

O-434-10

IN THE MATTER OF APPLICATION NO 2427162
IN THE NAME OF NOVAR ED&S LIMITED

AND

OPPOSITION THERETO UNDER NO 97897
BY MARIMILS OY

Background

1. Application No 2427162 is for the trade mark MLS. It was originally applied for in the name of EX-OR Limited but now stands in the name of Novar ED&S Ltd (“Novar”). It has an application date of 14 July 2006 and registration is sought in respect of the following goods in class 9 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended:

Apparatus, instruments, installations and equipment all for controlling and regulating lights, lighting and lighting installations, equipment and systems, computer software for the aforesaid goods; parts and fittings for the aforesaid goods; dimmer switches and equipment; movement detectors and sensors; heat sensors and detectors; light detectors and sensors; clocks; timers; control panels; touch screen panels; parts and fittings for all the aforesaid goods

2. Following publication in the *Trade Marks Journal*, Notice of Opposition was filed on behalf of MariMils Oy (“MariMils”). The grounds of opposition are, in summary;

- Under section 3(1)(d) of the Act. It is claimed that the letters MLS are commonly used in the trade as an abbreviation for Managed Lighting Systems;
- Under section 5(2)(b) of the Act. MariMils relies on its earlier community trade mark no 1506765 which is registered in respect of *Controlling, guiding and checking (supervision) apparatus and instruments, computer software (recorded) for the aforesaid goods* in class 9 and *Lighting apparatus and instruments* in class 11.

3. Novar filed a counterstatement in which it denies each of the claims made. Both parties filed evidence and both filed written submissions. Neither party requested to be heard. I therefore give this decision after careful consideration of all the material before me.

Evidence

4. Witness statements were filed by Petteri Saarinen, CEO of MariMils and by Alastair John Rawlence, a trade mark attorney in the employ of William A Shepherd & Son, Novar’s legal representatives in these proceedings.

MariMils’ evidence

5. Petteri Saarinen states that he has been CEO of MariMils since 22 April 2009, is fully acquainted with the goods his company sells and has full and free access to the records of his company.

6. Mr Saarinen states that until 16 June 2008, his company was known as Oy Modular Technology Group Engineering Ltd (also known as MTG-Engineering). At RE1 he exhibits an extract from the Finnish Trade Register which confirms the change of name.

7. Mr Saarinen states that his company has used its earlier trade mark in relation to “a low location lighting system which doubles up as escape and emergency path lighting”. At RE2 he exhibits various pages from his company’s website which show that it provides a lighting system consisting of software-controlled guidance signs and lighting equipment to be used in a variety of situations such as the offshore, marine or aviation industries, in manufacturing or warehouse locations or in shopping or sports complexes etc. The system provides low powered lighting at floor or low level along with signage and enables safe movement of people (whether or not in an emergency situation) by e.g. guiding them along a particular route. Whilst this material was downloaded on 23 November 2009, Mr Saarinen explains that the mark was used well before this date on systems installed in airport terminals, on aircraft and on cruise ships as well as other situations where rapid evacuation is essential.

8. At RE3, Mr Saarinen exhibits a copy of a presentation his company gave in 2006 to another company called RCCH. The exhibit is written in English and provides an explanation of the company’s MILS low location lighting system and its components. The pages bear a copyright date of 2006 and show the mark MILS.

9. Mr Saarinen gives evidence that in 2007 his company entered into an agreement with Tyco Fire & Security (Tyco) which allowed Tyco to use the mark MILS in the UK. At RE4 he exhibits various data sheets about the MILS system which bear the Tyco name. The pages bear the date 23 March 2007. In 2007 Tyco mounted an exhibition of the MILS system and, at RE5, Mr Saarinen exhibits a photograph of the stand which was used. The stand also shows the mark. He gives no details of where the exhibition took place.

10. Mr Saarinen explains that his company has continued to use its mark in relation to the goods for which it is registered and, at RE6, exhibits extracts from its website showing that it took part in the IFSEC exhibition which was held from 11th to 14th May 2009 in Birmingham. The exhibit also shows a photograph of the stand at that exhibition which clearly shows the mark and goods.

11. Mr Saarinen states that his company has sold goods under the mark to various companies and institutions within the European Union. At RE7 he provides a list of these. The list includes sales made between 2000 and 2010 to companies in a number of European countries including e.g. Finland, France and Spain as well others in Devonport, England (2010) and Belfast, Northern Ireland (2008).

