

**O-736-19**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NOS. 3289567 AND 3289579  
BY ANH ENTERPRISES, LLC  
TO REGISTER AS TRADE MARKS**

**TDM**

**AND**



**IN CLASSES 35 AND 42**

**AND**

**IN THE MATTER OF OPPOSITIONS THERETO  
UNDER NO. 413390 AND 413392  
BY TDM SYSTEMS GMBH**

## Background and pleadings

1) ANH Enterprises, LLC (“the applicant”) applied to register two trade marks in the UK on 12 February 2018 in respect of an identical list of services. They were both accepted and published in the Trade Marks Journal on 11 May 2018. The relevant details of both applications are:

3289567

TDM

3289579



**Class 35:** *Consulting services in the field of understanding and analyzing import and export trade data information. Providing an online computer database via a global computer network in the field of obtaining, organizing, and displaying data regarding import and export trade information for all products and countries.*

**Class 42:** *Computer services, namely, providing a search engine accessible by subscribers via a global computer network for obtaining, organizing and displaying data regarding import and export trade information for all products and countries.*

2) On 13 August 2018, TDM Systems GmbH (“the opponent”) opposed both applications on the basis of sections 5(2)(a), 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). In respect of the first two of these grounds, it relied upon the following two trade marks, the relevant details of which are:

European Union Trade Mark (EUTM) EU010562346

TDM

Filing date: 16 January 2012

Date of entry in register: 13 June 2012

**Class 9:** *software, in particular tool management software and software as ancillary means for planning, designing, operations scheduling, manufacturing, manufacturing process, machine control (programming, simulation), purchase and sale/stock management, stock keeping and tool repair and tool conditioning.*

**Class 42:** *Design and development of computer software, in particular tool management software and software as ancillary means for planning, designing, operations scheduling, manufacturing, manufacturing process, machine control (programming, simulation), purchase and sale/stock management, stock keeping and tool repair and tool conditioning.*

International Registration designating the UK (IRUK): WO0000000660130

**TDM**

Date of designating the UK: 20 July 1996

Date designation accepted: 24 September 1998

**Class 9:** *Data bearing media and data carriers, recorded computer programs as ancillary means for planning, designing, operations scheduling, manufacturing, manufacturing process, programming of machines, purchase and sale/stock management, stock keeping, tool repair and tool conditioning in the field of industrial production; but not including such goods for use in telecommunications apparatus and instruments, multiplexing apparatus or any goods similar to these excluded goods.*

3) The opponent asserts that it has used its marks on all of the goods and services listed in its registrations. In respect of the grounds based upon sections 5(2)(a) and 5(2)(b), it asserts that:

- its earlier marks benefit from an increased level of inherent distinctiveness because the term TDM does not allude to its goods and services and because no one else in the software and I.T. fields relating to managing tool data in the metal cutting industry is using the term. Further, that through continuous use in the UK since 1996, it has acquired additional distinctive character. It asserts that, as a result, it is entitled to a broader ambit of protection;
- the respective goods and services are at least similar;
- the first contested mark is identical to the opponent's marks and the second contested mark is highly similar to the opponent's mark;
- the applications are liable to be refused in respect of all their services because of the likelihood of confusion.

4) In respect of the section 5(3) ground the opponent claims that its marks have been used continuously since 1996 and have acquired the necessary goodwill and reputation. It claims that use of the contested marks:

- would create a strong link to the opponent's marks and between the target consumers (of industrial product data);
- would take unfair advantage of, and cause detriment to, the distinctive character and the repute of the opponent's marks;
- would result in an unfair advantage because such use would result in it riding on the coat tails of the opponent's marks' reputation;
- will result in detriment to the opponent's reputation as it would have no control over the quality, prestige, reliability or image of the contested mark and if inferior or below the opponent's high standards, there is potential for damage to its reputation, and;

- as a result, the relevant public will call to mind the opponent's mark and believe that the applicant's services are provided by the opponent or that there is an economic connection between the providers;

5) In respect of the grounds based upon section 5(4)(a), the opponent claims that, based upon its use since 1996, goodwill and reputation has been built up which attaches to the opponent's unregistered sign "TDM" in relation to the opponent's goods and services. It asserts that use of the applicant's mark would amount to passing off.

6) The applicant filed counterstatements denying the claims made and it also requests that the opponent provides proof of use of its earlier marks and proof of the claimed increased level of distinctive character. In particular, it denies that:

- the opponent's marks are entitled to a broader ambit of protection;
- the respective goods and services are similar;
- there exists a likelihood of confusion under section 5(2)(a) or section 5(2)(b);
- because of the dissimilarity between the respective goods and services, there will be any link between the respective marks and the target consumers;
- there is any detriment or unfair advantage;
- the grounds under section 5(3) can succeed;
- the opponent has any goodwill and, therefore, denies that there can be any misrepresentation capable of causing damage.

