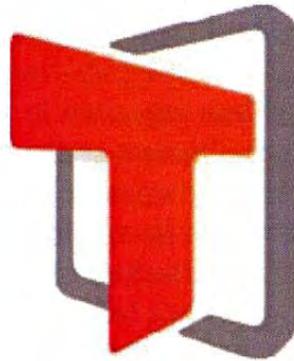


O-363-11

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2474996  
BY SK TELECOM CO., LTD TO REGISTER THE TRADE MARK**



**IN CLASS 38**

**AND IN THE MATTER OF OPPOSITION  
THERE TO UNDER NO 97316  
BY DEUTSCHE TELEKOM AG**

## TRADE MARKS ACT 1994

**IN THE MATTER OF application No 2474996  
by SK Telecom Co., Ltd to register the trade mark**



**in Class 38**

**and**

**IN THE MATTER OF Opposition thereto under No. 97316  
by Deutsche Telecom AG**

### **BACKGROUND**

1) On 13 December 2007, SK Telecom Co., Ltd ("SK") applied under the Trade Marks Act 1994 ("the Act") for registration of the above mark in respect of the following services:

#### **Class 38**

*Providing telecommunication services, namely, providing communications by fiber optic networks; data communication; paging services via radio, telephone or other means of electronic communication; rental of modems; wireless communication; VAN, namely, Value Added Network communication services; electronic message sending; rental of message sending apparatus; electronic mail services; providing remote screen communication services; satellite communication services provided via satellite transmission; providing user access to a global computer network, namely, service provider services; providing telecommunications connections to a global computer network; rental of telecommunication equipment; information about telecommunication; communications by telegrams; rental of telephones; telephone communication services, namely, providing communication services by telephone; computer aided transmission of messages and images; communication by computer terminals; electronic data transmission; telecommunications routing and junction services; news agencies, namely, the transmission of news items to news reporting organizations; rental of facsimile apparatus; facsimile transmission; cellular telephone communication; teleconferencing*

*services; television broadcasting of educational shows; radio broadcasting; cable television broadcasting; Internet broadcasting; television broadcasting; rental of broadcasting equipment; satellite broadcasting.*

2) The application was advertised in the Trade Marks Journal on 7 March 2008 and on 9 June 2008, Deutsche Telekom AG (“Deutsche”) filed notice of opposition to the application. The grounds of opposition are based upon Section 5(2)(b), Section 5(3) and Section 5(4)(a) of the Act. In respect of the first two grounds, Deutsche relies on four earlier marks, the relevant details of which are:

Mark and relevant details	Relevant services
<p>2028434</p>  <p>Filing date: 27 July 1995 Registration date: 28 November 1997</p>	<p><b>Class 38:</b> <i>Telecommunication services; rental of telecommunications apparatus/ rental of equipment for telecommunication.</i></p>
<p>CTM*215194</p>  <p>Filing date: 01 April 1996 Registration date: 30 November 2000</p>	
<p>2028453</p>  <p>Filing date: 27 July 1995 Registration date: 16 May 1997</p>	

CTM\*215319



Filing date: 01 April 1996

Registration date: 04 December 2002

\*Community Trade Mark

3) In respect of the Section 5(4)(a) ground, Deutsche relies upon a claimed goodwill in respect of signs that correspond to both the marks that are the subject of the above four registrations.

4) SK subsequently filed a counterstatement denying the opponent's claims. Further, it stated that the letter "T" is devoid of distinctive character in the context of telecommunications as it "clearly and unequivocally denotes telecommunications". It claims, therefore, the distinctive character of the respective marks resides in the stylisation of the letter "T" and the additional material present in the marks. Despite all of Deutsche's marks being registered more than five years before the publication of SK's application, SK has not put Deutsche to proof of use and admits that Deutsche has a reputation in respect of its stylised marks in respect of the services relied upon.

5) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 14 September 2011 when Deutsche was represented by Jessie Bowhill of Counsel, instructed by Hogan Lovells International LLP and SK by Rowland Buehrlen of Beck Greener.

### **Opponent's Evidence**

6) This takes the form of a witness statement, dated 9 April 2009, by Ilka-Maria Sühling. Ms Sühling works in the Legal Brand Affairs Department at Deutsche and, together with her colleagues, is responsible for all legal branding issues regarding Deutsche's marks. Ms Sühling sets out the background to Deutsche and the use of its marks in the UK and elsewhere. This can be summarised as follows:

- Deutsche was founded in 1995 as successor to the state-owned Telekom in Germany. Since then it has expanded across Europe and is currently the largest European telecommunications company serving more than fifty countries including the UK.