12. At RE8, Mr Saarinen exhibits copies of a number of invoices raised in connection with sales of the MILS system in Germany, Denmark and the UK. Whilst some of the invoices have been redacted to remove details of the names and/or addresses of the purchasing company, it is possible to see the relevant postcode on some of these. They show postcodes in the Manchester, West Sussex and London areas for goods including ‘MILS System’, ‘coloured light strips’, ‘light panel drivers’, ‘group drivers’ and ‘installation kits’.

13. Mr Saarinen also gives evidence that the letters MLS is an acronym for Managed Lighting Systems. At RE9 he exhibits material from a number of sources:

- An article published in the October 2005 journal of Modern Building Services. The article refers to a 'managed lighting system' and mentions that Yorkshire Water's office headquarters is using EX-OR's MLS managed lighting system;
- 2 pages taken from the ecsaustralia.com website with a copyright date of 2009. It refers to 'The Energy Conservation Systems Managed Lighting System (MLS)' state of the art lighting'. The pages bear photographs of various products along with brochures for download. Each of the photographs and brochures bear the name EX-OR;
- Pages from the truckcoversusa.com website with a copyright date of 2008. Whilst the extract refers to a 'thermally managed lighting system', I can find no use of the letters MLS ;
- Pages from the EX-OR website (undated) referring to the installation of its MLS Managed Lighting System;

14. Mr Saarinen states that these extract show that companies in the lighting trade use the letters MLS not as a trade mark but as an abbreviation or acronym for Managed Lighting Systems.

Novar's evidence

15. Novar's evidence consists of a witness statement of Alastair John Rawlence. He introduces the following exhibits:

AJR 1-a copy of a witness statement of Neil Jones (and exhibits NJ1-NJ2) filed during the examination stages of the application the subject of these proceedings. Neil Jones is the MD of EX-OR Ltd, the original applicant. Mr Jones states that the mark MLS was first used by EX-OR in 1994 when the products were first launched. Goods under the mark have been sold throughout the UK as well as elsewhere. The mark has been used on all goods for which registration was sought (and as now registered). He gives the following turnover figures for goods sold under the mark:

Year	Turnover £
2003	492,497
2004	544,979
2005	717,131
2006	854,054

He gives no explanation of where, specifically, these sales were made. Mr Jones states that an 'ongoing' (his witness statement is dated 12 March 2007) advertising and promotional campaign involves advertising in specialist and trade magazines and at exhibitions. At NJ1 he gives details of expenditure for the years 2001 to 2006 and at NJ2 are exhibited examples of promotional literature. Exhibition expenditure ranges from £6753 increasing gradually to £10,676 with cost of advertising space ranging between £15,738 in 2003 to £25,103 in 2006. There is also a copy of the EX-OR express newsletter (10th Anniversary edition 1984-1994) which introduces the 'new EX-OR Managed Lighting System' and refers to 'EX-OR MLS [being] a fully integrated lighting system which combines presence detection with automatic, user-controllable

light regulation'. The remaining parts of this exhibit are copies of various advertisements dating from April 1995, October 1995 and September 2001. All refer to EX-OR's MLS Managed Lighting System;

AJR2-copies of two letters issued by the Office during the examination stages of the application the subject of these proceedings. The first is a letter to William A Shepherd ('WAS') dated 3 July 2007. The letter raises an objection to registration on the grounds that MLS is an acronym of Managed Lighting System and therefore is objectionable under section 3 of the Act. The second is dated 7 November 2007 and waives the objection raised under section 3 of the Act following receipt of a letter received from WAS and dated 11 October 2007. That earlier letter is not exhibited;

AJR 3-a number of pages taken from the Internet. Mr Rawlence gives no explanation of the relevance of these documents however each of the pages has been marked by hand. They are:

- pages from the MariMils website which have been marked to highlight an entry that "The acronym MILS ® stands for **Modular Intelligent Lighting System**";
- 1 page showing results 1 to 10 of a webwide Google Search for 'mils Modular Intelligent Lighting System';
- 1 page showing results 1 to 10 of a UK Google search for 'MILS LIGHTING';
- An extract from Advanced Aviation Technology Ltd's website. The extract appears to be from an article entitled Modular Intelligent Lighting Systems and is written by Kim O'Neil for MILS Technology PLC;
- A page from Wikipedia showing the results of a search for 'Modular Intelligent Low-lighting System (MILS)'. The page shows one result which states 'MILS May refer to: Multiple Independent Levels of...Modular Intelligent Low-Lighting System (MILS) a patented product range from www....'
- A page from cyelcor.com website which, under the heading of 'Modular Intelligent Life-Line/Low Location Lighting/Logistic System' refers to 'Low Location **Lighting** (LLL) of which the **MILS ®-System** is an example, is the general industry name of escape and emergency path **lighting**.

