

O-813-18

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO. 3292986

BY GHOSTWHITE LTD

TO REGISTER THE FOLLOWING TRADE MARK:



IN CLASS 25

AND

OPPOSITION THERETO UNDER NO. 600000899

BY ASHLEYANN & ANTHONY MACANDREW

Background and pleadings

1. On 27 February 2018, GHOSTWHITE LTD (“the applicant”) filed trade mark application number UK00003292986 for the mark detailed on the cover page of this decision, for *clothing* in Class 25.

2. The application was accepted and published for opposition purposes on 20 April 2018. Ashleyann MacAndrew and Anthony MacAndrew (jointly “the opponent”) oppose the application under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), relying upon UK Trade mark (“UKTM”) registration 3198378, the pertinent details of which are as follows:



Mark:

Filing date: 23 November 2016

Date of registration: 17 February 2017

Goods: Class 25: *Clothing*

3. By virtue of having a filing date that predates the filing date of the contested mark, the opponent’s UKTM qualifies, under section 6 of the Act, as an earlier mark for the purposes of these proceedings. As the earlier mark completed its registration procedure less than five years before the publication of the contested mark, it is not subject to the proof of use provisions set out in section 6A of the Act. The consequence of this is that the opponent is entitled to rely upon the goods relied upon for this opposition (clothing).

4. The opponent claims that use by the applicant of its applied for mark would be confusing for consumers.

5. The applicant filed a counterstatement denying the ground of opposition.

6. The opponent has used the fast track procedure for this opposition.

7. Rule 6 of the Trade Marks (Fast Track Opposition) (Amendment) Rules 2013, S.I. 2013/2235, disapplied paragraphs 1-3 of Rule 20 of the Trade Marks Rules 2008 but provides that Rule 20(4) shall continue to apply. Rule 20(4) states that:

(4) The registrar may, at any time, give leave to either party to file evidence upon such terms as the registrar thinks fit.

8. The net effect of these changes is to require parties to seek leave in order to file evidence in fast track oppositions. No leave was sought in respect of these proceedings.

9. Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if (i) the Office requests it or (ii) either party to the proceedings requests it and the registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate cost; otherwise, written arguments will be taken.

10. The applicant requested a hearing, the reason given being that a hearing is necessary and proportionate to the cost to both parties and that the applicant's mark has acquired goodwill because of the use made of it. The Tribunal wrote to the applicant refusing the request to be heard as it did not consider that a hearing was appropriate in this case. The Tribunal invited the applicant, if it disagreed with the decision to refuse a hearing, to notify the Tribunal by 15 October 2018. The applicant did not do so, so these proceedings continued on the basis of the papers only.

11. In terms of written arguments, only the applicant filed written submissions in lieu of a hearing.

12. The applicant is represented by McDaniel & Co. The opponent represents themselves.

Preliminary issues

13. The applicant, in its written submissions, submits examples of UK, EU and International trade marks which contain the words NO SLEEP. The applicant

acknowledges that the state of the register does not reflect the full situation but submits that it is relevant in this case because the opponent has not objected to the registration of any of those marks and therefore does not appear to be concerned about confusion with other brands. The applicant further submits that the existence of these other marks on the register lowers the distinctiveness of the opponent's mark.

14. In *Henkel KGaA v Deutsches Patent- und Markenamt*¹, the Court of Justice of the European Union ("CJEU") found that:

"65... The fact that an identical trade mark has been registered in one Member State as a mark for identical goods or services may be taken into consideration by the competent authority of another Member State among all the circumstances which that authority must take into account in assessing the distinctive character of a trade mark, but it is not decisive regarding the latter's decision to grant or refuse registration of a trade mark.

On the other hand, the fact that a trade mark has been registered in one Member State for certain goods or services can have no bearing on the examination by the competent trade mark registration authority of another Member State of the distinctive character of a similar trade mark for goods or services similar to those for which the first trade mark was registered."

15. *Zero Industry Srl v OHIM*² is also relevant. The General Court ("GC") stated that:

"73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word 'zero', it should be pointed out that the Opposition Division found, in that regard, that '... there are no indications as to how many of such trade marks are effectively used in the market'. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere

¹ Case C-218/01

² Case T-400/06

fact that a number of trade marks relating to the goods at issue contain the word 'zero' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T-135/04 GfK v OHIM – BUS(Online Bus) [2005] ECR II-4865, paragraph 68, and Case T-29/04 Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH) [2005] ECR II-5309, paragraph 71).”

16. Bearing in mind the above guidance, it is not appropriate for me to consider other marks currently on the register. Nor is it relevant that the opponent has chosen to oppose or not to oppose other registrations. The state of the register has no bearing on my assessment of the distinctive character of the earlier mark. Consequently, I will not say any more about these submissions.