- Deutsche has extensively and consistently used the “T” signs as an indicator of origin since 1995. The “T” signs are a consistent element of Deutsche’s business and are the subject of significant promotion in the EU and the UK.
- In 2008, Deutsche’s total net revenue was €61.7 billion with at least 50% generated in the EU.
- One of its three main income streams is mobile telecommunications where it operates under the name *T-Mobile*. Deutsche is represented by a number of subsidiaries in different EU states and in the UK it is represented by T-Systems Limited and T-Mobile UK Limited. The T-signs have been used in the UK since 2002 by the latter subsidiary pursuant to the terms of a licence arrangement between Deutsche’s mobile communications arm, T-mobile International and the subsidiary.
- By 2008, there were 16.8 million customers in the UK; it is the UK’s fourth largest mobile network and currently has 292 stores.
- “T-Mobile” is extensively involved in sponsorship. In the UK this includes link ups with the football teams West Bromwich Albion, Celtic and Rangers as well as a joint venture with Channel 4 for a Friday night music television show. In addition it has sponsored a series of street gigs at locations across the UK as well as sponsorship of the largest temporary outdoor ice rink in the UK situated in Birmingham.
- In 2008, Deutsche spent a total of €353 million on marketing and marketing spend in the UK has increased from just over £20 million in 2002 to over £46 million in 2006 (by 2008 it had reached over £60 million). The budget is spread across television, newspapers, magazines, radio, cinema, online advertising, direct mail and outdoor advertising such as billboards.
- In the UK, operations are primarily under the *T-Mobile* signs that are registered in the UK, but not relied upon in these proceedings.
- At Exhibit IMS-5, undated photographs of *T-Mobile* shop fronts in the UK are provided illustrating use of a “T” sign featuring one square dot before the letter “T” and two after it appearing on protruding shop signs. There is also a copy of “current branding guidelines”, “[l]ast updated : 16 September 2008”, in respect to the brand *T Mobile*. This illustrates that in addition to the mark *T Mobile* (with three square dots appearing before the letter “T” and also between the letter and the word “Mobile”), the “T” sign should be used on a protruding sign “mounted on the facade of the building...[to ensure] that the shop is visible from afar...”

- There is some evidence of use in 2003 of a further “T” mark in the UK, namely *t zones* where the “t” element has a circular tail reminiscent of the “@” symbol.
- Deutsche’s marks have an extensive reputation in many parts of the EU and in its home country of Germany, various courts have recognised this.

7) Ms Sühling also made a number of submissions that I will not detail here, but I will keep in mind.

**Applicant’s Evidence**

8) This takes the form of a witness statement, dated 28 January 2010, by Mr Buehrlen, Partner at Beck Greener, SK’s representatives in these proceedings. Mr Buehrlen provides a copy of a report produced by Probe IP & Corporate Investigation (“Probe”) identifying a coexisting use of “T” logos, in the UK, in respect of services in Class 38. Mr Buehrlen identified the following mark from the report, as being relevant:

<b>Proprietor and area of business</b>	<b>Mark, relevant dates and specification</b>	<b>Services that use is in respect of</b>
<p>Telstra</p> <p>“entered the UK market in 2001”</p> <p>“Telstra’s focus is on the main UK corporate marketplace and it runs telephone services, data centres and VOIP”</p>	<p>1544879</p>  <p>Filing date: 13 August 1993 Registration date: 28 October 1994</p> <p>Telecommunication services; all included in Class 38.</p>	<p>Two invoices from Telstra to Probe are exhibited that amount to a total of £14 and relate to dates in 2009</p>

**Opponent’s Evidence in reply**

9) This takes the form of a witness statement, dated 20 May 2011, by Marion Schöberl, Head of Legal Brand Affairs at Deutsche. Ms Schöberl repeats much of Ms Sühling’s evidence and also makes numerous submissions that I will not detail here, but I will keep in mind.

**DECISION**

## Section 5(2)(b)

10) Section 5(2)(b) reads:

“(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 of association with the earlier trade mark.”

11) 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), 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.”