16. That concludes my summary of the evidence filed in these proceedings. I do not intend to summarise the submissions which have been made by both parties but will refer to them as necessary and do take them into account.

The objection under section 3(1)(d)

17. Section 3(1)(d) states:

“3 (1) The following shall not be registered-

(a)...

- (b) ...
- (c)...
- (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade;

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b) (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

18. In its written submissions, Novar refer to the fact that during the examination process the Trade Marks Registry raised an objection to the mark under section 3(1)(b) and (c) of the Act and which was later waived on the basis that evidence filed by the applicant showed the mark had acquired distinctiveness through use. It submitted that because of this, the objection under this ground should be rejected.

19. Whatever transpired during the examination process, I am required to look at matters afresh and on the basis of the information now before me. It is for MariMils to show that the mark offends against section 3 of the Act. If it successful in so doing then the burden of proof will lie with Novar to establish that the mark has acquired distinctiveness through use.

20. In *Telefon & Buch Verlagsgesellschaft mbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-322/03*, the General Court said:

“49 Article 7(1)(d) of Regulation No 40/94 must be interpreted as precluding registration of a trade mark only where the signs or indication of which the mark is exclusively composed have become customary in the current language or in the *bona fide* and established practices of the trade to designate the goods or services in respect of which registration of that mark is sought (see, by analogy, Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 31, and Case T-237/01 *Alcon v OHIM – Dr Robert Winzer Pharma (BSS)*[2003] ECR II-411, paragraph 37). Accordingly, whether a mark is customary can only be assessed, firstly, by reference to the goods or services in respect of which registration is sought, even though the provision in question does not explicitly refer to those goods or services, and, secondly, on the basis of the target public’s perception of the mark) *BSS*, paragraph 37).

50 With regard to the target public, the question whether a sign is customary must be assessed by taking account of the expectations which the average consumer, who is deemed to be reasonably well informed and reasonably observant and circumspect, is presumed to have in respect of the type of goods in question (*BSS*, paragraph 38).

51 Furthermore, although there is a clear overlap between the scope of Article 7(1)(c) and Article 7(1)(d) of Regulation No 40/94, marks covered by Article 7(1)(d) are excluded from registration not on the basis that they are descriptive, but on the basis of current usage in trade sectors covering goods

or services for which the marks are sought to be registered (see, by analogy, *Merz & Krell*, paragraph 35, and *BSS*, paragraph 39).

21. Novar's evidence in support of this ground is set out in exhibit RE9 to Mr Saarinen's witness statement. As I set out above, this exhibit consists of various pages, all of which were downloaded from the Internet on 23 November 2009. The article from the Modern Building Services website, as Novar points out in their written submissions, makes no reference to MLS being used as an acronym or abbreviation for managed lighting system. In any event, the article was written by Neil Jones of EX-OR Ltd, the original applicant and therefore is not use by a third party. The next three pages of the exhibit from the *ecsaustralia.com* website do refer to MLS meaning Managed Lighting System however, as I indicated earlier, the extract makes multiple references to EX-OR Ltd and no other company. The pages from the *truckcoversusa.com* website refer to various accessories for vehicles. Whilst there is a mention of the 'thermally managed lighting system', there is no reference anywhere in the article to the letters MLS. The remaining pages of the exhibit are from the original applicant's own website.

22. As I indicated above, the onus is on MariMils to show that the mark MLS had become customary in the current language or in the *bona fide* and established practices of the trade at the date of the application. MariMils has provided no evidence that anyone other than Novar or its predecessors in title have used the letters MLS as meaning Managed Lighting System and thus the ground of opposition brought under section 3(1)(d) is dismissed. That being the case, I do not need to go on to consider whether the mark has acquired distinctiveness through its use.

The objection under section 5(2)(b) of the Act

23. Section 5 of the Act states:

“5 (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 and 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.