7) In respect of the first contested mark, it admits that the marks are identical.

8) The parties both filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary. The applicant also provided written submissions that I will keep in mind. A hearing took place before me on 13 November 2019. The opponent was represented by Jan Klink for Ruger Abel and the applicant by Jamie Muir Wood of Counsel, instructed by Trade Mark Wizards Limited.

## Opponent's evidence-in-chief

9) The opponent's evidence takes the form of a witness statement by Harald Kaiser, Vice President of the opponent, a position he has held since 1993. Mr Kaiser's evidence can be summarised as follows:

- the opponent is the market leader in providing tool data management and tool lifecycle management software and consultancy<sup>1</sup>;
- In addition to plain text references to TDM appearing in the information provided on the opponent's website, the top of many of the website pages also carries the following mark<sup>2</sup> (hereafter "the stylised mark"):



- The opponent launched the TDM brand 25 years ago in Germany. The following turnover figures are provided:

Period	UK Turnover (€)	EU Turnover (€)
2014	477,737	11,572,855
2015	261,396	11,692,009
2016	287,903	9,611,824
2017	251,907	9,533,205
2018	180,488	9,902,820

- The opponent has provided TDM tool management software and expertise to BAE systems plc in the UK for several years<sup>3</sup>. This is supported by a copy of a contract<sup>4</sup> between them (dated 18 March 2015) and copy invoices for the years 2015, 2016, 2017 and 2018<sup>5</sup>. These documents all have the stylised mark appearing at the top left of each page. The contract also makes

<sup>1</sup> Mr Kaiser's witness statement, para 1

<sup>2</sup> Exhibits HK1 and HK2

<sup>3</sup> Mr Kaiser's witness statement, para 4

<sup>4</sup> Exhibit HK3

<sup>5</sup> Exhibit HK4

numerous references to “TDM” in its text. Under the heading “Material Description” in the invoices, “TDM Software Service Agreement” regularly appears. I note that in respect of 2018, the amount of the invoice accounted for approximately half the opponent’s turnover in the UK that year;

- Invoices from various years between 2014 and 2018 are provided showing sales to three German companies: Festo AG & Co. KG, Liebherr-Components Biberach GmbH and MAN Diesel & Turbo SE<sup>6</sup> as well as to Siemens s.r.o. in the Czech Republic<sup>7</sup> and further invoices to another UK company, GE Oil & Gas UK Limited<sup>8</sup>. Whilst some of the invoices have the relevant parts identified with the use of a highlighter pen, the subsequent copying has resulted in the highlighted text either not being visible, or difficult to read. However, I note that the highlighted text that is visible identifies TDM products. These invoices are generally for quite large amounts ranging from between €20,000 and €136,000;
- TDM products are “heavily promoted” at “many well-known trade shows<sup>9</sup>, and a list of ten trade shows is provided with attendance indicated at various dates between 2014 and 2018<sup>10</sup>. Half of these were in Germany and one in the UK.

### **Applicant’s evidence**

10) This takes the form of the witness statement of Oliver Oguz, Director of the applicant’s representative, Trade Mark Wizards. He is a Chartered Trade Mark Attorney. The purpose of this evidence is to draw attention to the fact that third parties also use the initials TDM in the UK. To this end, Mr Oguz identifies the following companies:

- TDM Recruitment Group Ltd providing recruitment services and evidence is presented of its website, accounts and its registered trade marks that incorporate TDM<sup>11</sup>;

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<sup>6</sup> Exhibits HK5 – HK7

<sup>7</sup> Exhibit HK8

<sup>8</sup> Exhibit HK9

<sup>9</sup> Mr Kaiser’s witness statement, para 7

<sup>10</sup> At Exhibit HK11

<sup>11</sup> Mr Oguz’s witness statement, para 6 and Exhibit OO01

- TDM Group Limited providing professional I.T. services<sup>12</sup>. Company accounts and extracts from its website are provided showing use of the sign “tdmgroup” and device<sup>13</sup>;
- TDM International Limited providing freight services<sup>14</sup>. Company accounts, copies of its various trade mark registrations and extracts from its website are provided<sup>15</sup>;
- Tool Design & Manufacture (Yate) Ltd specialising in precision engineering and uses the sign TDM as an the initials of its company name<sup>16</sup>. Its company accounts and “capacity list” (obtained from its website) are exhibited<sup>17</sup>. The latter shows the sign “tdm” appearing at the top of the page;
- Trans Data Management Ltd (trading as TDM Trans Data Management) proving specialist communication and security solutions for railways, airports, ports and power plants<sup>18</sup>. Company accounts and extracts from its website are exhibited showing historical use of a device sign incorporating “tdm”<sup>19</sup>.