17. The applicant also submits the following:

“The marks were not considered to be similar by the examiner during the examination of the Applicant’s mark. The Opponent’s mark was not cited by the examiner as a potentially similar mark.”

18. Notifications raised by the examiner are advisory and are not binding on the Tribunal. My decision will be based on the case brought by the opponent.

Decision

Section 5(2)(b)

19. Section 5(2)(b) of the Act states that:

“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.”

The principles

20. The following principles are gleaned from the judgments 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 C3/03, *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 the 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 goods

21. It is self-evident that the parties' *clothing* in Class 25 are identical goods.

The average consumer and the nature of the purchasing act

22. It is necessary for me to determine who the average consumer is for the respective parties' goods. 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*³, Birss J. described the average consumer in these terms:

³ [2014] EWHC 439 (Ch)

“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.”

23. 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 & Co GmbH v Klijsen Handel BV*⁴.

24. The average consumer of clothing is a member of the general public. Such goods are likely to be purchased fairly frequently and whilst the cost can vary quite markedly, they are not prohibitively expensive. The goods will be inspected for style, size, colour etc. In my view, the average consumer will pay an average degree of care and attention to the purchase. The consumer will, for the most part, encounter the marks visually (as submitted by the applicant), by browsing through products in physical stores, in catalogues or using the internet. However, I do not completely discount an aural element to the purchase.

Comparison of marks

25. It is clear from *Sabel BV v Puma AG* 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 their overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo SA v OHIM*⁵ that:

⁴ Case C-342/97

⁵ Case C-591/12P

“...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.”

26. 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.

27. The trade marks to be compared are as follows:

Earlier mark	Applied for mark
	

28. The applicant made submissions regarding the comparison of the marks, which I will refer to where relevant. The opponent did not make reference to the overall impression or the components of the marks within its notice of opposition.

Overall impression

29. In its written submissions, the applicant submits the following:

“The words NØSLEEP ESPORTS are not the main feature of the Applicant’s mark. It is the device component of the Applicant’s mark that will make by far the most significant contribution to the overall impression of the trade mark.”

30. The applicant’s mark consists of three separate components: a complex figurative aspect, the word ESPORTS and the words NO SLEEP. The figurative aspect consists of a black outline of a circle containing various semi-circular type devices and devices that resemble ‘stop signs’ (or possibly screw heads). I consider the figurative aspect to be the element which has the greatest relative weight in the overall impression of the mark. Despite the words being smaller and having less relative weight in the overall impression than the figurative component, they still make a reasonable contribution to the overall impression of the mark which is far from negligible.

31. The opponent’s earlier mark consists of the two words NO and SLEEP, in black stylised lettering. Neither word is smaller, in a subservient position or descriptive for the goods for which the mark is registered. Consequently, the overall impression rests in the two word combination NO SLEEP with neither word materially dominating the other. The overall stylisation will not detract from the dominance of the words themselves, but I accept that the stylisation still plays a role. The words NO SLEEP are presented on a grey rectangular background but this will likely be seen as little more than that; a background.

Visual comparison

32. The similarity lies in the words NO and SLEEP, which are present in both marks.

33. In terms of differences, the opponent’s marks contains an additional word ESPORTS, the applicant’s mark has the various figurative and stylistic elements described above, the words NO SLEEP are separate in the earlier mark but may be seen as conjoined in the applied for mark, and the stylisation applied to those words differs in each mark.

34. Taking all of these factors into account, and particularly bearing in mind my assessment of the overall impressions, I find the marks to be visually similar to a low degree.

Aural comparison

35. The earlier mark will be articulated as NO SLEEP, the applicant's as NO SLEEP ESPORTS. I find that the marks are aurally similar to a medium degree. I do not, though, discount the possibility that the average consumer will shorten NO SLEEP ESPORTS to NO SLEEP, resulting in the marks being aurally identical.

Conceptual comparison

36. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer. This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM*⁶. The assessment must be made from the point of view of the average consumer.

37. The applicant submits that ESPORTS means "a form of competition using video games" and that this will bring to mind that the applicant's goods are "worn by competitors in video games". No evidence was filed by the applicant (no leave was sought) to show that ESPORTS has the meaning put forward. Even if there was such evidence, it would not necessarily establish that the average consumer would know of such a word.

38. The letter 'e' is commonly used to mean 'electronic', e.g. email. The meaning of sports is obvious. Therefore, the word ESPORTS is, according to its ordinary meaning, a reference to electronic sports, whatever that may mean.