24. Also of relevance is Section 6A of the Act which states:

“6A Raising of relative grounds in opposition proceedings in case of non-use

(1) This section applies where -

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.
- (2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.
- (3) The use conditions are met if –
 - (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
 - (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.
- (4) For these purposes –
 - (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
 - (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
- (5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.
- (6)
- (7)"

25. Also of relevance is section 100 of the Act which states:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

26. The mark relied on by MariMils completed its registration process on 26 March 2001. This is more than five years before the publication date of Novar’s mark which took place on 6 June 2008. Novar puts MariMils to proof of its use of its mark. MariMils is therefore required, under section 6A of the Act, to prove the use of its mark in the five year period ending with the date of publication of Novar’s mark. The relevant period is therefore 7 June 2003 to 6 June 2008 and use has to be shown in relation to the goods for which it is registered.

27. The guiding principles to be applied in determining whether there has been genuine use of a mark are set out in *Ansul BV v Ajax Brandbeveiliging BV* [2003] RPC 40 and *Laboratoire de la Mer Trade Mark* [2006] FSR 5. From these cases it is clear that:

- genuine use entails use that is not merely token. It must also be consistent with the essential function of a trade mark, that is to say to guarantee the identity of the origin of goods or services to consumers or end users (*Ansul*, paragraph 36);
- the use must be 'on the market' and not just internal to the undertaking concerned (*Ansul*, paragraph 37);
- it must be with a view to creating or preserving an outlet for the goods or services (*Ansul*, paragraph 37);
- the use must relate to goods or services already marketed or about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns (*Ansul*, paragraph 37);
- all the facts and circumstances relevant to determining whether the commercial exploitation of the mark is real must be taken into account (*Ansul*, paragraph 38);
- the assessment must have regard to the nature of the goods or services, the characteristics of the market concerned and the scale and frequency of use (*Ansul*, paragraph 39);
- but the use need not be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39);
- an act of importation could constitute putting goods on the market (*Laboratoire de la Mer*, paragraph 25 referring to the earlier reasoned order of the ECJ);
- there is no requirement that the mark must have come to the attention of the end user or consumer (*Laboratoire de la Mer*, paragraphs 32 and 48);
- what matters are the objective circumstances of each case and not just what the proprietor planned to do (*Laboratoire de la Mer*, paragraph 34);
- the need to show that the use is sufficient to create or preserve a market share should not be construed as imposing a requirement that a significant market share has to be achieved (*Laboratoire de la Mer*, paragraph 44).

28. I must also keep in mind the guidance in *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32, in relation to determining what constitutes a fair specification, namely:

“Pumfrey J in *Decon* suggested that the court’s task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view the task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use”.

29. In *Animal Trade Mark* [2004] FSR 19, Jacob J held:

“The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernickety way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three-holed razor blades imported from Venezuela (Mr T.A. Blanco White’s brilliant and memorable example of a narrow specification) “three-holed razor blades imported from Venezuela” is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say “razor blades” or just “razors”. Thus the “fair description” is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection (“the umbra”) for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods (“the penumbra”). A lot depends on the nature of the goods—are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made.”

30. The earlier mark relied on is a Community Trade Mark and thus the issue of genuine use must be considered within the context of use in the European Union. The decision of the Fourth Board of Appeal of the Office for Harmonization in the Internal Market in *ILG Ltd v Crunch Fitness International Inc* [2008] ETMR 17 is noted:

“11 Use in one country of the Community, such as Italy, is sufficient (Joint Statements by the Council and the Commission entered in the Minutes of the Council meeting at which the CTMR was adopted, No. B.10. OH OHIM 1996, 607, 613), provided that is it [sic] genuine.”

31. In *PAGO International GmbH v Tirol Milch registrierte Genossenschaft mbH* Case C-302/07 the CJEU considered the requirements for establishing a reputation in respect of a Community trade mark:

“30 The answer to the first question referred is therefore that Article 9(1)(c) of the regulation must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known to a substantial part of the territory of the Community and that, in view

of the facts of the main proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community.”

32. It would be anomalous if reputation in one member state may be enough to satisfy the requirement of Article 9(1)(c) but use in one or more member states could not satisfy the use requirement. In determining whether genuine use is established it is necessary to consider, within the context of the European Union as a whole, the sector of the industry in which MariMils operates and the nature of the goods, whether the use is warranted in the market place and if the use creates and preserves an outlet for the goods in the marketplace.