## **DECISION**

### **Preliminary issue**

11) Mr Klink’s skeleton argument contained a number of images, the following of which were taken from the opponent’s evidence:

- top image, paragraph 13;
- right hand image paragraph 13;
- image, paragraph 14;
- image, paragraph 14;
- image, paragraph 15;

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<sup>12</sup> Ditto, para 7

<sup>13</sup> Exhibit OO02

<sup>14</sup> Mr Oguz’s witness statement, para 8

<sup>15</sup> Exhibit OO03

<sup>16</sup> Mr Oguz’s witness statement, para 9

<sup>17</sup> Exhibit OO04

<sup>18</sup> Mr Oguz’s witness statement, para 10

<sup>19</sup> Exhibit OO05

- first image, paragraph 21, and;
- right hand image, paragraph 31.

and four that are not in evidence:

- left hand image, paragraph 1;
- left hand image, paragraph 13;
- second image in paragraph 21, and;
- left hand image, paragraph 31.

12) The latter group of images are disregarded. With regard of the former group, there was a suggestion at the hearing that they may be enhanced to show additional details compared to the versions in the evidence. I have checked each of these and I am content that they do not include any enhanced material and I will take due regard of them.

13) In addition, Mr Muir Wood queried whether the descriptions of acronyms, provided in paragraph 13 of Mr Klinks skeleton argument, amounted to new evidence. I am content that the submissions in the skeleton argument merely state what can be readily adduced from the evidence in which the acronyms appeared<sup>20</sup>.

## **Proof of Use**

14) The proof of use provisions are set out at section 6A of the Act:

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

6A. - (1) This section applies where -

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

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<sup>20</sup> Exhibit HK1, page 18/last page

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) 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 European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

15) Section 100 of the Act states that:

“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.”

16) In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kameradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

17) It is for the opponent to provide evidence to show that it has made use of its mark, during the relevant period. The relevant period in these proceedings is the five years ending with the publication dates of the contested application, namely, 12 May 2013 to 11 May 2018.

18) At the hearing, Mr Klink explained how access to software products has changed over time and the specifications of the opponent's EUTM reflect the language that describes how, since the 2000s, access to software (known as "software as a service" or "SaaS") has been the favoured way to deliver such products rather than giving the customer a copy of the software product. The relevant five-year period falls at a time when the opponent's method of making software products available to customers was as SaaS. Therefore, whilst nothing hangs on it, I will restrict my considerations of genuine use to the opponent's EUTM.

19) Mr Klink pointed to the numerous items of evidence where the stylised mark TDM Systems appears, as shown in paragraph 9, second bullet point, above. He submitted that the word "systems" is extremely descriptive and its presence does not alter the distinctive character of the mark, as registered. Mr Muir Wood submitted that the addition of the word "systems" changes the distinctive character. Therefore, it is necessary that I begin my analysis by considering whether the use of this sign is use of an acceptable variant of the opponent's registered mark.

### ***Variant use***

20) In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) sitting as the Appointed Person summarised the test (in the context of under Section 46(2) of the Act) as follows:

"33. .... The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can

be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

21) See also *Remus Trade Mark*, BL O/061/08 (Appointed Person) and *OAO AlfaBank v Alpha Bank A.E.*, [2011] EWHC 2021 (Ch) and *Orient Express Trade Mark* – BL O/299/08 (Appointed Person).

22) I must, therefore, assess whether the mark differs in a way that does not alter its distinctive character.

23) The opponent's mark shown appearing prominently in many of its exhibits is:



24) The first part of the analysis is to identify what is the distinctive character of the registered mark. In this case it lies in the letters TDM, that is not readily divided. There is nothing else in the mark that contributes to the distinctive character. Next, I am required to identify the differences between the mark used and the mark registered. The mark used consists of the letters "tdm" in orange and the word "systems" in black, both presented in a computer code-type script. The differences are, therefore, the colour of "tdm", the presence of the word "systems" and the script. I agree with Mr Klink's submission that the word "systems" is descriptive when viewed in respect of the goods and services at issue and, therefore, does not contribute to the distinctive character of the mark. In respect of the colour difference, I acknowledge that a mark registered in black and white, may legitimately be used in any colour and, therefore, the orange colour of the "tdm" element does not change the distinctive character. In fact, the colour combination assists in visually separating the "tdm" and "systems" elements. Finally, the script used is not remarkable and,

once again, does not change the distinctive character of the mark. In summary, the use of this mark qualifies as an acceptable variant use of the opponent's registered mark.

25) Mr Klink submitted that, in any event, there are also numerous examples in the evidence of the opponent using TDM solus, particularly in the product descriptions in the exhibited invoices and in the annex to the example contract.

