O-0197-25

TRADE MARKS ACT 1994

IN THE MATTER OF

TRADE MARK APPLICATION NO. 3748918

IN THE NAME OF

CORNERSTONE1 LIMITED

TO REGISTER THE FOLLOWING MARK

IN CLASSES 18, 25 & 28:

AND

OPPOSITION THERETO (UNDER NO. 434496)

BY

ONE ZERO PTY LTD

BACKGROUND

1) On 28 January 2022, CORNERSTONE1 Limited ('the applicant') applied to register the mark shown on the cover page of this decision. The application is made in respect of the following goods:

> **Class 18:** Bags, including sports bags, travelling bags, bags for camping; Rucksacks; Wallets; Purses; Umbrellas; Toiletry bags.
> **Class 25:** Clothing; footwear; headgear.
> **Class 28:** Games; Playthings; Sporting articles, including balls.

2) The application was published in the Trade Marks Journal on 25 March 2022 and notice of opposition was later filed by One Zero Pty Ltd ('the opponent'). The opponent claims that the application offends under Section 5(2)(b) of the Trade Marks Act 1994 ('the Act').

3) In support of its opposition, the opponent relies upon five trade mark registrations in respect of some of the goods covered by the same, as shown below:

- **International Registration No. 1567930 ('930)**

  ATHELITE HYPER CORE

  Class 25: Clothing, footwear, headgear.

  Designation date: 8 December 2020
  Date of protection in the UK: 19 August 2021

- **International Registration No. 1570201 ('201)**

athelite

Class 25: Clothing, footwear, headgear.

Designation date: 8 December 2020
Date of protection in the UK: 19 August 2021

- **International Registration No. 1570211 ('211)**

Class 25: Clothing, footwear, headgear.

Designation date: 8 December 2020
Date of protection in the UK: 19 August 2021

- **International Registration No. 1638678 ('678)**

ATHELITE HYPER CORE

Class 28: Sport and athletic equipment, namely basketballs, footballs, soccer balls, soccer goal nets, shin guards, chin guards, baseball mitts, baseball gloves, protective padding for athletic use; bags specially adapted for carrying sports equipment and sports balls, goalkeeper gloves; exercise equipment, namely exercise balls, exercise bands and exercise weights; foam exercise rollers; vibrating apparatus used in fitness and exercise programs to stimulate muscles and increase strength and physical performance; physical fitness equipment, namely, an exercise and training roller.

Priority date: 31 August 2021 (Australia)
Designation date: 17 December 2021
Date of protection in the UK: 30 June 2022

- **International Registration No. 1638766 ('766)**

Class 28: Sport and athletic equipment, namely basketballs, footballs, soccer balls, soccer goal nets, shin guards, chin guards, baseball mitts, baseball gloves, protective padding for athletic use; bags specially adapted for carrying sports equipment and sports balls, goalkeeper gloves; exercise equipment, namely exercise balls, exercise bands and exercise weights; foam exercise rollers; vibrating apparatus used in fitness and exercise programs to stimulate muscles and increase strength and physical performance; physical fitness equipment, namely, an exercise and training roller.

Priority date: 31 August 2021 (Australia)
Designation date: 17 December 2021
Date of protection in the UK: 23 June 2022

4) It is claimed that the respective goods and services are either identical or similar and that the respective marks are similar, such that there exists a likelihood of confusion under section 5(2)(b) of the Act.

5) The trade marks relied upon by the opponent are earlier marks in accordance with section 6 of the Act. As none of them had completed their registration procedure more than five years prior to the application date of the applicant's mark, they are not subject to the proof of use conditions, as per section 6A of the Act.

6) The applicant filed a counterstatement.[1] I note the following points made therein:

[1] The first TM8 was filed on 24 October 2022 and was not admitted due to applicant requesting 'proof of use' which is not applicable; a second amended TM8 was filed on 07 December 2022; a third amended TM8 was filed on 30 May 2023.

- The applicant denies that the respective marks are similar and provides detailed submissions in support of this.
- The applicant provides details of a number of other marks on the register containing the word 'athelite' which were filed prior to the opponent's marks. It also provides details of marks containing 'athelite', from the WIPO International database, which it says shows that many other traders are using that word.
- The applicant submits that the opponent has not been trading in the UK.
- I note that no comments appear to be made in respect of the opponent's claim that the respective goods are identical or similar.

