

O-516-14

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3031738
BY NUBO CONSULTING LTD
TO REGISTER
THE TRADE MARK:



IN CLASS 42

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 401865 BY
NUBON GMBH & CO. KG

BACKGROUND

1. On 21 November 2013, Nubo Consulting Ltd (“the applicant”) applied to register the trade mark shown on the cover page of this decision. The application was published for opposition purposes on 13 December 2013, for the following services in class 42:

IT consulting.

2. The application is opposed by NuBON GmbH & Co. KG (“the opponent”) on the basis of section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). Although the opponent relies upon all of the goods and services in Community Trade Mark (“CTM”) registration no. 10279503 for the trade mark: **NuBon** which was applied for on 21 September 2011 and the registration process for which was completed on 2 March 2012, it is only necessary for me to refer to those services in class 42 i.e. Computer hardware and software development. In its Notice of Opposition, the opponent states:

“2...The dominant and distinctive element of the contested trade mark is the word element which despite its slight stylisation would be understood to be NUBO...”

3. The contested trade mark has been applied for in relation to identical services to those the subject of the class 42 specification of the earlier trade mark. “IT consulting”, the subject of the contested trade mark would be considered to cover or be covered by the terms “computer hardware and software development” the subject of the earlier trade mark and are therefore identical...”

3. The applicant filed a counterstatement in which the ground of opposition is denied. The applicant stated:

“a) Visual – the defining and dominant element of our Nubo’s mark is the word NUBO. This is stylised so as to include the letter O illustrated as a mechanical cog, in white lettering set within a blue cloud. By contrast, your Nubo’s CTM comprises the single word element “NuBon” with no device stylisation or illustrative elements being used. The opposition’s CTM is stylised with a capital letter N and capital B at the start and middle of the word with all other letters being lower case. The opposition’s CTM is not for the word NUBO...The English language has many examples of words separated by one letter which have very different meanings – LAN vs Land, bus vs bust, man vs many – the one extra letter making a dramatic difference.

b) Aural – Your Nubo’s CTM will be pronounced NOO-BON (or possibly NEW-BON). In either case, the addition of the letter N making it phonetically very different to our Nubo’s mark.

c) Conceptual - Nubo’s mark has no semantic connotations in English, German or any other official language of the EU. It is however the Esperanto term for “cloud” hence its use for an IT consultancy focused on Cloud IT. The opposition’s

CTM, on the other hand, is likely to be taken as suggesting “new goods”, especially in the light of the arbitrary capitalisation. We also note that their CTM’s first language is German and not English.

Services – [in relation to the opponent’s services in class 42] – this comprises computer hardware and software development, not IT consultancy services. Anyone seeing the II (sic) products and services will be fully aware of the difference between computer hardware and software development and IT consultancy – the two disciplines being at (sic) aligned but separate skills.

Conclusion – the services offered by Nubo and the opposition are very different. Nubo provides IT consultancy services predominantly to small and medium size businesses. We understand the opposition provides a platform (in the form of an App) to consumers in relation to mobile couponing, loyalty programmes and mobile payments. The consumers targeted by your Nubo are therefore within a very different demographic to those using the opposition’s services. It is clear that the services covered by Nubo’s mark and the opposition’s CTM are neither identical nor similar.

Nubo’s distinctive mark differs so far from the opposition’s CTM (whether visually, phonetically or conceptually) that there is no likelihood of any risk of confusion... “

4. Although neither party filed evidence or asked to be heard, the opponent filed written submissions in lieu of attendance at a hearing; I will refer to these submissions, as necessary, below.

DECISION

5. The opposition is based upon section 5(2)(b) of the Act which reads as follows:

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

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

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

6. 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.”

7. In these proceedings, the opponent is relying upon the trade mark shown in paragraph 2 above, which qualifies as an earlier trade mark under the above provisions. As this trade mark had not been registered for more than five years when the application was published, it is not, despite the applicant's request, subject to the proof of use provisions as per section 6A of the Act. As a consequence, the opponent is entitled to rely upon all of the goods and services for which it is registered.

Section 5(2)(b) – case law

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

The principles:

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

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

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

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other

components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

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

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

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

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

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

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

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of services

9. The competing services are:

Opponent's services in class 42	Applicant's services
Computer hardware and software development.	IT consultancy

In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as he then was) stated that:

“I should add that I see no reason to give the word “cosmetics” and “toilet preparations”... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context.”

In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

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

In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated that:

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

10. Although in its counterstatement the applicant refers to what it considers to be the differences in the services upon which the competing trade marks are actually used, that is not the correct approach. Rather, what I must do is compare the specification of services applied for with those for which the earlier trade mark is registered. In its submissions, the opponent states:

"Generally speaking, information technology (IT) consulting is considered to include advising businesses or other enterprises on how to use, develop and/or implement information technology to meet the needs of a business or enterprise. Information technology includes computer hardware and software and telecommunications equipment. The process of advising businesses on appropriate information technology will often include the development of computer hardware or software to support a specific business need or to enhance a business function. Information technology consulting therefore covers "computer hardware and software development" and should be considered identical to those services."