26) Mr Muir Wood criticised the opponent's turnover figures because it is unclear whether they all relate to sales under the TDM mark. However, he did concede that they are likely to relate to sales under "TDM Systems". It is clear from the evidence that the opponent consistently identifies itself as "TDM Systems" and also in some circumstances its products are identified as "TDM" products. In his witness statement, Mr Kaiser describes the turnover figures as being "attributable to [the opponent's] TDM brand..." and there is no direct challenge to the truthfulness of this statement. Taking all of this into account, I accept that the turnover figures represent sales under the registered mark.

27) In summary, I conclude that the evidence illustrates that the opponent has used its mark in the UK and elsewhere in the EU during the relevant five-year period.

### ***Breadth of genuine use***

28) There is nothing in the evidence that would support a claim for retaining the term software at large in Class 9 and this was acknowledged by Mr Klink at the hearing.

29) In respect of the other goods and services listed, Mr Muir Wood contested that these are only for internal use by its customers, but Mr Klink submitted that this is not the case with the opponent's products linking to the outside world to, for example, order tools. I will return to this point when considering similarity of the respective goods and services, but for the purposes of demonstrating genuine use, the most instructive evidence in terms of explaining the nature and scope of the opponent's goods and services are generally undated, but these are largely corroborated by the contract with BAE Systems, that is dated within the relevant period. Taking account

of this, I find that with software at large removed, the remaining list of goods and services is an accurate description of the goods and services genuinely used by the opponent and I find that it may, therefore, rely upon the following list of goods and services:

**Class 9:** ~~software, in particular~~ *tool management software and software as ancillary means for planning, designing, operations scheduling, manufacturing, manufacturing process, machine control (programming, simulation), purchase and sale/stock management, stock keeping and tool repair and tool conditioning.*

**Class 42:** *Design and development of ~~computer software, in particular~~ tool management software and software as ancillary means for planning, designing, operations scheduling, manufacturing, manufacturing process, machine control (programming, simulation), purchase and sale/stock management, stock keeping and tool repair and tool conditioning.*

### **Section 5(2)(b)**

30) Sections 5(2)(a) and 5(2)(b) of the Act are as follows:

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

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

(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”.

## ***Comparison of goods and services***

31) In the judgment of the Court of Justice of the European Union (“the CJEU”) in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

32) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

33) In *Gerard Meric v Office for Harmonisation in the Internal Market (MERIC)*, Case T-133/05, the General Court (“the GC”) stated that:

"29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category,

designated by trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

34) I also keep in mind *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.”

35) In relation to assessing whether the goods may be regarded as “complementary”, I refer to *Boston Scientific Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06 where it was stated that complementarity means that:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers think that the responsibility for those goods lies with the same undertaking.”

36) Before I begin my analysis, I record here that:

- (i) at the hearing there was common ground that, taking account of the modern way of making software products available to customers, there is little distinction between software as goods and software as a service. Therefore, there is little distinction to be made between software in Class 9 and services provided through software that customers are given access to (known as “software as a service” or “SaaS”);
- (ii) In light of the above point, the specifications of the opponent’s EUTM reflect the modern way of making its products available to its customers, whereas the specification of its IRUK reflects the less modern way of providing the software in physical form to its customers. There is no advantage to the opponent in relying upon the goods listed in its IRUK rather than its EUTM and, consequently, I intend to restrict my considerations to a comparison with the latter’s goods and services. This is also consistent with my approach regarding genuine use (see paragraph 18, above)

37) The respective goods and services are:

<b>Opponent’s goods and services</b>	<b>Applicant’s services</b>
<p><b>Class 9:</b> <i>tool management software and software as ancillary means for planning, designing, operations scheduling, manufacturing, manufacturing process, machine control (programming, simulation), purchase and sale/stock management, stock keeping and tool repair and tool conditioning.</i></p>	<p><b>Class 35:</b> <i>Consulting services in the field of understanding and analyzing import and export trade data information. Providing an online computer database via a global computer network in the field of obtaining, organizing, and displaying data regarding import and export trade information for all products and countries.</i></p>
<p><b>Class 42:</b> <i>Design and development of tool management software and software as ancillary means for planning, designing, operations scheduling, manufacturing, manufacturing process, machine control (programming,</i></p>	<p><b>Class 42:</b> <i>Computer services, namely, providing a search engine accessible by subscribers via a global computer network for obtaining, organizing and displaying data regarding import and export trade information for all products</i></p>

<i>simulation), purchase and sale/stock management, stock keeping and tool repair and tool conditioning.</i>	<i>and countries.</i>
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38) Mr Klink referred me to three decisions of the EUIPO Boards of Appeal that found that different types of software are, in most circumstances, similar. Mr Klink submitted that, therefore, just because the respective software at issue process different data, it does not prevent a finding of similarity. Firstly, I record that I am not bound by the findings of the EUIPO Boards of Appeal, but I will keep the findings in mind and comment upon them briefly below:

**MANGO R 140/2019-1:** Mr Klink relied on this to support two submissions. The first is that software goods are similar to SaaS. As I have already noted, Mr Muir Wood accepted this and I say no more on the point. The second submission is that software is not dissimilar to other software only because it processes different data. The relevant operative paragraph in that decision is paragraph 30 where the Board of Appeal finds that software for a specific purpose is identical to the broad term software on the basis that the latter includes the former. The “different data” point does not appear to be considered.