12) Deutsche relies upon four earlier marks. These are all registered and therefore qualify as earlier marks as defined by Section 6 of the Act. Of potential relevance to a ground of opposition under Section 5(2) are the provisions that relate to proof of use. This provision, Section 6A(1) of the Act may apply where the registration procedures of the earlier marks were completed before the start of the period of five years ending with the date of publication of the subject application. However, SK has chosen not to put Deutsche to proof of use.

13) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the Court of Justice of the European Union (CJEU) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] FSR. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] ETMR 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) C-334/05 P (LIMONCELLO). It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it; *Sabel BV v Puma AG*,
- (g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,
- (h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,
- (i) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,
- (j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*.

(k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM (LIMONCELLO)*

### **Comparison of services**

14) In assessing the similarity of services, it is necessary to apply the approach advocated by case law and all relevant factors relating to the respective goods and services should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 23:

‘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.’

15) Other factors may also be taken into account such as, for example, the distribution channels of the goods concerned (see, for example, *British Sugar Plc v James Robertson & Sons Limited (TREAT)* [1996] RPC 281).

16) In addition, I also note the guidance of the GC, in *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-133/05 paragraph 29, that 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. The same is also true where the application contains a general category that includes goods listed in the earlier mark.

17) The respective services to be compared are:

<b>Deutsche's services</b>	<b>SK's services</b>
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<p><b>Class 38:</b>  <i>Telecommunication services; rental of telecommunications apparatus.</i></p>	<p><b>Class 38:</b> <i>Providing telecommunication services, namely, providing communications by fiber optic networks; data communication; paging services via radio, telephone or other means of electronic communication; rental of modems; wireless communication; VAN, namely, Value Added Network communication services; electronic message sending; rental of message sending apparatus; electronic mail services; providing remote screen communication services; satellite communication services provided via satellite transmission; providing user access to a global computer network, namely, service provider services; providing telecommunications connections to a global computer network; rental of telecommunication equipment; information about telecommunication; communications by telegrams; rental of telephones; telephone communication services, namely, providing communication services by telephone; computer aided transmission of messages and images; communication by computer terminals; electronic data transmission; telecommunications routing and junction services; news agencies, namely, the transmission of news items to news reporting organizations; rental of facsimile apparatus; facsimile transmission; cellular telephone communication; teleconferencing services; television broadcasting of educational shows; radio broadcasting; cable television broadcasting; Internet broadcasting; television broadcasting; rental of broadcasting equipment; satellite broadcasting.</i></p>
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18) Taking account of the above guidance, it is self evident that the following of SK's services are identical to Deutsche's *Telecommunication services*:

*Providing telecommunication services, namely, providing communications by fiber optic networks; ... wireless communication; VAN, namely, Value Added Network communication services; ... satellite communication services provided via satellite transmission; ...; providing telecommunications connections to a global computer network; ...; information about telecommunication; ...; telephone communication services, namely, providing communication services by telephone; ...; electronic data transmission; telecommunications routing and junction services; ...; facsimile transmission; cellular telephone communication; teleconferencing services; ....*

19) Next, I turn to consider SK's *data communication; paging services via radio, telephone or other means of electronic communication; ...; electronic message*

*sending; ...; electronic mail services; providing remote screen communication services; ...; providing user access to a global computer network, namely, service provider services; ...; communications by telegrams; ...; computer aided transmission of messages and images; communication by computer terminals; ...; news agencies, namely, the transmission of news items to news reporting organizations.* All these services, whilst they do not mention “telecommunications” all involve communication or transmission and, as this is commonly done via telecommunication networks, they must be considered to be covered by the term *telecommunication services*. As such, I find these respective services are also identical.

20) Turning to the respective “rental” services, it is self evident that the following of SK’s services are identical to Deutsche’s *rental of telecommunications apparatus*:

*...; rental of modems; ...; rental of message sending apparatus; ...; rental of telecommunication equipment; ...; rental of telephones; ...; rental of facsimile apparatus; ...*

21) The remaining services in SK’s specification are:

*“...; television broadcasting of educational shows; radio broadcasting; cable television broadcasting; Internet broadcasting; television broadcasting; rental of broadcasting equipment; satellite broadcasting”*

22) At the hearing, Ms Bowhill submitted that such broadcasting services are “a species of communication” and that this includes telecommunication and therefore the respective services are identical. I am unconvinced by Ms Bowhill’s submissions. Guidance has been provided by the courts that, when considering the scope of services, I must take account of the circumstances of the particular trade and how the public would perceive the use (*Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32, para 31), that terms should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities (*Avnet Inc v Isoact Ltd (Avnet)* [1998] FSR 16) but neither should I attribute an unnaturally narrow meaning to the terms (*Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd* [2000] FSR 267).