In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* case T-133/05, the General Court (GC) stated:

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

general category designated by the earlier mark (Case T-104/01 Oberhauser v OHIM – Petit Liberto (Fifties) [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 Vedial v OHIM – France Distribution (HUBERT) [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 Koubi v OHIM – Flabesa (CONFORFLEX) [2004] ECR II-719, paragraphs 41 and 42).”

11. As I agree with the opponent’s analysis, the applicant’s services are, on the principles outlined in *Meric*, identical to the opponent’s services in class 42

The average consumer and the nature of the purchasing decision

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

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

13. In my view, the average consumer of the services at issue is most likely to be a business user. That is certainly the case in respect of the applicant’s services which it explains it provides to “small and medium size businesses”. Although the applicant comments upon what it considers to be the nature of the actual services the opponent provides under its trade mark, that is, as I mentioned above, not relevant. In *Och-Ziff Management Europe Limited and another v Och Capital LLP and others* [2010] EWHC 2599 (Ch), Arnold J said:

“76. It is common ground that it is now clear that there is an important difference between the comparison of marks in the registration context and the comparison of mark and sign in the infringement context, namely that the former requires consideration of notional fair use of the mark applied for, while the latter requires consideration of the use that has actually been made of the sign in context.”

As these proceedings are concerned with an opposition to an application to register a trade mark, rather than infringement proceedings, it is notional and fair use across both parties’ specifications which must be the basis for the assessment, and not the use made by the parties of their trade marks. The service of computer hardware and software development is far more likely to be provided to a business user than a

member of the general public. As to the nature of the purchasing decision, in its submissions, the opponent states:

“It is also likely that consumers considering employing the services of an entity providing IT consulting and computer software and development and related goods and services may do so over the telephone. Consequently, the average consumer may not always have the opportunity to view the marks visually.”


14. Whilst that may be true, indicating that aural considerations will be a feature of the selection process, in my view, an average consumer selecting the services at issue is more likely to have reviewed, for example, websites, catalogues, trade publications and (on occasion) held exploratory meetings and invited tenders from potential suppliers before making a selection; as a consequence, visual considerations are, in my view, likely to be an important part of the selection process. All of the above strongly suggests that the selection of the services at issue is likely to consist of an assessment of a range of factors, cost being just one. Given the importance to a business of obtaining the most appropriate IT advice or hardware/software development services, services which may not only, as the opponent suggests, “support a specific business need or enhance a business function”, but which may also, for example, need to be compatible with the businesses’ existing infrastructure, combined with the fact that not insignificant sums may be in play, suggests to me that a fairly high degree of attention will be paid to the selection of the services at issue.

Comparison of trade marks

15. It is clear from *Sabel BV 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. The Court of Justice of the European Union (“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.”

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 trade marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the trade marks. The trade marks to be compared are as follows:

Opponent's trade mark	Applicant's trade mark
NuBon	

16. The applicant's view on the similarity in the competing trade marks is shown above. In its submissions, the opponent states:

“[In its counterstatement] the applicant admits that the contested mark is for the word NUBO in a stylised form, whereby the figurative device at the end of the mark represents the letter O. Accordingly, there is no dispute that the device within the contested mark is a representation of the letter O and that the word element of the mark is understood to be NUBO. It is established case law that the dominant and distinctive element of a mark is considered to be the word element, which is NuBon [not NUBON as the opponent states] in the case of the earlier mark and NUBO in respect of the contested mark. The word element of the marks therefore only differs in one letter – the earlier mark having an additional N at the end. It is also established that consumers pay most attention to the beginning of a mark, with English consumers reading left to right. Accordingly, bearing in mind the marks would be considered identical in the first four out of five letters of the earlier mark, it can only be concluded that there is a high level of visual similarity between the two marks.

Furthermore, the opponent submits that the inclusion of the device element of a cloud in relation to computer related services has a very low level of distinctiveness, being immediately seen by consumers as an indication or association with cloud computing. As the goods and services of the earlier mark are also related to computing, which could include cloud computing, the addition of the cloud device is not sufficient to outweigh the similarity between the marks.”

In relation to the degree of aural similarity, the opponent states:

“Both words consist of two syllables. The first Nu [not NU as the opponent states] is identical, and the second is highly similar, both beginning with the identical B sound. The difference in pronunciation of Bon [not BON as the opponent states] of the earlier mark and BO of the contested mark is not significant to the ear of an English consumer. As mentioned above, bearing in mind that consumers pay most attention to the beginning of a mark which in this case is identical, and the second syllable differs only slightly in pronunciation at the end of the syllables, there is a high level of aural similarity between the marks.”

Finally, in relation to conceptual similarity, the opponent states:

“The applicant contends in its counterstatement that UK consumers will understand the earlier mark as meaning “new goods”. This contention is strongly

disputed. The word NuBon [not NUBON as the opponent states] has no such meaning in English nor in any other commonly understood European language and would not be understood by UK consumers to have any meaning. The mark NUBO of the contested mark also has no discernible meaning to English consumers. Consequently, there is no conceptual meaning of either mark to assist consumers in differentiating these marks.”