**FOURTYSIX R 541/2008-1:** The Board of Appeal found that tailor made software products and rental of software are often alternative to standard solutions and are, therefore, have a “certain degree of similarity”<sup>21</sup> to computer hardware and software at large.

**SAS GROUPE R 1832/2014-4:** Mr Klink’s skeleton argument referred to this case in support of two contentions:

- that the broad term “software” in the opponent’s specification covers subcategories of software including of the kind covered by the applicant’s specification. At the hearing, Mr Klink conceded that the

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<sup>21</sup> Para 36 of the decision

opponent was no longer relying on software at large. This was a sensible position to take in light of what the evidence of use demonstrates and as reflected in my findings regarding genuine use. I need say no more on this point;

- that software with different purposes is still similar because they are of the same nature. I do not dispute this, but it is a matter of degree and just because products are both delivered via software does not, in my view create similarity of any great significance. I discuss this point in more detail later.

39) Notwithstanding this, Mr Klink also submitted that the opponent's software is related to tools and trading of tools and that the applicant's software is related to trade information regarding import and export. Mr Klink argued that "sale management" of the opponent's specification includes or is very close to the applicant's "trade data". I pressed Mr Klink on his understanding of the words "... *import and export trade information*" that appear in the applicant's specification. He explained that this can include information about tariffs, taxes, customers, obligations that need to be fulfilled (such as how to package goods for export), prices (calculated with tariffs/taxes in mind) and shipment costs.

40) The primary meaning of "trade" in the context of import and export is as a mass noun meaning "[t]he action of buying and selling goods and services"<sup>22</sup>. The example sentences provided in this dictionary are "a move to ban all trade in ivory" and "a significant increase in foreign trade". This meaning as a mass noun, as opposed to its meaning as a verb to describe the buying or selling of a particular item or product, is the natural meaning when used in context of the notions of import and export. There is limited evidence that the opponent's goods and services include a function to procure products through its "commercial order management"/"ERP connection"<sup>23</sup> but even accepting that it has this function, the term "export trade" would not be the natural way to describe such a function. Therefore, I reject Mr Klink's submission that the applicant's specifications will be interpreted in the way he suggested.

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<sup>22</sup> <https://www.lexico.com/en/definition/trade>

<sup>23</sup> See for example, Exhibit HK2, page 18

41) Mr Muir Wood submitted that the opponent's products are for internal use by manufacturers for managing their tool portfolio in the field of industrial production. The focus is on the tools themselves and not about the trading in tools or importing or exporting. On the other hand, he submitted that the applicant's products are for the trade and financial sectors and, consequently, the purpose and consumers are not connected. He argued that the only similarity is that both parties' products are software and as such they only share a very low level of similarity. This submission has some force.

42) I keep all of these submissions in mind together with my comments and also the other side's submissions when I turn my mind to considering the level of similarity between the respective goods and services.

### *Class 35*

#### *Consulting services in the field of understanding and analyzing import and export trade data information*

43) These services have no direct relationship with software (or development of the same) for tool management and ancillary functions, therefore, their purpose is clearly different to the opponent's products and, consequently, they are not likely to share trade channels and are not in competition. Design and development of software (of any kind) is different in nature and methods of use. Finally, in respect of complementarity, they cannot be said to be indispensable or important for the use of the other in such a way that customers think that the responsibility for those goods lies with the same undertaking. I conclude that they share no similarity.

44) If there is no similarity at all, there is no likelihood of confusion to be considered<sup>24</sup>. Consequently, in respect of these services, this ground of opposition fails.

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<sup>24</sup> *Waterford Wedgwood plc v OHIM* – C-398/07 P (CJEU) and *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, para 49.

*Providing an online computer database via a global computer network in the field of obtaining, organizing, and displaying data regarding import and export trade information for all products and countries.*

45) As I noted earlier, it is common ground between the parties that software and SaaS differ only in the way products are delivered to customers. With this in mind, at a very general level, the applicant's services share some similarity of nature to the opponent's goods and services. Mr Klink used the example of games software and software providing medical information as being too far apart to have any meaningful similarity but contended that the respective fields in the current case do not have the same distance between them. Such an approach would result in an unfairly broad scope of protection being granted to traders. In terms of purpose, from my earlier discussions it is clear that this is different, with the opponent's products being for tool management and ancillary services whereas the applicant's products relate to import and export trade information. There may be some overlaps in methods of use because both parties' services are delivered through software (either sold to the customer or made available to them), but once again, this similarity is only at a very general level. The respective channels of trade are different with both parties' products being specialist in nature and highly likely to be developed by different traders and sold to consumers with very different needs, requirements and expectations. Further, the respective products are not in competition.