23) Taking account of this guidance, it is clear to me that the relevant consumer of these respective services will draw a distinction between broadcasting services on the one hand and telecommunication services on the other. One will not be naturally considered as covering the other. Whilst the technologies behind these services may be similar, the nature and intended purpose of broadcasting and telecommunications is fundamentally different. The first enables entertainment and information to be made available for the consumer to view or listen to, the second is rooted in provision of communication services. As such, the respective users will be different. They are not in competition with each other

and neither is one important or essential to the other and therefore, when applying the guidance in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-325/06* they cannot be said to be complementary. Finally, generally speaking, the service providers are different. Taking all of this into account, I conclude that these respective services are not similar.

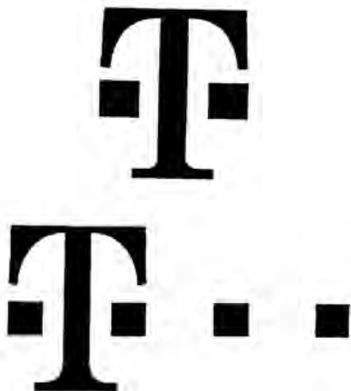
**The average consumer and purchasing act**

24) As matters must be judged through the eyes of the average consumer (*Sabel BV v.Puma AG*, paragraph 23) it is important that I assess who the average consumer is for the services at issue. There is no suggestion from either party that the average consumer of the respective services is anything other than the general public.

25) Many of the respective services are identical and it follows that in respect of these goods, the average consumer will be the same. As Deutsche’s best case rests with where the respective services are identical, I will restrict my analysis to the average consumer and purchasing act in respect of these services. Mr Buehrlen submitted that the purchasing process involved in procuring telecommunication services involves some thought and demonstrated this by referring to an example of the purchasing process involved with mobile phone contracts. The services are accessed mainly through face-to-face transactions when the provider’s mark will be visible. In light of all these points, I conclude that the purchasing process for telecommunication services is predominantly visual and involves a reasonable level of attention that is more involved than in the purchase of more everyday items, but nonetheless, it will not be of the highest level of attention.

**Comparison of marks**

26) For ease of reference, the respective marks are:

Opponent’s marks	Applicant’s mark
	

27) When assessing the extent of similarity between the respective marks, I must do so with reference to their visual, aural and conceptual similarities bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, para 23).

28) Firstly, I will consider what are the distinctive and dominant components of the respective marks. For convenience, I will limit my analysis of the Deutsche's marks to the first of the two shown above, however, I should say here, that I do not consider that its case is significantly different for either of its earlier marks. At the hearing, Ms Bowhill submitted that the letter "T" will be perceived immediately and will be foremost in the mind of the consumer.

29) However, Mr Buehrle submitted that the distinctiveness of both marks lies in their visual characteristics and that the letter "T" is devoid of any distinctive character in respect of telecommunications because it is the first letter of the description of these services. He relies on the survey that is exhibited as part of Deutsche's own evidence to support this contention. This survey records that in Germany, in 2008, "75% of the interviewees assumed a connection with telecommunication services". Mr Buehrle's conclusion as to the significance of this comment is flawed for a number of reasons. Firstly, the survey tests the perception of the German consumer and as such has little bearing on these proceedings where it is the perception of the UK consumer that is relevant. Secondly, and as Ms Bowhill pointed out, when read in context, the likely interpretation of this statement is that the link in the minds of the German consumer is as a result of Deutsche's use of marks incorporating the letter "T" in respect of telecommunication services. I am, therefore, unpersuaded by Mr Buehrle's submission.

30) As an alternative, Mr Buehrle submitted that single letters are only endowed with the minimum of distinctive character. Whilst Ms Bowhill reminded me that it is not binding upon me, Mr Buehrle drew support for this submission from a decision of OHIM's Boards of Appeal. The case (Case R 297/2007-1) involved Deutsche's opposition of a third party's mark and where Deutsche relied upon a number of earlier marks including the same marks being considered here. In respect of this mark, the board noted that "the letter "T" is actually the most commonly used consonant and the second most common letter...due to its weak character, hardly [has] any trade mark importance for the average consumer".

