O/0132/25

TRADE MARKS ACT 1994

IN THE MATTER OF INTERNATIONAL REGISTRATION NO. WO0000001716631 IN THE NAME OF PEGADOR GMBH FOR THE FOLLOWING MARK:

PEGADOR

AS A TRADE MARK IN CLASSES 9, 14, 18, 25 & 35

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 442441 BY DYADEMA S.R.L.

BACKGROUND AND PLEADINGS

1. Pegador GmbH ("the holder") is the holder of the International Registration shown on the cover page of this decision ("the IR"). The IR was registered on 6 January 2023 and, with effect from the same date, the holder designated the UK as a territory in which it seeks to protect the IR under the terms of the Protocol of the Madrid Agreement. The IR was accepted and published in the Trade Marks Journal for opposition purposes on 9 June 2023. The holder seeks protection in the UK for the following goods and services:

Class 9:	Sunglasses; spectacles; spectacle cases; covers for smartphones; cases adapted for mobile phones; face plates for cellular telephones.
Class 14:	Jewellery; time instruments; jewellery boxes and watch boxes.
Class 18:	Bags; wheeled bags; pocket wallets; credit-card holders; bags [envelopes, pouches] of leather, for packaging; toiletry bags sold empty; toiletry bags; key cases; key bags.
Class 25:	Clothing; footwear; headgear.
Class 35:	Retail services and wholesale services, including via the internet and also via mail order, and online retail services relating to the following goods: toiletries, perfumery, essential oils and aromatic extracts, cleaning and fragrancing preparations, sunglasses, spectacles, spectacle cases, covers for smartphones, cases adapted for mobile phones, face plates for cellular telephones; retail services and wholesale services, including via the internet and also via mail order, and online retail services relating to the following goods: jewellery, jewels, time instruments, watches, jewellery boxes and watch boxes; retail services and wholesale services, including via the internet and also via mail order, and online retail services relating to the following goods: printed

matter, stationery, bags, wheeled bags, pocket wallets, credit-card holders, bags [envelopes, pouches] of leather for packaging, toiletry bags sold empty, toiletry bags, key cases, key bags, fabrics, textile goods and substitutes for textile goods; retail services and wholesale services, including via the internet and also via mail order, and online retail services relating to the following goods: clothing, footwear, headgear, belts [clothing], gloves [clothing], accessories for apparel, sewing articles and decorative textile articles, hair ornaments, hair rollers, hair fastening articles, and false hair, charms [not jewellery or for keys, rings or chains]; retail services and wholesale services, including via the internet and also via mail order, and online retail services relating to the following goods: beer and brewery products, non-alcoholic beverages, alcoholic beverages (except beer), tobacco and tobacco products (including substitutes), articles for use with tobacco, personal vaporisers and electronic cigarettes, and flavourings and solutions therefore; advertising, marketing and promotional services; organization of exhibitions for commercial or advertising purposes; organization of fashion shows for promotional purposes.

2. The IR is derived from an earlier trade mark registered in the European Union under number 018818941, which has the filing date of 3 January 2023. As such, the IR has a priority date of 3 January 2023.

3. On 9 August 2023, DYADEMA S.R.L. (“the opponent”) sought to partially oppose the IR for the goods in class 14 and some of the services in class 35. I will set these out below. The opposition is based on section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) and is reliant upon the following trade marks:

PECCATORE

UK registration no. 917971893[1]

Filing date 23 October 2018; registration dated 13 February 2019

Relying on all goods, namely:

Class 14: Jet, unwrought or semi-wrought; Amulets [jewellery]; Rings [jewellery]; Split rings of precious metal for keys; Silver, unwrought or beaten; Horological articles; Bracelets; Watch bands; Cabochons; Chalcedony; Clock cases; Watch cases [parts of watches]; Chains [jewellery]; Watch chains; Jewellery rope chain for anklets; Clasps for jewellery; Jewel pendants; Jewellery charms; Jewellery; Necklaces [jewellery]; Rosaries; Tie pins; Crucifixes as jewellery; Chronographs [watches]; Chronometers; Diadems; Diamonds; Wedding rings; Figurines [statuettes] of precious metal; Threads of precious metal [jewellery]; Cuff links; Gems; Semi-precious stones; Jades; Ingots of precious metals; Medals; Lockets [jewellery]; Precious metals; Coins; Works of art of precious metal; Earrings; Gold; Watches; Palladium; Pearls [jewellery]; Precious stones; Platinum [metal]; Key rings of leather; Key rings, not of metal; Jewelry cases [caskets or boxes]; Rhodium; Boxes of precious metal; Emeralds; Pins [jewellery]; Alarm clocks; Topaz; Sapphires; Scarf clips being jewelry; Jewelry clips for adapting pierced earrings to clip-on earrings; Tie clips of precious metal; Jewellery findings; Jewellery made of semi-precious materials; Jewellery fashioned from non-precious metals.

("the opponent's first mark"); and

PECCATORE

International Trade Mark designating the UK under registration no. 1447960

International registration date: 25 October 2018

[1] The opponent's first mark is a comparable mark based upon an earlier EUTM owned by the opponent. On 1 January 2021, in accordance with Article 54 of the Withdrawal Agreement between the UK and the European Union, the UK IPO created comparable UK trade marks for all right holders with existing EUTMs. This comparable mark enjoys the same filing and registration dates as its European counterpart.

Date protection sought in the UK: 25 October 2018
Date protection granted in the UK: 16 April 2019
Priority date: 23 October 2018 (Italy).
Relying on all goods, namely:

Class 14: Jet, unwrought or semi-wrought; amulets [jewelry]; rings [jewelry]; split rings of precious metal for keys; silver, unwrought or beaten; timepieces; bangles; watch bands; cabochons; chalcedony; clock cases; watch cases [parts of watches]; chains [jewelry]; watch chains; clasps for jewelry; charms [jewellery, jewelry (Am.)]; jewellery charms; necklaces [jewelry]; rosaries; crucifixes as jewelry; chronographs [watches]; chronometers; diamonds; wedding rings; figurines [statuettes] of precious metal; threads of precious metal [jewelry]; cuff links; gems; jade; jewelry; jewels; ingots of precious metals; medals; lockets [jewelry]; precious metals; coins; earrings; gold; palladium; pearls [jewelry]; precious stones; platinum [metal]; key rings of leather; jewelry boxes; rhodium; boxes of precious metal; emeralds; pins [jewelry]; alarm clocks; topaz; sapphires; ankle bracelets; ear clips; tie pins; tie clips; boxes for timepieces; tiaras; precious and semi-precious gems; works of art of precious metal; wristwatches; clocks; sports watches; jewelry watches; jewel pendants; key fobs of metal; charms for key rings; key rings, not of metal.

("the opponent's second mark").

4. In bringing its opposition, the opponent seeks to oppose the following goods and services in classes 14 and 35 only:

Class 14: Jewellery; time instruments; jewellery boxes and watch boxes.

Class 35: Retail services and wholesale services, including via the internet and also via mail order, and online retail services relating to the following goods: jewellery, jewels, time instruments, watches, jewellery boxes and watch boxes.

5. The opponent claims that in consideration of the high degree of similarity between the marks and the identity and/or similarity of the goods and services at issue, there is a high likelihood of confusion or association between the marks.

6. The holder filed a counterstatement wherein it admitted that the goods at issue were similar but, generally speaking, it denied the claims against it.

7. The opponent is represented by Lewis Silkin LLP and the holder is represented by HGF Limited. During the evidence round, the opponent elected not to file evidence in chief but did, instead, file written submissions. As for the holder, it is noted that it did file evidence. The opponent filed evidence in reply. No hearing was requested and only the holder filed written submissions in lieu. This decision is taken following a careful consideration of the papers.

8. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

EVIDENCE

9. The holder's evidence came in the form of the witness statement of Lauren Richardson dated 21 March 2024. Ms Richardson is a Trade Mark Attorney employed by the holder's representative firm and is, therefore, duly authorised to file evidence on the holder's behalf. Ms Richardson's evidence is accompanied by one exhibit, being LR1, and was used as a vehicle to introduce into these proceedings a copy of EUIPO decision number B 3 157 170. The referred EUIPO proceedings relate to marks that are identical to those at issue here. I note that the outcome was that the opposition was rejected in its entirety.

10. The opponent's evidence in reply came in the form of the witness statement of Mr Oliver Gray dated 17 May 2024. Mr Gray is a Chartered Trade Mark Attorney employed by the opponent's representative firm and is, therefore, duly authorised to file evidence on its behalf. Mr Gray's statement is accompanied by two exhibits, being ORG1 and ORG2, and was adduced to oppose the relevance of the EUIPO decision filed by the holder.

11. I do not intend to summarise the parties' evidence (or submissions, for that matter) in full here. However, I confirm that I have taken all filed documents into account and will summarise them to the extent that I deem necessary below.

PRELIMINARY ISSUES

12. As I have set out above, the evidence of the holder relates to a decision in the EUIPO relating to marks that are identical to those at issue here. In its evidence in reply, the opponent sought to argue that decisions of other national courts are not binding on the Tribunal by reference to the Tribunal section of the Trade Marks Manual and by exhibiting a recent decision of a Hearing Officer of this Tribunal wherein he set out that decisions of the EUIPO are not binding on the Registrar. In short, while the evidence before me is noted, I am in agreement with the opponent in that the decision of the EUIPO is not binding on me whatsoever. Further, the assessments I must make here are based on the case law and legislation before me. To confirm the EUIPO decision has no bearing on any of those assessments and I will, therefore, say no more about it.

DECISION

Section 5(2)(b): legislation and case law

13. Section 5(2)(b) of the Act reads as follows:

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

(a) […]

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

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

14. Section 5A of the Act states as follows:

"Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only."

15. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

"(6)(1) In this Act an "earlier trade mark" means –

(a) a registered trade mark or international trade mark (UK) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.

16. The opponent's marks qualify as earlier trade marks under the above provisions. As the opponent's marks had not completed their registration processes more than five years before the priority date of the IR, they are not subject to proof of use pursuant to section 6A of the Act. Consequently, the opponent may rely on all off the goods for which its marks are registered.

17. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V*.

Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) ("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.

Comparison of the goods and services

18. The goods and services of the holder that are subject to the present opposition can be found at paragraph four above whereas the opponent's goods can be found at paragraph three.

19. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

> "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".

20. 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.

21. The General Court ("GC") confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, that, even if goods or services are not worded identically, they can still be considered identical if one term falls within the scope of another or (vice versa):

> "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 fur 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".

22. I have set out above that in its counterstatement, the holder accepted that the goods and services at issue are similar. In its written submissions in lieu, it went on to state that the goods and services are similar to varying degrees. While it did

not specify to what level it considered them similar, it did say that the actual level was irrelevant because of the lack of similarity between the marks at issue. While the concession is noted, without any specificity as to said concession, it is incumbent upon me to determine the actual level of similarity (or identity, if it exists) between the goods and services and I will, therefore, proceed to consider the comparison in the ordinary way.

Class 14

23. The opponent's specifications both include the term "jewelry". While spelt differently to "jewellery" in the holder's specification, they are plainly the same goods. As such, I find that they are self-evidently identical.

24. "Time instruments" in the holder's specification describes an item that is used to tell the time such as watches and clocks. I note that the opponent's first mark's specification includes the term "horological articles" which covers goods that are used to tell the time, being watches and clocks. As a time instrument is a horological article, I find that these goods are identical, be that either self-evidently or under the principle outlined in *Meric*. As for the opponent's second mark, this includes the terms "wristwatches" and "clocks". Plainly, these terms fall within the holder's broader term and, as such, I find that these goods are identical under the principle outlined in *Meric*.