46) Mr Klink made submissions on the issue of complementarity, claiming that the producers could be same, that the respective customers could be same and that the products would be used side-by-side. From my comments in paragraphs 39 and 40 above I discussed the reasons Mr Klink relies upon and I dismissed them. The differences in the purpose of the respective products is such that one is not indispensable or important for the use of the other and the average consumer will not have an expectation that the respective products are provided by the same or linked undertaking. In light of this, I find that there is no complementarity in the sense expressed in *Boston Scientific*.

47) Taking all of the above into account, I find that there is some similarity between the respective goods and services but that this is no more than very low.

## **Class 42**

*Computer services, namely, providing a search engine accessible by subscribers via a global computer network for obtaining, organizing and displaying data regarding import and export trade information for all products and countries.*

48) Mr Klink made much of the opponent's products having a search engine function incorporated into the sale management function of the opponent's products. As a consequence of the opponent's products having this function, Mr Klink argued that the respective services are highly similar. I dismiss this for the same reasons set out in paragraphs 39, 40 and 46, above and find that their respective purpose is different.

49) The high point of similarity appears to lie with the opponent's Class 9 software which the applicant conceded is little different from SaaS. However, as before, such similarity is only at a very general level in terms of the nature of the goods and services. In the current case, there is no similarity of method of use other than they are both accessed via a computer and this is, self-evidently, not a reason to find any similarity in this context. As I have already mentioned, both parties are providing specialist products to different consumers and it is not likely that there is any overlap of trade channels. Further, they are not in competition, nor are they complementary in the sense expressed in *Boston Scientific*.

50) Taking all of the above into account, I conclude that there is similarity but that this is only very low.

### ***Comparison of marks***

51) It is clear from *Sabel BV v. Puma AG*, Case C-251/95 (particularly paragraph 23), Case C-251/95, that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in

mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

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

53) I approach the issue of similarity of the marks on the basis that the opponent's marks are identical word marks and no separate consideration is required in respect of these. The respective marks are:

Opponent's marks	Applicant's marks
TDM	TDM 

54) The opponent's marks are essentially the same and consist of the initials TDM that has no obvious meaning to the average consumer. These marks have no other elements and these three letters are self-evidently the only distinctive part of the mark. The same considerations apply to the applicant's first mark. In respect of the applicant's second mark, it consists of the initials TDM appearing in large letters, with the words "Trade Data Monitor" appearing in small letters beneath it. There is also a device positioned on the left side of the mark. Mr Klink described this as being globe-

like, but Mr Muir Wood submitted that it looks more like a glitter ball. Either way, it is not negligible and contributes to the distinctive character of the mark. The words “Trade Data Monitor” appear to be descriptive in nature and do not contribute to the distinctive character of the mark. The size and position within the mark result in the letters TDM being the dominant and distinctive element.

55) Visually, the first of the applicant’s marks is identical to both the opponent’s marks. In addition to the TDM element, the second of the applicant’s marks also contains the sphere-type device and the words “Trade Data Monitor”. These have the impact of reducing the level of visual similarity, but because of the dominance within the applicant’s mark of the TDM element, I conclude that they still share at least a medium level of visual similarity.

56) Aurally, the opponent’s marks consist of the three syllables TEE\_DEE\_EM, as does the applicant’s first mark. Therefore, they are identical. The applicant’s second mark consists the additional non-verbal “globe” element that will not be expressed verbally. It also consists of the additional words “Trade Data Monitor” that appear in smaller letters under the letters “TDM”. Although these words are capable of being verbally expressed, it is my view that they will not. It is not normal for the consumer to refer to marks by all the verbal elements in cases such as this where some words are subservient to a dominant verbal element. Taking account of this, the applicant’s second mark is also aurally identical to the opponent’s mark.

57) Conceptually, it will not be obvious from the opponent’s mark what “TDM” represents beyond the ordinary letters themselves. Whilst the mark presents as an initialism, there is nothing in the mark that may lead the average consumer to perceive any particular meaning. Mr Muir Wood submitted that it will be seen as “tool data management”. It is true that the evidence refers to the opponent being “[t]he inventor of tool data management”<sup>25</sup>, but there is nothing to suggest that these are initials known in the relevant industry. Taking this into account, I conclude that the opponent’s mark and the applicant’s first mark will have no conceptual hook beyond

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<sup>25</sup> Exhibit HK1, page 14

consisting of the same three letters. Insofar as this can be regarded as a concept, it is identical in both marks.

