connection between the marks or that they are variant marks from the same undertaking as a result of the shared common elements of the marks. In my view, if the consumer recognises the difference between the marks, I see no reason why the average consumer would assume that the marks come from the same or economically linked undertakings. The common letters ‘V-A-P’, are descriptive of the goods for which the marks are applied for. The consumer would have no reason to believe that only one undertaking would use these letters in relation to the type of goods offered by the marks. The consumer is more likely to view the addition of the different endings – ‘O’ and ‘-ODS’ to indicate different undertakings specialising in the same type of goods than indicating that the marks originate from the same or linked undertakings. I do not, therefore, consider there to be a likelihood of indirect confusion.

CONCLUSION

73. The opposition has been unsuccessful in its entirety and the application will proceed to registration.

COSTS

74. As the applicant has been successful, it is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of **£500** as a contribution towards its costs. The sum is calculated as follows:

Preparing a statement and considering the opponent's statement:	£200
Preparing written submissions in lieu:	£300
Total:	£500

75. I therefore order JT International S.A to pay VEC Limited the sum of £500. This sum is to be paid within two months of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 1st day of May 2020

A COOPER
For the Registrar