25. The holder's term of "jewellery boxes and watch boxes" describes two different types of goods, one being for the storage of jewellery, the other being for watches. Despite this, I find that they cover various terms found in the opponent's specification. This includes "jewelery cases [caskets or boxes]" in the first mark's specification and "jewelery boxes" and "boxes for timepieces" in the second mark's specification. Plainly all of these goods are identical as they all describe the same goods, albeit worded slightly differently. In addition, both of the opponent's specifications include the term "boxes of precious metal" which can cover any type of box made of a precious metal that can include boxes used to store watches and jewellery. Such a term encompasses the goods in the holder's terms meaning that these goods are also identical, albeit under the principle outlined in *Meric*.

Class 35

26. In considering the holder's term of "retail services and wholesale services, including via the internet and also via mail order, and online retail services relating to the following goods: jewellery, jewels, time instruments, watches, jewellery boxes and watch boxes", I remind myself that there is extensive case law surrounding the issue of whether services for the retail of goods are similar to the actual goods themselves. While I would ordinarily go over this in more detail, I do not consider it necessary in the present case as the holder has conceded to some similarity between all of its goods and services so this point is not in issue. Instead, I will briefly refer to the case of *Oakley, Inc v OHIM*, Case T-116/06, wherein the GC, at paragraphs 46 to 57, held that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree. I consider that to be the case here on the basis that the goods covered by the holder's retail services are directly covered in the opponent's specifications (being the same goods subject to my class 14 goods comparison above). As a result, I find that these goods are similar to a medium degree on the basis that they overlap in user and trade channels and are complementary to one another.

The average consumer and the nature of the purchasing act

27. The case law, as set out earlier, requires that I determine who the average consumer is for the respective parties' goods. I must then decide the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

> "60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the

relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

28. The holder submits that the average consumers for the goods and services at issue will be the public at large, as well as jewellery professionals. While I accept that members of the general public at large are the average consumer for the goods and services at issue, I do not agree that jewellery professionals will be. I appreciate that those professionals will seek out the goods for the retail of the same in their stores, however, they are not the end consumer.

29. As for the goods at issue, these will all be available via general or specialist retailers (such as jewellery or watch shops) and their online equivalents. In physical stores, the goods will be displayed on shelves, behind counters or in glass cabinets where they will be self-selected by the consumer. When the selection takes place online, the goods will be selected after viewing an image of it on a webpage. Clearly, the visual component will dominate the selection process, though I do not discount the aural component entirely as suggestions may come via word of mouth recommendations or advice from sales assistants. Regardless of the importance of the aural component, the consumer will still view the goods before making their selection.

30. The goods at issue can cover relatively inexpensive items of jewellery or watches that are selected frequently but can equally cover very expensive items that are very infrequent, or even one off, purchases. As a result, the level of attention paid is likely to vary considerably. That being said, I am of the view that the factors actually being considered will generally be the same regardless of the price of the goods. For example, even when selecting cheaper jewellery items, the average consumer is likely to consider factors such as colour, materials used and fit. Of course, I appreciate that additional factors will come in to play when selecting higher end goods as, for example, someone buying diamonds may wish to have information as to the source of the diamond or, when selecting an expensive watch, more information will be sought regarding the movement within said watch and the

accuracy of the timepiece. Taking all of this into account, I consider that the level of attention paid for the goods at issue will range from somewhere around a medium degree of attention to relatively high.

31. Turning now to the services at issue, I consider that they are most likely to be selected having considered, for example, promotional material (in hard copy or online) and signage appearing on the high street. While visual considerations will be an important part of the selection process, the services are also likely to be the subject of word-of-mouth recommendations meaning that aural considerations will not be an insignificant feature of the selection process. When selecting these services, members of the general public are likely to consider such things as stock, price of goods offered in comparison to other retailers and expertise/knowledge of staff. I am of the view that members of the general public are likely to pay a medium degree of attention during the selection process for the services.