58) In respect to the applicant's second mark, the considerations are slightly different because the mark contains an explanation of the initials "TDM" with the words "Trade Data Monitor" appearing directly below the initials. Whilst there is no evidence that these initials are known to the average consumer, when the mark is encountered, these words will impart this concept to the consumer. It is a concept absent in the opponent's mark and, therefore, introduces a conceptual difference. Regarding the applicant's second mark, Mr Klink submitted that the device may impart a conceptual image of being "global" but Mr Muir Wood submitted that it is not obviously a globe, but appears to resemble a "disco ball" and as no more than possibly allusive of "global". Both these submissions carry some weight. It is true that the device resembles a disco ball, but its globe-shape may still impart upon the viewer of the mark, the impression of something "global". Either way, the device also imparts a concept absent in the opponent's mark.

59) Taking all of the above into account, I conclude that the applicant's first mark, insofar as it is perceived as having a concept, it will be identical to the concept conveyed by the opponent's mark. In respect of the applicant's second mark, there are potential conceptual differences because of the presence of the device and the words "Trade Data Monitor". However, because of the relatively low level of distinctive character of a globe-like device and the descriptive nature of the words "Trade Data Monitor", these differences have little impact upon the issue of likelihood of confusion.

### ***Average consumer and the purchasing act***

60) The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

61) 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.”

62) It was common ground between the parties at the hearing, that the relevant average consumer of the respective goods and services are corporate/industrial users and Mr Muir Wood submitted that because of the large spend involved, the average consumer will pay very careful attention during the purchasing act. He also submitted that the opponent’s customers are industrial or manufacturing companies, whereas the applicant’s customers are trade or financial institutions. Mr Klink accepted that the applicant’s customers are industrial tool operators. I agree with Mr Muir Wood that the level of care and attention is likely to be elevated.

63) Visual impressions are likely to be important, but I do not ignore that aural considerations may play a part in the purchasing process where the consumer may verbally request the goods or where they have been recommended verbally.

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

64) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular

undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

65) The opponent’s mark consists of the letters “TDM”. It is likely to be perceived by the average consumer as an initialism. Mr Muir Wood submitted that this will be understood as meaning “Tool Data Management” and, therefore, only has a low level of inherent distinctive character. I have already dismissed the relevance of this submission insofar as it relates to the section 5(2)(b) ground. The applicant has also provided evidence of third parties using “TDM” arguing that this reduces the ability of the mark to identify only the opponent and therefore, reduce the distinctive character of its mark. I note such use but observe that none of this use is in the same field as the opponent and, further, in each case “TDM” is assigned a different meaning. Therefore, it has a lesser impact upon the distinctive character of the opponent’s mark. Taking this into account, I find that the inherent level of distinctive character is neither high or low, but I would put it at medium.

66) In its statement of case, the opponent claims that its mark has acquired additional distinctive character that entitles it to an increased “ambit of protection”, however, the turnover figures relating to the UK do not reflect this claim with the turnover being less than €500,000 in 2014, dropping to less than €200,000 in 2018. Keeping in mind the fact that the opponent’s goods and services are relatively

expensive, with the exhibited invoices being for tens of thousands of euros, the turnover figures do not suggest any great penetration into the UK market. The low number of UK customers (only two are identified in the evidence) supports this, even though I accept that they are large companies. Further, whilst the turnover figures for the whole EU over the same period are significantly higher, there is no evidence of how, or if, this use has had any impact upon the perception of the UK average consumer. I conclude that the opponent's mark does not benefit from an enhanced level of distinctive character in the UK at the relevant date.

### **GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion**

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

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

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

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

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks

bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

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

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

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

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

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

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

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

68) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). These factors must be assessed from the viewpoint of the average consumer. Confusion can be direct (which occurs

when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and goods down to the responsible undertakings being the same or related).

69) Mr Klink submitted that I should keep in mind the interdependence principle that a greater similarity between the marks is offset by a lesser similarity between the respective goods and services and vice versa. He stated that, in the current case, where the respective marks are identical or share a high level of similarity, it is only necessary for the goods and services to share a low level of similarity for a likelihood of confusion to exist. I confirm that I keep this principle in mind.

70) In respect of my considerations in the current case, I have found that:

- the applicant's "*consulting services...*" in Class 35 are not similar to the opponent's goods and, consequently there can be no likelihood of confusion;
- the applicant's remaining Class 35 services are similar to the opponent's goods and services, but no more than to a very low degree;
- its Class 42 services share a very low level of similarity to the opponent's goods and services;
- The opponent's mark and the first of the applicant's marks both present as the identical three-letter initialism;
- The applicant's second mark shares at least a medium level of visual similarity and is aurally identical to the opponent's mark. There are conceptual differences between these marks as a result of the presence of the disco ball-type device and the words "Trade Data Monitor"), but these differences have little impact upon the issue of likelihood of confusion;
- The average consumers are specialist corporate/industrial users will be general members of the public who will pay an elevated degree of care during the purchasing act. The purchasing process is likely to be visual, but I recognised that aural considerations may play a part;
- The opponent's mark has a medium level of inherent distinctive character and that this is not enhanced through use.