7) The opponent is represented by Lewis Silkin LLP. The applicant is represented by Ferman Uddin. The opponent filed submissions in support of its case[2]. The applicant filed submissions[3] and evidence consisting of a witness statement from Ferman Uddin (Director of the applicant) with Exhibits FU1 – FU18 thereto. The opponent filed submissions in reply.[4] Although the applicant requested to be heard, it also filed submissions prior to the hearing.[5] A hearing took place before me on 18 April 2024. Both parties filed skeleton arguments two days prior to the hearing. The opponent was represented by Ms Charlotte Blythe, of Counsel, instructed by Lewis Silkin LLP. The applicant was represented by Mr Muhammad Akmal Saleem. Shortly after the hearing took place the applicant filed further submissions[6]. The applicant was informed that if it wished those submissions to be taken into account, it must make a formal request in writing to that effect, for my consideration. The applicant subsequently made such a request and I gave my view that the request should be granted.[7] The opponent was provided with a short period to respond to those submissions but confirmed that it did not consider a response to be necessary.[8]

[2] Dated 27 February 2023
[3] On 30 May 2023
[4] Dated 28 July 2023
[5] On 26 September 2023
[6] Filed on 19 April 2024
[7] As per the official email of 23 April 2024
[8] As per the opponent's email of 23 April 2024

DECISION

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.

Section 5(2)(b)

9) This section of the Act states:

> "5. - (2) A trade mark shall not be registered if because –
>
> (a)….
>
> (b) it is similar to an earlier trade mark and is to be registered for goods 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.
>
> 5A. 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."

10) The leading authorities which guide me are from the Court of Justice of the European Union ('CJEU'): *Sabel BV v Puma AG,* Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc,* Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV,* Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03,

Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM,* Case C-334/05P and *Bimbo SA v OHIM,* Case C-591/12P.

The principles

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

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

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

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

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

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

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

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

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

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

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

Preliminary remarks

11) The applicant has made a number of submissions in these proceedings and submitted evidence relating to matters which do not assist it. My reasons for this are set out below.

12) Firstly, the applicant has submitted evidence relating to the claimed lack of use by the opponent of its mark in the UK in relation to the relevant goods. As noted above, the opponent's earlier marks are not subject to 'proof of use' because none of them had been registered for five years or more at the date of filing of the applicant's mark. The alleged lack of use by the opponent is, therefore, irrelevant.

13) Secondly, the applicant has pointed out that the opponent has filed no evidence of confusion having taken place between the respective marks. This is also irrelevant. The matter before me must be assessed notionally and objectively. It is not necessary for the opponent to prove that confusion has already taken place.

14) Thirdly, the applicant has submitted evidence listing other marks on the register which also contain the word ‘athelite’. Evidence of this nature tells me nothing about the actual position in the marketplace. I have nothing before me to show that any of those marks are actually in use in the UK or to show that the average consumer has been exposed to such use and been able to distinguish between them. The ‘state of the register’ evidence does not assist the applicant.

Approach

15) The opponent relies upon five earlier marks. I note that marks ‘201 and ‘211 both cover the same goods in class 25. Mark ‘211 is also identical to mark ‘201 save for the inclusion of the additional element, ‘HYPER-CORE’ in the former which is not present in the latter. If the opponent does not succeed against the application in respect of mark ‘201, it would patently not be in any stronger position as regards mark ‘211. For the sake of economy, there is therefore no need for me to consider the likelihood of confusion in respect of mark ‘211. I will assess the likelihood of confusion in respect of the other four earlier marks only.

Comparison of goods

16) All relevant factors relating to the goods should be taken into account when making the comparison. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU, Case C-39/97, stated at paragraph 23 of its judgment:

> “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.”

17) Guidance on this issue has also come from Jacob J where, in *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, the following factors were highlighted as being relevant:

(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.

18) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v OHIM* Case T- 325/06, it was stated:

> "It is true that goods are complementary if 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 may think that the responsibility for those goods lies with the same undertaking.."