33. MariMils’ evidence shows it to have sold a low location lighting system (see RE2). That system is made up of a number of component parts including lighting equipment, lighting strips, signs, sensors, lightboards and ‘infocards’. The system is controlled and operated by computer software which monitors the flow of human traffic and provides for safe movement. Using underfloor checking equipment, the system detects the number and location of people and monitors in which direction they are moving. The equipment can be programmed to cope with regular business needs including queue management but also for more infrequent occurrences such as evacuation or other emergency situations.

34. Exhibit RE8 consists of copy invoices. Those invoices date from 29 February 2000 to 27 March 2008 and thus some fall outside the relevant period. Whilst some of the pages appear to be duplicated and many have been redacted so as not to show the purchasers’ details, there are a number from within the relevant period which show sales of goods such as MILS-stripes, symbols, emergency light panels, drivers, group drivers and ‘MILS Systems’ to a number of addresses within the UK and another which shows a sale of a MILS-System Intelligent Guiding Low Location Lighting System to a company in Germany. Whilst the turnover figures given by Mr Jones do not specify where those sales were made, the invoices which show sales made to companies within the UK and Germany amount to fairly significant sums of money. Whilst the evidence suffers from a number of flaws as set out above, I am satisfied, when considered as a whole, that MariMils has proved use of its mark. Given that the goods, made up of the various components as set out in paragraph 33 above, are lighting equipment and apparatus and which, through the use of computer software, control, guide and check, I am satisfied that that use has been in relation to all the goods for which it is registered.

Comparison of goods

35. Novar submits that its goods are lighting control systems designed to conserve energy whilst MariMils’ are safety and emergency systems. It submits that this makes them ‘clearly highly different goods in terms of their function, nature, price etc’ In contrast, MariMils submits that whilst it uses its mark ‘specifically for a particular lighting function...it cannot be excluded that [Novar] will sell their goods for similar purposes in similar locations’.

36. I am mindful of the findings of the Court of First Instance (now General Court) in *Saint-Gobain SA v OHIM* Case T-364/05 where it said:

“67... it is important to reiterate that the comparison between the goods in question is to be made on the basis of the description of the goods set out in the registration of the earlier mark. That description in no way limits the methods by which the goods covered by the earlier mark are likely to be marketed.”

37. I am also mindful of the findings of the Court of First Instance (now General Court) in the case of *NHL Enterprises BV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-414/05:

“71 The Court considers, first, that that assessment by the Board of Appeal is not called in question by the particular conditions in which the applicant’s goods are marketed, since only the objective marketing conditions of the goods in question are to be taken into account when determining the respective importance to be given to visual, phonetic or conceptual aspects of the marks at issue. Since the particular circumstances in which the goods covered by the marks at issue are marketed may vary in time and depending on the wishes of the proprietors of those marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, namely that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions of the trade mark proprietors-whether carried out or not- which are naturally subjective (see, to that effect, *NLSPORT*, *NLJEANS*, *NLACTIVE* and *NLCollection*, cited at paragraph 61 above, paragraph 49, and Case T-147/03 *Devinlec v OHIM – TIME ART (QUANTUM)* [2006] ECR II-11, paragraphs 103 to 105, upheld on appeal by the Court by judgment of 15 March 2007 in Case C-171/06 P *TIME ART v OHIM*, not published in the ECR, paragraph 59).”

38. *Controlling, guiding and checking (supervision) apparatus and instruments* of the earlier mark are not limited in any way and would include goods for *controlling, guiding and checking lights, lighting, lighting installations equipment and systems* (as per *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks & Designs)(OHIM)* Case T-133/05). They are therefore identical goods. In view of this I further find *computer software* for the respective goods to be identical.

39. The earlier mark is also registered in respect of *Lighting apparatus and instruments*. I find these to be highly similar, if not identical, to all of the goods for which registration is applied.

The average consumer and the nature of the purchasing process

40. As indicated above, I have to consider the respective specification of goods as they stand. Whilst each of the goods may be bought by specialist business users for a particular commercial application, it is also the case that members of the public also have lighting systems installed into their homes. Some of the goods, e.g. *dimmer switches* are relatively simple goods which may be bought very cheaply and as a single item. Others, such as a computer controlled lighting system, are likely to be of comparatively high value as they are more specialist goods which may be individually designed for a specific location or application. The purchasing process is

likely to vary equally widely from an off the shelf purchase of a switch to the highly complex process involved in identifying, designing and supplying of a bespoke lighting system.