31) Mr Buehrle also drew my attention to the GC's judgment in *Avex Inc., v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-115/02 where, at paragraph 20, it observed that a single letter is potentially devoid of distinctive character. Conversely, single letters can also "potentially" be possessed with distinctive character. Consequently, I do not believe this adds anything to Mr Buehrle's argument.

32) Nevertheless, I concur with the OHIM's Board of Appeal in the case referred to by Mr Buehrlen. The single letter "T" is inherently low in distinctive character and as such, whilst dominant in both marks, it will not be perceived as a particularly distinctive element of either. Rather, and as Mr Buehrlen submitted, the distinctive character of both marks resides in the visual impact created by the whole of each mark including the additional components of each. With this in mind, I will now consider the level of similarity between the respective marks.

33) Firstly, I turn to consider the visual similarities between the marks and in doing so, I note that SK's mark is not limited to colour and, as such, it is necessary for me to consider it as being "drained of colour" in line with the guidance provided in *Specsavers* [2010] EWHC 2035 (Ch), para 119.

34) Deutsche's mark consists of the capital letter "T" presented in an ordinary typeface. In addition, it has two squares positioned under each horizontal arm of the letter "T". SK's mark also consists of a letter "T" but it is presented in such a manner as to give the mark a three dimensional effect with one side of the letter being larger (and appearing closer) than the other side. Further, the square-shaped border is presented in such a way as to support the illusion of being three dimensional. Then overall effect is that the letter "T" appears to be passing through the square border.

35) It is the individual stylisation of the letter in the respective marks and the additional elements that will be dominant in the minds of the consumer and when considering the marks as a whole, I find that, despite both marks containing the letter "T", they share only a low level of similarity.

36) From an aural perspective, it is common ground between the parties that they are identical.

37) Insofar as the marks have a conceptual identity, this too will be the same in both marks.

38) I have therefore found that the marks share a low level of visual similarity, that they are aurally identical and that, insofar as they possess a conceptual identity, this is identical. These factors combine so that the marks share a moderate level of similarity overall.

### ***Distinctive character of the earlier trade mark***

39) I must consider the distinctive character of the earlier mark because the more distinctive it is, either by inherent nature or by use (nurture) the greater the likelihood of confusion (*Sabel BV v Puma AG* [1998] RPC 199). The distinctive character of the earlier mark must be assessed by reference to the goods or services for which it is registered and by reference to the way it is perceived by the relevant public (*Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91).

40) As discussed earlier, the single letter “T” is only conferred with a low level of inherent distinctive character and therefore the distinctiveness of Deutsche’s earlier marks resides in the combination of this letter with the additional matter in the form of two or four square-shaped dots. These dots are only about one fifth of the height of the letter “T” and about a quarter of the length of the letter. As such, in a *prima facie* consideration, their impact, whilst it might not go un-noticed is, nonetheless, reasonably low and the marks, as a whole, are only endowed with a reasonably low level of inherent distinctive character.

41) I must also consider the effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act. This was considered by David Kitchen Q.C. sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchen concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

42) Ms Bowhill submitted that Deutsche has used its sign extensively in the UK since 2002 and it has 292 stores across the country. Further, the exhibits in the form of photographs of Deutsche’s shop fronts and in the form of brand guidelines illustrating how the marks are to be used.

43) Mr Buehrlen sought to find criticism of this evidence, such as pointing out that the “two dot” version of Deutsche’s mark is only used on shop fronts where planning restraints don’t allow its normal, larger sign featuring a longer version of

the mark with more “dots” and that it is known in the UK as “T-Mobile” and not just “T” and, therefore, use of the marks relied upon have not resulted in an enhanced level of distinctive character. I do not accept this. It is clear from the evidence that the *T-Mobile* brand has a very significant presence on the UK market. This presence is visually identified by numerous marks, the majority of which consist of the identical letter “T” as used in its earlier marks relied upon for these proceedings, together with a number of square dots. The precise number of dots used varies but nevertheless, these marks are all so similar that the differences will go unnoticed by the consumer. As such, their use all contributes towards enhancing the distinctive character of all the marks relied upon by Deutsche in these proceedings.

44) Therefore, in summary I conclude that Deutsche’s marks are endowed with a reasonably low level of inherent distinctive character, but that this is enhanced through Deutsche’s use of the marks as relied upon and use of other, very similar marks.

### ***Likelihood of confusion***

45) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27).