71) In respect of the applicant's first mark, it is identical to the opponent's mark and is a factor that points towards a likelihood of confusion. However, this is offset because I have found that the respective goods and services share no more than a very low level of similarity. The respective parties' goods and services are targeted at different specialist fields

72) In summary, having taken account of all my findings required as part of the global analysis, I find that the distance between the respective goods and services is such that the section 5(2)(a) ground against the applicant's first mark fails against the entirety of the applicant's services.

73) Turning to the applicant's second mark, it contains additional elements in the form of a disco-ball type device and the words "Trade Data Monitor". These are elements that are absent from the opponent's mark, but as I commented earlier, neither element has a material impact upon my considerations on the likelihood of confusion and, consistent with my findings in the previous paragraphs, and for the same reasons, I find that the section 5(2)(b) ground against the applicant's second mark fails against the entirety of the applicant's services

### **Section 5(3) and section 5(4)(a)**

74) Mr Klink conceded that the opponent's section 5(2)(b) ground is "the most relevant" and he provided only very brief submissions in respect of the opponent's grounds based upon section 5(3) and section 5(4)(a). I intend to comment only briefly on these grounds.

75) I comment upon the grounds based upon section 5(3) first. The requisite reputation of the opponent's mark must be established in relation to a significant part of that relevant public for the goods or services for which the mark is registered<sup>26</sup>. The opponent's evidence illustrates that its goods and services have been sold in the UK to BAE Systems plc and GE Oil & Gas UK Ltd, both of which have been referred to as large companies, however, UK turnover has only been in the low to mid-

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<sup>26</sup> *General Motors*, Case 252/07, para 24 and 26

hundreds of thousands pounds a year during the 5 years prior to the relevant date in these proceedings. This must be seen in the context that the opponent's products are relatively expensive. There is no evidence regarding the size of the market and therefore it is difficult to place such use in context, but taking account of the small number of customers, the low turnover relative to the cost of accessing the opponent's goods and services, I conclude that use of its mark in the UK has not been sufficient to establish a reputation with the relevant section of the public.

76) As I have noted earlier in the decision, there is a significantly higher turnover in the rest of the EU. Such turnover is of a magnitude of twenty times as much as the UK turnover, and this points towards the necessary reputation being achieved elsewhere in the EU. However, when assessing if the requisite link is created between the marks, the relevant section of the public is customers and potential customers in the UK. There is no evidence that the reputation of the opponent's mark elsewhere in EU has any impact upon the UK relevant public. Whilst similarity of the respective goods and services is not a requirement under this section of the Act, the absence of similarity or only a very low similarity (as I have found) is still a relevant factor. In this case the distance between the respective goods and services is significant with them being targeted at distinct and different specialist markets.

77) Taking all of the above into account, I find that the evidence fails to show that the UK relevant public is likely to be aware of the reputation of the opponent and whilst the identity of the respective marks may fleetingly bring the other to mind in the rare circumstance where the relevant public for one mark is aware of the existence of the other, because of the distance between the goods and services, there is little likelihood that the link made will be strong enough to result in any detriment or unfair advantage.

78) In light of all of the above, I conclude that the grounds based upon section 5(3) fails.

79) Turning to the grounds based upon section 5(4)(a), I recognise that the test for misrepresentation is different to that for likelihood of confusion, namely, that misrepresentation requires "a substantial number of members of the public are

deceived” rather than whether the “average consumer are confused”. However, as recognised by Lewinson L.J. in *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, it is doubtful whether the difference between the legal tests will produce different outcomes. Certainly, I believe that this is the case here and I find that members of the public are not likely to be misled into purchasing the applicant’s services in the belief that they are the opponent’s goods and services. I note that, for the purposes of section 5(4)(a) there is no requirement for the parties to be in the same field of activity, however, as I have already found, in the current case, the fields of activity are both specialist and some distance from each other. In light of this, I find that this is sufficient to remove the likelihood that any link made would lead to misrepresentation.

80) The grounds under section 5(4)(a) fail

### **Summary**

81) The two oppositions fail in their entirety and the contested applications can proceed to registration.

### **COSTS**

82) The applicant has been successful and is entitled to a contribution towards its costs. In the circumstances I award the applicant costs, calculated as follows:

Considering statement of case and preparing counterstatement x 2:	£300
Considering other side’s evidence and filing own evidence:	£1000
Preparing for and attending hearing:	£900
<b>TOTAL:</b>	<b>£2200</b>

83) I therefore order TDM Systems GmbH to pay ANH Enterprises, LLC the sum of £2200. The above sum should be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 3<sup>rd</sup> day of December 2019**

**Mark Bryant**

**For the Registrar,**

**The Comptroller-General**