39. The presence in the mark of NO SLEEP will send a clear conceptual message of having no sleep (being the conventional meaning of those words). The same conceptual message will be grasped for the earlier mark. I find that there is at least a

⁶ [2006] e.c.r.-I-643; [2006] E.T.M.R. 29

medium degree of conceptual similarity overall due to the identical concept of NO SLEEP weighed against the additional conceptual meaning of electronic sports. For sake of completeness, I add that the figurative element does not impact on this assessment because it sends no clear concept at all.

Distinctive character of the earlier trade mark

40. The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, the greater the likelihood of confusion (see *Sabel BV v Puma AG*, paragraph 24). In *Lloyd Schuhfabrik* 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).”

41. As no evidence has been filed by the opponent, I have only the inherent distinctiveness of the earlier mark to consider. NO and SLEEP are ordinary dictionary words which will be known to the average consumer. They combine to create a phrase

which indicates the absence of sleep. However, the two words together are unusual for the goods at issue and they are neither descriptive nor allusive for clothing. I consider the earlier mark is entitled to an average degree of inherent distinctiveness.

Likelihood of confusion

42. 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 AS*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

43. Confusion can be direct (which effectively 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/goods down to the responsible undertaking being the same or related).

44. The marks have been found to be visually similar to a low degree, aurally similar to a medium degree (or aurally identical where the average consumer shortens the applied for mark to NO SLEEP) and conceptually similar to at least a medium degree.

45. The goods at issue have been found to be identical.

46. During the selection process the visual impact of the marks will carry the most weight in the mind of the average consumer, however, the aural and conceptual impacts of the marks cannot be dismissed.

47. Due to the clear and obvious visual differences between the marks at issue, I am satisfied that direct confusion will not occur. The average consumer will not mistake one of these marks for the other.

48. In terms of indirect confusion, this was dealt with by Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*⁷:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark’.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI”, etc.).

⁷ BL O/375/10

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

49. These examples are not exhaustive. Rather, they were intended to be illustrative of the general approach⁸.

50. I go on now to consider whether the average consumer, having recognised that the marks are different, considers the common elements of both marks and determines, through an instinctive mental process, that the marks are related and originate from the same, or an economically linked undertaking.

51. Notwithstanding that there is only a low degree of visual similarity, there are stronger phonetic and conceptual similarities.

52. I refer to *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH*⁹, where it was held at paragraphs [29]-[32] that:

“In the context of consideration of the likelihood of confusion, assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see *Matratzen Concord*, paragraph 32).

However, beyond the usual case where the average consumer perceives a mark as a whole and notwithstanding that the overall impression may be dominated by one or more components of a composite mark, it is quite possible that in a particular case an earlier mark used by a third party in a composite

⁸ See *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17 at paragraphs [81] to [82]

⁹ Case C-120/04

sign including the name of the company of the third party still has an independent distinctive role in the composite sign, without necessarily constituting the dominant element.

In such a case the overall impression produced by the composite sign may lead the public to believe that the goods or services at issue derive, at the very least, from companies which are linked economically, in which case the likelihood of confusion must be held to be established.

The finding that there is a likelihood of confusion should not be subject to the condition that the overall impression produced by the composite sign be dominated by the part of it which is represented by the earlier mark.”

53. Applying this case law to the matter before me, I find that the words NO SLEEP (whether perceived as conjoined words or not) in the earlier mark play an independent distinctive role in the later mark.

54. Taking all of this into consideration and bearing in mind the interdependency principle, I consider that the use of the words NO SLEEP (conjoined or separate) in both the applicant’s mark and the opponent’s mark on the identical goods at issue will create an expectation on the part of the consumer that the goods come from the same or economically linked undertakings. In *José Alejandro SL v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*¹⁰, the GC noted that “it is common in the clothing sector for the same mark to be configured in various different ways according to the type of product which it designates”. In my view, that is the case here. The consumer will view the marks as different configurations of the same mark which are being used by a single undertaking. The average consumer would assume that no one else other than the brand owner of the competing mark would be using it. There is, therefore, a likelihood of indirect confusion.

¹⁰ Case T129/01

Conclusion

55. The opposition has been successful and the application is refused.

Costs

56. As the opponent has been successful, it would, ordinarily, be entitled to an award of costs in its favour. As the opponent represents itself, at the conclusion of the evidence rounds the Tribunal invited it to indicate whether it intended to make a request for an award of costs and, if so, to complete a pro-forma indicating a breakdown of its actual costs. It was made clear to the opponent that if the pro-forma was not completed “no costs, other than the official fees arising from the action and paid by the successful party...will be awarded”. Since the opponent did not respond to that invitation, it is only entitled to a cost award in respect of the official fee of £100.

57. I order GHOSTWHITE LTD to pay Ashleyann MacAndrew and Anthony MacAndrew the sum of **£100**. This sum should be paid within 14 days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 19th day of December 2018

Emily Venables

For the Registrar,

The Comptroller-General