Comparison of the marks

32. It is clear from *Sabel v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components.

33. 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."

34. 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 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.

35. For the avoidance of doubt, as the opponent's marks are identical, I will only refer to them as one mark throughout the course of my marks comparison, being "the opponent's mark".

36. The respective trade marks are shown below:

The opponent's mark	The IR
PECCATORE	PEGADOR

37. I have submissions from both parties in respect of the comparison of the marks. While I do not intend to reproduce those here, I confirm that I have taken them into account in making the below comparisons.

Overall impression

38. Both marks are word only marks that consist solely of one word, being 'PECCATORE' in the opponent's mark and 'PEGADOR' in the IR. Neither mark has any additional elements that contribute to their overall impressions, which lie in the words themselves.

Visual comparison

39. Visually, the marks share the letters 'P-E-A-O-R'. I appreciate that the first two of these letters sit at identical positions in the parties' marks, being their beginnings.[2] I note that in its submissions, the opponent makes a point in respect of the fact that

[2] Which, I agree, is where the average consumer tends to focus. See *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

because these letters are identical and are found in the same order, the marks are visually similar to a high degree. I disagree. While I accept that these same letters appear in both marks, they are separated by entirely different letters. For example, the shared 'A' is preceded by a letter 'G' in the IR and 'CC' in the opponent's mark. Further, it is followed by a letter 'D' in the IR and a letter 'T' in the opponent's mark. In my view, the way the opponent has argued this point is a result of too detailed an analysis of the marks at issue. This is something that the consumer would not do. Instead, I am of the view that if one was to take a step back and compare the marks as wholes, they would clearly not be considered highly similar. Instead, I am of the view that the consumer would see them as rather different and, as such, I find that the marks are visually similar to between a low and medium degree.

Aural comparison

40. Aurally, I consider that the IR consists of three syllables that will be pronounced as 'PEG-AH-DOR'. As for the opponent's mark, this will also consist of three syllables and will be pronounced as 'PEK-AH-TOR'. While the marks are not aurally identical, I consider that the similar nature of the first and third syllables together with the identical middle syllable will result in a high degree of aural similarity.

Conceptual comparison

41. Neither mark has an immediately graspable meaning and I note that this is a position reflected in both parties' submissions. As a result, I find that the marks are not capable of being conceptually compared to one another. This means that they are conceptually neutral.

Distinctive character of the opponent's marks

42. 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)."

43. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods and services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The opponent has not filed any evidence of use and, therefore, I have only the inherent position to consider.

44. The opponent's marks are both the word 'PECCATORE' only. As I have set out above, this has no obvious meaning to the average consumer in the UK. In my view, it will be considered either a made-up or foreign language word. As such, it cannot be said to be descriptive of, or allusive to, the goods upon which the opponent relies. Therefore, I find that the opponent's marks enjoy a high degree of inherent distinctive character.

Likelihood of confusion

45. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services, and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's marks, the average consumer for the goods and services, and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that they have retained in their minds.

46. I have found the goods at issue to be identical and the holder's services to be similar to a medium degree with the opponent's goods. The average consumer base is formed of members of the general public who will select the goods and services via primarily visual means (although I do not discount an aural component) after having paid either a medium or relatively high degree of attention. I have found the marks at issue to be visually similar to between a low and a medium degree, aurally similar to a high degree and conceptually incapable of comparison, thereby being neutral. I have found the opponent's marks to enjoy a high degree of inherent distinctive character.