In Sanco SA v OHIM Case T-249/11, the General Court ('GC') found that goods and services may be regarded as 'complementary' and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services was very different, i.e. chicken against transport services for chickens. The purpose of examining whether there is a complementary relationship between goods/services is

to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in Sandra Amelia Mary Elliot v LRC Holdings Limited (BL-O-255-13):

> "It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes."

Whilst on the other hand:

> ".....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together."

19) Further, in *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM* Case T-133/05) the GC held 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 the trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM – Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 Oberhauser v OHIM – Petit Liberto (Fifties) [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 Vedial v OHIM – France Distribution (HUBERT) [2002] ECR II-5275,paragraphs 43 and 44; and Case T-10/03 Koubi v OHIM – Flabesa (CONFORFLEX) [2004] ECR II-719, paragraphs 41 and 42)."

20) The goods to be compared are:

Opponent's goods	Applicant's goods
Marks '930 and '201: **Class 25:** Clothing, footwear, headgear. Marks '678 and '766: **Class 28:** Sport and athletic equipment, namely basketballs, footballs, soccer balls, soccer goal nets, shin guards, chin guards, baseball mitts, baseball gloves, protective padding for athletic use; bags specially adapted for carrying sports equipment and sports balls, goalkeeper gloves; exercise equipment, namely exercise balls, exercise bands and exercise weights; foam exercise rollers; vibrating apparatus used in fitness and exercise programs to stimulate muscles and increase strength and physical performance; physical fitness equipment, namely, an exercise and training roller.	**Class 18:** Bags, including sports bags, travelling bags, bags for camping; Rucksacks; Wallets; Purses; Umbrellas; Toiletry bags. **Class 25:** Clothing; footwear; headgear. **Class 28:** Games; Playthings; Sporting articles, including balls.

Class 25

21) The applicant's goods in class 25 are self-evidently identical to the opponent's goods in class 25.

Class 28

22) The applicant's 'sporting articles, including balls' are identical to, at least, the opponent's 'sport and athletic equipment, namely basketballs, footballs, soccer balls, soccer goal nets, shin guards, chin guards, baseball mitts, baseball gloves, protective padding for athletic use'.

23) Ms Blythe submitted that the applicant's 'games; playthings' are identical or highly similar to the opponent's 'Sport and athletic equipment, namely basketballs, footballs, soccer balls, soccer goal nets'. Dealing first with the term 'playthings', this would include various kinds of balls such as footballs and basketballs and therefore the applicant's 'playthings' is identical to the opponent's goods.

24) Turning to 'games', I do not consider that the ordinary and natural meaning of this term includes the opponent's 'Sport and athletic equipment, namely basketballs, footballs, soccer balls, soccer goal nets' (my emphasis) or vice versa. Whilst the opponent's goods may be used during a game they are not a game per se. That said, the term 'games' is a broad one which is likely to cover goods which are very similar in nature to the goods covered by the opponent's goods and which may share users, trade channels, manufacturers and may be complementary and in competition. I find that the applicant's 'games' is highly similar to the opponent's goods.

Class 18

25) The applicant's 'Bags, including sports bags' is plainly highly similar to the opponent's 'bags specially adapted for carrying sports equipment'. Both terms cover goods which are in the nature of bags that will/may be used for the purpose of carrying sporting equipment (albeit that the opponent's goods in class 28 are specifically shaped to carry such equipment whereas the applicant's goods in class 18 are not so shaped). They will share trade channels and users, have a similar method of use and purpose and may be in competition. They are highly similar goods.

26) Ms Blythe submitted that the applicant's 'travelling bags, bags for camping; Rucksacks' are also similar to the opponent's 'bags specially adapted for carrying sports equipment'. The specific purpose of the respective goods is not the same (the opponent's goods being specifically to carry sports equipment whereas the applicant's goods do not share this limited purpose). However, the respective goods are all bags which may be made from the same materials and therefore share some similarity in nature. The users and trade channels may also be the same or overlap. I find the respective goods to be similar to a low degree.

27) Turning to the applicant's 'wallets; purses; toiletry bags', Ms Blythe submitted that these are similar to the opponent's 'clothing' because they will all share producers, trade channels and users and are all goods which will be selected to form an overall 'look' or matching outfit and are, therefore, also complementary.