17. Despite the fact that the first letter N and the letter B are capitalised, the overall impression created by the opponent’s trade mark is of a single word. As to the applicant’s trade mark, this consists of a device of a cloud presented in blue which acts as a background for the letters N-U-B- presented in white in upper case; these letters are followed by a device element also presented in white (and in more or less the same relative proportions as the letters which precede it); the applicant describes this device as a “mechanical cog.”

18. In its submissions, the opponent argues that the device of a cloud has a very low level of distinctiveness, as it will be seen as a reference to cloud computing; collinsdictionary.com defines cloud computing as:

“a model of computer use in which services stored on the internet are provided to users on a temporary basis.”

19. In its counterstatement, the applicant admits that its trade mark will be interpreted as if it were the word NUBO. It goes on to explain the thinking behind its adoption of the word element of its trade mark i.e. as an Esperanto term for cloud and states “hence its use for an IT consultancy focused on Cloud IT.” The applicant also states “the defining and dominant element of Nubo’s mark is the word NUBO.” In view of the parties’ respective submissions and the definition of cloud computing mentioned above, and irrespective of the fact that the cloud device is presented in blue, this element of the applicant’s trade mark is, in my view (and it appears the applicant itself) unlikely to be afforded much (if any) weight by the average consumer. Thus the overall impression made on the average consumer by the applicant’s trade mark will, both in my view, and, it appears, the parties to these proceedings, be dominated by a combination of letters and device which the applicant expects the average consumer to interpret as the word NUBO. I approach the visual, aural and conceptual comparison with those conclusions in mind.

20. Although the applicant admits that its trade mark will be understood as the word NUBO, the fact remains that when considered from a visual perspective, the opponent’s trade mark is presented in a mixture of upper and lower case letters whereas the applicant’s trade mark contains the letters N-U-B presented in upper case and the element performing the role of the letter O is actually a device of a cog. Despite these differences, there is still, in my view, an above average degree of visual similarity between the elements of the competing trade marks that dominate the overall impression they convey. Insofar as aural similarity is concerned, the opponent’s trade mark will, as the applicant suggests, be pronounced as the two syllable word NEW-

BON. As the applicant's trade mark will, in my view, be pronounced as NEW-BOW, the competing trade marks are aurally similar to a fairly high degree. As to the conceptual position, the applicant argues that whilst its trade mark has "no semantic connotations", the opponent's trade mark will be taken as "suggesting new goods". The opponent disagrees, as do I. Given the manner in which the applicant admits its trade mark will be understood, both parties' trade marks will, in my view, be treated as invented words. As neither parties' trade mark will create any conceptual picture in the mind of the average consumer, the conceptual position is neutral.

Distinctive character of the opponent's earlier trade mark

21. The distinctive character of a trade mark can be appraised only, first, by reference to the services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the services for which it has been registered as coming from a particular undertaking and thus to distinguish those services from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585. As the opponent has not filed any evidence, I have only the inherent characteristics of its trade mark to consider. In its submissions, the opponent states:

"The earlier mark is a made up word with no discernible conceptual meaning in relation to the goods and services the subject of the earlier mark. Consequently, the earlier mark should be considered to have a high level of distinctiveness *per se*."

22. Having already concluded that the opponent's trade mark will be treated as an invented word, it follows that I agree that it is possessed of a high degree of inherent distinctive character.

Likelihood of confusion

23. In determining whether there is a likelihood of confusion, 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 services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the competing services are identical;
- the average consumer is most likely to be a business user who will select the services by both visual and oral means (but in which visual considerations are likely to dominate) and who will pay a fairly high degree of attention during their selection;
- the overall impression of the opponent's trade mark is of a single word;
- the overall impression of the applicant's trade mark is dominated by letters and a device which the applicant admits would be understood as the word NUBO;
- the competing trade marks are visually similar to an above average degree, aurally similar to a fairly high degree and conceptually neutral;
- the opponent's earlier trade mark is possessed of a high degree of inherent distinctive character.

24. In its submissions, the opponent states:

“In this instance, where the goods and services in question are identical, or at the least highly similar, and there are at least medium to high levels of visual and aural similarity, and no conceptual meanings to assist in differentiating the marks, we submit there is a clear likelihood of confusion between the marks...”

25. The degree of visual and aural similarity between the elements of the competing trade marks which contribute to the overall impressions they convey is, in the absence of a conceptual hook to assist the average consumer in distinguishing between them, and notwithstanding the fairly high degree of attention which the average consumer will pay to the selection of the identical services at issue, sufficient, in my view, to result in a likelihood of direct confusion through imperfect recollection.

Conclusion

26. As a consequence of the above conclusions, the opposition succeeds and, subject to any successful appeal, the application will be refused.

Costs

27. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. Using that TPN as a guide, I award costs to the opponent on the following basis:

Preparing a statement and considering the applicant's statement:	£200
--	------

Opposition fee:	£100
Written submissions:	£300
Total:	£600

28. I order Nubo Consulting Ltd to pay to NuBON GmbH & Co. KG the sum of **£600**. 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 5th day of December 2014

C J BOWEN
For the Registrar
The Comptroller-General