46) I have found that the single letter “T” is inherently low in distinctive character and that whilst it is the dominant element in both marks, it will not be perceived as a distinctive element of either. However, I am mindful also that a finding of weak distinctive character is only one of the factors to consider when undertaking the required global assessment (Joined Cases T-305/06 to T-307/06, *Air Products and Chemicals, Inc., v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*) and that where the shared element is of low distinctive character, this does not allow me to ignore that element in my considerations (Case C-235/05 P, *L’Oréal SA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), Revlon (Switzerland) SA*).

47) Ms Sühling, in her witness statement, contends that Deutsche’s advertising includes many forms of audio-visual media and as a result there is extensive aural use of Deutsche’s mark and this is identical to SK’s mark. Mr Buerhlen contended that in the UK, Deutsche’s business is referred to as “T-Mobile” and not “T”. I note both of these arguments, but in my consideration of likelihood of confusion, the marketing strategy employed by a trader is not relevant and I must undertake an analysis based upon notional and fair use (*Devinlec Développement Innovation Leclerc SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 147/03*, paragraph 104). In that respect, I have already found that the purchasing process is predominantly visual.

48) The courts (for example, in Case T-129/01 *Alejandro v OHIM – Anheuser-Busch (BUDMEN)*) acknowledge that when considering likelihood of confusion, visual, aural and conceptual similarities do not always have the same weight. Further, aural similarity is of less importance where the purchasing process is primarily visual (see Case T-292/01 *Phillips-Van Heusen v OHIM – Pash Textilvertrieb und Einzelhandel (BASS)*, paragraph 55).

49) Taking all the guidance, noted above, into account, whilst the respective marks incorporate the letter “T”, the visual impression created by the stylisation present in the respective marks is such that the differences will lead the consumer to make no connection between the respective marks, despite the aural and conceptual similarities. The different presentation of the letter “T” itself, combined with the different additional material is such that it counteracts the presence of the same letter in both the respective marks. The low level of distinctive character present in the letter “T” results in it not dominating the overall impression of the respective marks. Therefore, even where identical services are involved, even taking account of the fact that marks are not normally recalled perfectly, the consumer will assume that the marks are not the same or even that the services provided under the respective marks originate from the same or linked undertaking.

50) Consequently, taking all the relevant factors into account, I conclude that there is no likelihood of confusion and the ground of opposition based upon Section 5(2)(b) of the Act fails.

51) I must also comment briefly upon two further issues. Firstly, Mr Buerhlen drew my attention to a decision of the OHIM Boards of Appeal (Case R 297/2007-1) where Deutsche opposed another party’s attempt to register a mark consisting of a stylised letter “T”. Deutsche relied upon its “two spot” T mark. The Board commented that “the graphical dissimilarities between the marks outweigh any visual similarities due to the common element of the existence of a “T””. Whilst this decision related to the application for a different mark than in the current proceedings and is a decision that is not binding upon me, I nevertheless, do not believe any of my findings in the current case are inconsistent with the findings of the Board.

52) Secondly, Ms Bowhill directed me to Arnold J’s decision in *Och-Ziff Management Europe Ltd v Och Capital LLP* [2010]EWHC 2599 (Ch), where he found that initial interest confusion is actionable. I note this but it is not relevant to the current case. This is because of my findings that the lack of similarity between the marks is such as not to lead to confusion. This will be regardless of whether considering the initial interest stage or later.

### **Section 5(4)(a)**

53) I will comment briefly upon the ground based upon Section 5(4)(a) of the Act. It follows from my findings in respect of enhanced distinctive character, that there has been use of the two signs relied upon by Deutsche. Such use demonstrates that the required goodwill exists. This finding is uncontroversial as SK conceded this in its counterstatement.

54) However, I do not consider that misrepresentation will occur because of the differences between Deutsche's signs and SK's mark. On the balance of probabilities, a substantial number of Deutsche's customers or potential customers would not be misled into purchasing SK's sericews in the belief that it was Deutsche's (as the guidance in *Neutrogena Corporation and Anr. V Golden Limited and Anr.* [1996] RPC 473 says is necessary).

55) Consequently, there is no passing off and the opposition based upon Section 5(4)(a) fails.