28) I bear in mind that in *El Corte Ingles SA v OHIM,* Case T-443/05, the GC stated:

> "42. First, the goods in class 25 and those in class 18 are often made of the same raw material, namely leather or imitation leather. The fact may be taken into account when assessing the similarity between the goods. However, given the wide variety of goods which can be made of leather or imitation leather, that factor alone is not sufficient to establish that the goods are similar (see, to that effect, Case T-169/03 Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI) [2005] ECR II-685, paragraph 55).
>
> 43. Second, it is apparent that the distribution channels of some goods at issue are identical. However, a distinction must be made according to whether the goods in class 25 are compared to one or other of the groups of goods in class 18 identified by OHIM.
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> 44. On the one hand, as regards the second group of goods in class 18 (leather and imitations of leather, animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery), the Board of Appeal rightly held that the distribution channels were different from those used for the distribution of goods in class 25. The fact that those

two categories of goods may be sold in the same commercial establishments, such as department stores or supermarkets, is not particularly significant since very different kinds of goods may be found in such shops, without consumers automatically believing that they have the same origin (see, to that effect, Case T-8/03 El Corte Ingles v OHIM – Pucci (EMILIO PUCCI) [2004[ECR II-4297, paragraph 43).

45. On the other hand, as regards the first group of goods in class 18, namely leather and imitation leather goods not included in other classes such as, for example, handbags, purses or wallets, it should be noted that those goods are often sold with goods in class 25 at points of sale in both major retail establishments and more specialised shops. That is a factor which must be taken into account in assessing the similarity of those goods.

46. It must be recalled that the Court has also confirmed the existence of a slight similarity between ‘ladies’ bags’ and ‘ladies’ shoes’ (SISSI ROSSI, paragraph 42 above, paragraph 68). That finding must be extended to the relationship between all the goods in class 25 designated by the mark applied for and the leather and imitation leather goods not included in other classes, in class 18, designated by the earlier mark.

47. In light of the foregoing, it must be held that there is a slight similarity between the goods in class 25 and the first group of goods in class 18. Consequently, the Board of Appeal could not conclude that there was no likelihood of confusion on the part of the relevant public solely on the basis of a comparison of the goods concerned.

48. As to whether clothing, footwear and headgear in class 25 are complementary to ‘leather and imitations of leather, and goods of these materials and not included in other classes’ in class 18, it must be recalled that, according to the case-law, goods are complementary if 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 may think that the

responsibility for the production of those goods lies with the same undertaking (SISSI ROSSI, paragraph 42 above, paragraph 60).

49. Goods such as shoes, clothing, hats or handbags may, in addition to their basic function, have a common aesthetic function by jointly contributing to the external image (‘look’) of the consumer concerned.

50. The perception of the connections between them must therefore be assessed by taking account of any attempt at coordinating presentation of that look, that is to say coordination of its various components at the design stage or when they are purchased. The coordination may exist in particular between clothing, footwear and headgear in class 25 and the various clothing accessories which complement them such as handbags in class 18. Any such coordination depends on the consumer concerned, the type of activity for which that look is put together (work, sport or leisure in particular), or the marketing strategies of the businesses in the sector. Furthermore, the fact that the goods are often sold in the same specialist sales outlets is likely to facilitate the perception by the relevant consumer of the close connections between them and strengthen the perception that the same undertaking is responsible for the production of those goods.

51. It is clear that some consumers may perceive a close connection between clothing, footwear and headgear in class 25 and certain ‘leather and imitations of leather, and goods made of these materials and not included in other classes’ in class 18 which are clothing accessories, and that they may therefore be led to believe that the same undertaking is responsible for the production of those goods. Therefore, the goods designated by the mark applied for in class 25 show a degree of similarity with the clothing accessories included in ‘leather and imitations of leather, and goods made of these materials and not included in other classes’ in class 18 which cannot be classified as slight.”