47. Taking all of the above into account and even bearing in mind the principle of imperfect recollection, I find that the average consumer will be able to identify the differences between the marks at issue. While the marks share their first two letters and some additional letters subsumed within the rest of the words at issue, the consumer will clearly identify that they are different words and accurately recall them as such. I say this whilst even bearing in mind the high aural similarity

between the marks. Firstly, I do not consider that consumers will outright mishear 'PEGADOR' for 'PECCATORE', or vice versa. Secondly, I remind myself that even if the goods or services at issue are selected aurally, the consumer will still consider the marks visually on the products themselves. At this point, the visual differences will be clearly noticed and will be sufficient to dispel any direct confusion between the marks. I appreciate that the opponent's marks are highly distinctive, however, I do not consider that this is sufficient to overcome the lower level of visual similarity nor the lack of any shared conceptual hook between them. Lastly, I remind myself that the goods or services at issue are not casual selections so the level of attention paid will contribute to assist the user in noticing the differences between the marks. Consequently, I do not consider that there is any likelihood of direct confusion between the marks, even on goods that are identical.

48. I now turn to consider indirect confusion. In doing so, I remind myself of the case of L.A. Sugar Limited v By Back Beat Inc, BL O/375/10, wherein Mr Iain Purvis Q.C., as the Appointed Person, explained that:

> "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 recognized 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.).

(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. Further, I note the case of *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, wherein Arnold LJ referred to the comments of James Mellor Q.C. (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at paragraph 16 that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

50. The opponent has offered no real explanation as to any reason why indirect confusion would occur between the marks at issue. On this point, I note that the opponent submits the following in respect of indirect confusion:

"There is a risk that the public will believe that the goods and services in question, under the presumption that they bear the marks in question, come from the same undertaking, or as the case may be, from economically linked undertakings, or that the Opponent has authorised use of the Opposed Application, when this is not the case."

51. In light of this, I will focus my assessment of indirect confusion on the scenarios set out by Mr Purvis Q.C in *L.A. Sugar* (cited above). While I appreciate that these are not exhaustive examples of scenarios where indirect confusion exists, I am of the view that if any further examples where to be relevant to the present case, it was for the opponent to say so. In the absence of doing so, I consider that it would be inappropriate (and unfair to the holder) for me to seek to formulate the opponent's case on its behalf.

52. In considering the present case in line with category (a) of *L.A. Sugar*, I appreciate that the opponent's marks enjoy a high degree of distinctive character. However, the distinctive character lies in the marks as a whole and not the shared letters 'P-E-A-O-R'. Therefore, it cannot be said that the shared elements of the marks are so strikingly distinctive that consumers would believe that only one undertaking would use them. Put simply, the words used in the marks, whilst enjoying some degree of similarity, are different. If this were a valid basis for indirect confusion then it follows that there would be a likelihood of indirect confusion between any marks that started with 'P-E' and included the letter 'A-O-R' somewhere within them, regardless of the presence of other letters. Clearly, this cannot be the case. As such, I do not consider that category (a) applies. Turning to the remaining categories (being (b) and (c)), I can deal with these together. Having considered the position in respect of the marks at issue, I see no scenario wherein the consumer would consider it likely that the marks are either sub-brands or brand extensions of one another. In short, I do not consider that there exists any logical rationale for the differences between the marks to the point that consumers would believe them to originate from the same or economically linked undertakings.

53. Taking all of the above into account and also bearing in mind the comments set out in the case law discussed at paragraph 49 above, I find that there exists no likelihood of indirect confusion between the marks at issue, even where they are viewed on goods that are identical to one another.

CONCLUSION

54. The opposition fails in its entirety. Therefore, the IR may, subject to any successful appeal of my decision, proceed to protection in the UK in respect of all of the goods and services for which protection was sought.

COSTS

55. The holder has succeeded in defending the IR. Therefore, the holder is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 1/2023. On this point, I do not consider that the evidence filed by the holder (or the opponent, for that matter) was of any assistance in these proceedings whatsoever and, as such, I will refrain from making a costs award in respect of the evidential task.

56. In the circumstances, I hereby award the holder the sum of £700 as a contribution towards its costs. The sum is calculated as follows:

Considering the notice of opposition and preparing the counterstatement:	£300
Written submissions in lieu:	£400
Total:	**£700**

57. I hereby order DYADEMA S.R.L. to pay Pegador GmbH the sum of £700. The above sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 13th day of February 2025

A COOPER
For the Registrar