Comparison of marks

41. In determining the question under Section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel v Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R 77, *Marca Mode CV v Adidas AG* [2000] E.T.M.R.723, *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di Laudato & C. Sas v OHIM* C-334/05 (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*, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question: *Sabel BV v Puma AG*, paragraph 23, 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 he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen B. V.* paragraph 27;
- (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*, paragraph 23;
- (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*, paragraph 23;
- (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 v Metro-Goldwyn-Mayer Inc*, paragraph 17;
- (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*, paragraph 24;
- (g) in determining whether similarity between the goods or services covered by the 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*; 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*, paragraph 26;

- (h) 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*, paragraph 41;
- (i) 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*, paragraph 29;
- (j) 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*;
- (k) 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*.

42. In essence, the test under Section 5(2)(b) is whether there are similarities in marks and goods which, when taking into account all the surrounding circumstances, would combine to create a likelihood of confusion. The likelihood of confusion must be appreciated globally and I need to address factors such as the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements and taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed.

43. The marks to be compared are as follows:

Novar's mark	The earlier mark
MLS	MILS

44. The marks are three and four letters long respectively. Neither mark has any dominant or distinctive components, the distinctiveness in each case rests in the mark as a whole. Both begin with the letter M and end in the two letters LS. They differ only in that the earlier mark contains the letter I as its second letter. MariMils submit that the "letter 'I' is the slimmest letter in the Roman alphabet and as such, its absence or inclusion would not be noticed by purchasers". In my view, the letter 'I' appearing as it does between two other uprights of the letters M and L may make it slightly difficult to see where one letter ends and the next starts however the eye will look at what is before it whilst the brain tries to make sense of it and I have no reason to suspect that people, on seeing the earlier mark will not notice whether the letter 'I' is there or not. From a visual perspective, the marks are highly similar.

45. Aurally, Novar's mark may be pronounced as three separate letters although as these letters are a well known abbreviation for millilitres it is possible that some

would pronounce it as in the word 'mills' which is how the earlier mark is also likely to be pronounced and heard. However Novar's mark is pronounced, there is a fairly high degree of aural similarity between the two marks.

46. Some, on seeing the mark MLS will merely see it as three independent letters with no particular meaning likely to be brought to mind. As these letters form the abbreviation for millilitres, it is possible (I put it no higher than this) that some will bring to mind this measurement. MILS is also an abbreviation for a measurement, millimetres, this time of length, rather than volume. For some, there may be a degree of similarity between the marks from a conceptual perspective although any similarity is likely to be relatively low.

Likelihood of confusion

47. In reaching a decision on whether there is a likelihood of confusion, I must make a global assessment based on all relevant factors. The decision of the General Court in *New Look Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* Joined cases T-117/03 to T-119/03 and T-171/03, indicates that the circumstances in which the relevant goods and the marks are encountered by the consumer, particularly at the point at which the purchase is made, is an important consideration. But I also have to take into account the fact that the consumer will rarely have an opportunity to compare marks side by side and will instead rely on the imperfect picture of them he has kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.* paragraph 27).

48. Another factor to be taken into account is the distinctive character of the earlier trade mark having regard to its inherent characteristics and the reputation it enjoys with the public. I have already commented above on the evidence of use of the mark as filed by MariMils and, whilst I found that it was sufficient to prove use of the mark within the relevant period, I made a number of criticisms of it. I have not been given any information about the size of the relevant market or MariMils' place within it nor have I been given details of the specific purchasers for sales made. There is no evidence from the public or the trade. In all the circumstances I am unable to find that the earlier mark has enhanced its reputation through the use made of it. That said, I consider that it has a reasonably high level of inherent distinctive character.

49. I have found the respective goods to be highly similar if not identical. I have also found that the marks are highly similar from a visual perspective and have a fairly high degree of aural similarity. From a conceptual perspective I have found that any degree of similarity is likely to be relatively low. Taking all matters into account and applying the global approach as I am required to do, I find that there is a likelihood of confusion. The opposition under section 5(2)(b) succeeds in respect of all the goods for which registration is sought.

Costs

50. The opposition has succeeded, although only on one of the grounds on which it was brought. Taking into account all relevant factors, I award costs to MariMils on the following basis:

For filing Notice of Opposition	£300
Plus fee	£200
For preparing and reviewing evidence	£500
For preparing written submissions	£100
Total:	£1100

51. I therefore order Novar ED& S Limited to pay MariMils Oy the sum of £1100. 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 the case should any appeal against this decision be unsuccessful.

Dated this 16 day of December 2010

**Ann Corbett
For the Registrar
The Comptroller-General**