Further, in 2013, in *Gitana SA v OHIM,* Case T-569/11, it was again found that various items of clothing, footwear and headgear in class 25 were similar to “goods

made of leather and imitations of leather and not included in other classes" in class 18. However, in 2014, in *Asos Plc v OHIM*, Case T-647/11, the GC upheld a decision by the OHIM (now EUIPO) Fourth Board of Appeal that there was no similarity between 'clothing, footwear and headgear' and 'bumbags; sports bags; casual bags; briefcases; attaché cases; satchels; beauty cases; credit card cases and holders; wallets; purses'. The court said:

> "45. It is apparent from the case-law that goods such as shoes, clothing, hats or handbags may, in addition to their basic function, have a common aesthetic function by jointly contributing to the external image ('look') of the consumer concerned. The perception of the connections between them must therefore be assessed by taking account of any attempt at coordinating presentation of that look, that is to say, coordination of its various components at the design stage or when they are purchased. That coordination may exist in particular between clothing, footwear and headgear in class 25 and the various clothing accessories which complement them, such as handbags in Class 18 (PiraNAM diseno original Juan Bolanos, cited in paragraph 15 above, paragraphs 49 and 50).
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> 46. In the present case, in the contested decision, the Board of Appeal held that 'bumbags; sports bags; casual bags; briefcases; attaché cases; satchels; beauty cases; credit card cases and holders; wallets; purses' in Class 18 – contrary to the 'clothing, footwear, headgear' in Class 25, which had an aesthetic function – essentially had a practical function, namely that of containing sports equipment, documents, banknotes and coins, are not perceived as part of the external image, have no aesthetic function and are not included in the marketing strategy for fashion accessories. The Board of Appeal consequently held that the abovementioned goods, coming within Class 18, were not complementary to 'clothing, footwear, headgear' in Class 25. It added that it was unlikely that, when buying a briefcase or a wallet, the purchaser would be asked about the colour of the suits or shoes normally worn or, when buying a sports bag, the colour of his tracksuit.
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> 47. That appraisal by the Board of Appeal must be upheld.

48. Firstly, the ‘bumbags; sports bags; casual bags; briefcases; attaché cases; satchels; beauty cases; credit card cases and holders; wallets; purses’ in Class 18, unlike the ‘clothing, footwear, headgear’ in Class 25, have an essentially utilitarian function and not an essentially aesthetic function. There is therefore no reason for the consumer to coordinate them with the ‘clothing, footwear, headgear’ in Class 25. In contrast to handbags, coming within Class 18, the goods at issue in Class 18 do not contribute to the external image of consumers.

49. Secondly, the purchase of the goods at issue in Class 18 is viewed independently from the purchase of ‘clothing, footwear, headgear’ in Class 25. The average consumer will purchase ‘bumbags; sports bags; casual bags; briefcases; attaché cases; satchels; beauty cases; credit card cases and holders; wallets; purses’ without worrying about the concomitant possession or purchase of ‘clothing, footwear, headgear’ in Class 25. Conversely, for the average consumer, the decision to buy ‘clothing, footwear, headgear’ in Class 25 is generally not influenced by, or subject to, the purchase or possession of the goods at issue in Class 18.

50. It follows that the ‘bumbags; sports bags; casual bags; briefcases; attaché cases; satchels; beauty cases; credit card cases and holders; wallets; purses’ in Class 18 cannot be considered clothing accessories.

51. In addition, even if the goods at issue in Class 18 were to share with the goods at issue in Class 25 the same distribution channels and have the same end users, that would not suffice for the conclusion that there is a similarity between those goods. Lastly, the intervener’s argument that those goods in Class 18 and the ‘clothing, footwear, headgear’ in Class 25 are generally produced by the same manufacturer has not been substantiated.”

29) On the face of it there appears to be some tension between the decisions made in the above cases. However, they all agree that goods can be considered complementary if they are used together to create a coordinated ‘look’ or image. I

am also mindful that the latest decision above reflects the position in the EU in April 2014, which is over seven years before the application date of the applicant's mark in the UK.