### **Section 5(3)**

56) Finally, I turn to consider the ground of opposition under Section 5(3) of the Act which reads as follows:

“5.-(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark,

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

57) The meaning of “reputation” and the required “link” within the scope of Section 5(3) has been considered in a number of cases notably *General Motors Corp v Yplon SA (CHEVY)* [1999] ETMR 122 and [2000] RPC 572, *Adidas Salomon AG v Fitnessworld Trading Ltd.* [2004] ETMR 10, *Intel Corporation Inc. v CPM United Kingdom Ltd (INTEL)* [2009] RPC 15.

58) The applicable legal principles arising from these cases are as follows:

a) ‘Reputation’ for the purposes of Section 5(3) means that the earlier mark is known by a significant part of the public concerned with the

products or services covered by that mark (paragraph 26 of the CJEU's judgment in *CHEVY*).

b) Under this provision the similarity between the marks does not have to be such as to give rise to a likelihood of confusion between them; the provision may be invoked where there is sufficient similarity to cause the relevant public to establish a link between the earlier mark and the later mark or sign (*Adidas Salomon v Fitnessworld*, paragraphs 29-30).

c) Whether there is a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the earlier mark with a reputation and the later mark must be assessed globally, taking into account all factors relevant to the circumstances of the case (*INTEL*).

d) The fact that, for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark calls the earlier mark with a reputation to mind is tantamount to the existence of such a link between the conflicting marks, within the meaning of *Adidas-Salomon and Adidas Benelux*. (*INTEL*)

### **Reputation**

59) In its counterstatement, SK conceded that Deutsche has the requisite reputation in the two earlier marks that it relies upon in these proceedings.

### **The Link**

60) Next, I need to go on to consider the existence of the necessary link. I am mindful of the comments of the CJEU in *INTEL*, that it is sufficient for the later mark to bring the earlier marks with a reputation to mind for the link, within the meaning of *Adidas-Salomon and Adidas Benelux*, to be established. The CJEU also set out the factors to take into account when considering if the necessary link exists:

“41. The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case (see, in respect of Article 5(2) of the Directive, *Adidas-Salomon and Adidas Benelux*, paragraph 30, and *adidas and adidas Benelux*, paragraph 42).

42. Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity

between those goods or services, and the relevant section of the public;

- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public.”

61) I have already concluded that the respective marks share a moderate level of similarity and that this is as a result of them sharing the letter “T” making the marks aurally identical. However, I have noted the low level of distinctive character that is endowed in the letter “T” and that, when considering the respective marks as a whole, the additional elements combine to reduce the level of similarity that would be otherwise present. I have also concluded that many of the services are identical, that Deutsche’s marks benefit from a reputation and acquired distinctive character, but that there is no likelihood of confusion.

62) Despite the reputation enjoyed by Deutsche’s mark, the differences between the marks are such that when the consumer is confronted with SK’s mark it will not bring Deutsche’s marks to mind, even where identical services are involved. Consequently, the necessary link does not exist. In the absence of such a link, it is not necessary for me to continue my analysis and consider detriment.

63) If I am found to be wrong, and it is considered that necessary link exists, the nature of the link, being very weak because of the low level of visual similarity between the marks, will be such that no detriment will occur.

64) In light of the above, the ground of opposition based upon Section 5(3) of the Act fails.

## **COSTS**

65) The opposition has failed in respect of all the grounds relied upon. Consequently, SK Telecom Co., Ltd is entitled to a contribution towards its costs. At the hearing, Mr Beuhrlen argued that concessions made by SK, with the aim of reducing costs and the amount of evidence required by Deutsche, were ignored by the opponent who still filed a large volume of evidence going to the conceded points of reputation and goodwill. As such, he contended that SK was entitled to a “slight uplift”. However, SK did not concede that Deutsche’s marks benefited from any enhanced distinctive character and, in order to address this issue, Deutsche was still required to file evidence of use of its marks. Consequently, I dismiss Mr Buehrlen’s argument that the evidence was unnecessary and that the costs award should include a “slight uplift” to take account of this.

66) In light of the above and taking into account the fact that a hearing has taken place, I award costs on the following basis:

Considering Notice of Opposition and statement and preparing statement of case in reply	£400
Preparing and filing evidence and considering other side's evidence	£1000
Preparing for, and attending hearing	£600
TOTAL	£2000

67) I order Deutsche Telecom AG to pay SK Telecom Co., Ltd the sum of £2000. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 21<sup>st</sup> day of October 2011**

**Mark Bryant  
For the Registrar,  
the Comptroller-General**