30) In my view, by the time the applicant's mark was filed in the UK in January 2022, the average consumer would not have chosen 'purses' purely for their functional purpose but also would have considered the appearance of the goods and whether they may tie together to form an overall 'look' with clothing. I further note that the TM Class system includes the term 'clutch purses [handbags]' which indicates that some purses are not merely intended to be carried in a pocket/handbag out of sight purely for functional purposes but, rather, are intended to be clutched in the hand and are therefore 'on show' (as an alternative to a larger handbag) and as part of an overall outfit. Bearing all of this in mind, together with 'purses' being likely to share the same producer and trade channels as the opponent's 'clothing', I find a medium degree of similarity between 'purses' and 'clothing'.

31) Turning to 'wallets; toiletry bags', it is not obvious to me that these goods will typically be purchased to form and overall 'look' with clothing. That said, I accept that they may be produced by the same undertakings, have the same users and the same/overlapping trade channels. I find a low degree of similarity between the applicant's 'wallets; toiletry bags' and the opponent's 'clothing'.

32) Finally, I turn to the applicant's 'Umbrellas'. Ms Blythe pointed out that the opponent's 'bags specially adapted for carrying sports equipment' covers golf bags. She also pointed out that the applicant's term would include 'golf umbrellas'. As such, she submitted that the respective goods are moderately similar because they are sold by the same brands to the same users. I accept that the users and trade channels for golf bags and golf umbrellas will be the same and they may be produced by the same manufacturers. That said, their respective nature, method of use and purpose is different and they are not in competition. I find a low degree of similarity between the applicant's 'umbrellas' and the opponent's 'bags specially adapted for carrying sports equipment'.

33) I add here that, if I am wrong on any of my findings above, I note that the applicant has not, in an event, denied the opponent's claim that the respective goods are similar. As such, the applicant is deemed to have admitted that there is some similarity between them.[9]

Average consumer and the purchasing process

34) It is necessary to determine who the average consumer is for the respective goods and the manner in which they are likely to be selected. 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."

35) The average consumer for the goods at issue is the general public. The purchasing act will be primarily visual because all of the goods will be selected after perusal of racks/shelves in high-street stores or from photographs/images on Internet websites or in catalogues. That is not to say, though, that the aural aspect should be ignored since the goods may sometimes be the subject of discussions with sales representatives, for example. The cost of the goods is likely to vary. However, insofar as clothing is concerned, factors such as size, material, comfort/fit, aesthetics and/or suitability for purpose are likely to be taken account of by the consumer regardless of cost. The same factors are also likely to be considered in relation to the applicant's goods in class 18 (with the possible exception of comfort/fit). Insofar as the respective goods in class 28 are concerned, factors such as suitability for purpose and

[9] See, for example, the decision of the Appointed Person in *Skyclub*, BL O/044/21, [11] –[29]

functionality are likely to be borne in mind. Generally speaking, I find that a medium degree of attention is likely to be paid during the purchase for all of the relevant goods.

Comparison of marks

36) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) 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."

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

37) The marks to be compared are, as follows:

Opponent's marks	Applicant's mark
Mark '201: athelite Mark '766: athelite HYPER-CORE Marks '930 & '678: ATHELITE HYPER CORE	

Overall impressions of the respective marks

38) The applicant's mark consists of a number of elements. The first element is the gold-coloured device ('the device'). The second element is the words 'ATHELITE SPORT', where the letters 'ATH' are presented in red and the letters 'ELITE' are presented in blue; the word 'SPORT' is presented in, what the applicant submits is, the colour silver (I am content to proceed on that basis). All of the letters of 'ATHELITE SPORT' are slightly stylised with the initial letter, 'A', having the most stylisation such as to resemble an incomplete triangle. The third element is the website address, 'www.Athelitesport.com' presented in a fairly standard black font. The fourth element is the slogan "BE AND IT IS" also presented in a fairly standard black font. The fifth

element is the white background which is reminiscent of paper/card due to its textured appearance. I find that it is the distinctive device and the ‘ATHELITE SPORT’ element which dominate the overall impression of the mark and roughly equally so. Further, within the ‘ATHELITE SPORT’ element, the ‘ATHELITE’ part of that element has the greatest weight owing to its greater degree of distinctiveness (being an invented word) and visual prominence (owing to the striking contrasting red and blue colours) as compared to the descriptive, and less visually striking word, ‘SPORT’. The website address and the slogan each contribute to the overall impression to a significantly lesser extent than the device and the ‘ATHELITE SPORT’ element. The background has the least weight in the overall impression.

39) Earlier mark ‘201 consists of the distinctive invented word ‘athelite’ presented in a slightly stylised font. The ‘elite’ part of that word is also presented in bold whereas the ‘ath’ part is not. There is also a hexagonal device preceding that word, containing the letter, ‘a’ in a slightly stylised font (‘the hexagonal ‘a’ device’). I find that the ‘athelite’ element is the most dominant element of the mark bearing in mind, in particular, the greater proportion of the mark that is occupied by that element as compared to the hexagonal ‘a’ device. The latter element also contributes to the mark’s overall impression, given that it is distinctive and is present at the beginning of the mark, but it makes a lesser contribution than the ‘athelite’ element.

40) Earlier mark ‘766 is identical to earlier mark ‘201 save for the addition of the words ‘HYPER-CORE’ in the former which are absent from the latter. In assessing mark ‘766, I therefore bear in mind my comments made in the preceding paragraph. However, I must also consider the impact of the addition of the words ‘HYPER-CORE’. The ‘HYPER CORE’ element appears visually subordinate to the other elements in the mark (being presented below the ‘athelite’ element and the hexagonal ‘a’ device) and it is also presented in a less visually striking way than the other elements (being less emboldened). Considering the mark as a whole, I find that the ‘athelite’ element has the greatest weight in the overall impression, the hexagonal ‘a’ device carries less weight than the former and the words ‘HYPER-CORE’ have the least weight in the overall impression of the mark.

41) Earlier marks ‘930 and ‘678 consist of the words ‘ATHELITE HYPER CORE’ in plain capital letters. Bearing in mind the prominence of the word, ‘ATHELITE’, at the beginning of the mark, and its invented nature, I find that this word contributes to the overall impression of the mark to a greater degree than the words, ‘HYPER’ and ‘CORE’, which follow.

Similarity between the applicant’s mark and earlier mark ‘201

42) Visually, the point of similarity between the marks is the word ‘athelite’, although presented in different font styles (including the triangular appearance of the initial letter ‘A’ in the applicant’s mark which is absent from the earlier mark). The hexagonal ‘a’ device in the earlier mark is not present in the applicant’s mark. Further, the word ‘sport’, the device, the website address, the slogan and the background in the applicant’s mark are not present in the earlier mark. As regards the shared word, ‘athelite’, the stylisation of that word is similar to the extent that the contrast between the letters ‘ATH/ath’ and ‘ELITE/elite’ is emphasised in both marks (in the applicant’s mark this is achieved by the use of contrasting colours (red and blue) whereas, in the opponent’s mark, it is achieved by the use of emboldening of the letters ‘elite’ over the letters ‘ath’). I note that the applicant highlights the colours in its mark as being a point of visual difference between the marks. However, I bear in mind that notional and fair use of the earlier mark would include use in red or blue, and therefore the difference in colour is not as stark as the applicant suggests. Overall, I find a medium degree of visual similarity between the marks.

43) Aurally, it is unlikely that the average consumer will vocalise the ‘a’ in the hexagonal ‘a’ device element of the earlier mark. It is far more likely that the mark will be referred to solely by the word ‘athelite’ which will be pronounced as ‘ath-el-eat’. Turning to the applicant’s mark, this will most likely be referred to by using the words ‘ATHELITE SPORT’ alone (as ‘ath-el-eat-sp-ort’). The device and the background are incapable of pronunciation, and it is highly unlikely that the slogan or the website address will be vocalised. If I am right that the respective marks will be pronounced as ‘ath-el-eat’ on the one hand and ‘ath-el-eat-sp-ort’ on the other, there is an above-medium degree of aural similarity between them. If I am wrong on that and the average consumer does articulate all elements of the respective marks, as the letter ‘a’ followed

by ‘ath-el-eat’ in the earlier mark and the phrase ‘be and it is’, followed by ‘ath-el-eat-sp-ort’ and the website address in the applicant’s mark, there would be a low degree of aural similarity between them.

44) Conceptually, I remind myself that a conceptual message is only relevant if it is capable of being grasped immediately by the average consumer. The invented word, ‘athelite’ strongly resembles the well-known word ‘athlete’. As such, I would expect the word ‘athelite’, in both marks, to be perceived as alluding to the meaning associated with the known word ‘athlete’. If I am wrong about that, any conceptual message that ‘athelite’ does send will, in any event, be the same in both marks. The device in the applicant’s mark will not evoke any clear concept and therefore does not contribute to the conceptual aspect of the comparison. I also consider it unlikely that any of the other elements in the respective marks will form part of the conceptual ‘hook’ for the consumer. On that basis the marks are highly similar, if not identical from a conceptual perspective (bearing in mind, also, the descriptive nature of the word ‘sport’ in the applicant’s mark). If I am wrong about that and the other elements in the respective marks *do* also contribute to the conceptual hook, there will still be an above-medium degree of conceptual similarity between the marks overall, bearing in mind the dominance of the word ‘athelite’ in both marks.

Similarity between the applicant’s mark and earlier mark ‘766

45) In approaching the comparison between the applicant’s mark and earlier mark ‘766, I bear in mind my earlier assessment made between the applicant’s mark and earlier mark ‘201 but must also consider the impact that the additional element, ‘HYPER-CORE’ has upon that assessment.

46) From a visual perspective, and bearing in mind my comments at paragraph 42, I find that the addition of the ‘HYPER-CORE’ element in the earlier mark serves as a further point of visual difference between the respective marks. Overall, there is a below-medium degree of visual similarity between the marks.

47) Aurally, I bear in mind my comments in paragraph 43. Further, insofar as the ‘HYPER-CORE’ element is concerned, this may not be articulated by the average consumer because of its subordinate position below the ‘athelite’ element. If that is

right, the average consumer is likely to articulate the earlier mark as ‘ath-el-eat’ and the later mark as ‘ath-el-eat-sp-ort’. I find an above-medium degree of aural similarity between the marks. If I am wrong on that and the average consumer does articulate all elements of the respective marks, as the letter ‘a’ followed by ‘ath-el-eat’ and ‘HYPER-CORE’ in the earlier mark and the phrase ‘be and it is’, followed by ‘ath-el-eat-sp-ort’ and the website address in the applicant’s mark, there would be a very low degree of aural similarity between them.

48) Conceptually, I do not consider that the ‘HYPER-CORE’ element in the earlier mark sends any clear and immediately graspable concept to the consumer. That being so, and bearing in mind my comments at paragraph 44, I find that the respective marks are conceptually highly similar, if not identical. If I am wrong about that and the other elements in the respective marks, including the ‘HYPER-CORE’ element, *do* also contribute to the conceptual hook, there will still be a medium degree of conceptual similarity between the marks overall, bearing in mind the dominance of the word ‘athelite’ in both marks.

Similarity between the applicant’s mark and earlier marks ‘930 and ‘678

49) Visually, the point of similarity between the marks is the word ‘athelite’. However, in the earlier mark that word is presented in plain letters and in the applicant’s mark that word is in a stylised font (including the triangular appearance of the initial letter ‘A’ in the applicant’s mark which is absent from the earlier mark). In all other respects, the marks are visually different. Specifically, the words ‘HYPER CORE’ in the earlier mark are not present in the applicant’s mark. Further, the word ‘sport’, the device, the website address, the slogan and the background in the applicant’s mark are not present in the earlier mark. As regards the shared word, ‘athelite’, the stylisation of that word is different in the respective marks such that, in the applicant’s mark, there is contrast between the letters ‘ATH’ and ‘ELITE’ which is achieved by the use of contrasting colours (red and blue); there is no such contrast in the earlier mark which is a plain word mark. That said, I bear in mind that the earlier mark could notionally be presented in red or blue and therefore the difference in colour is not as stark as the applicant suggests in its submissions. Overall, I find a below-medium degree of visual similarity between the marks.

50) Aurally, I have already explained that the applicant's mark is most likely to be referred to by using the words 'ATHELITE SPORT' alone (as 'ath-el-eat-sp-ort'). The device and the background are incapable of pronunciation, and it is highly unlikely that the slogan or the website address will be vocalised. The earlier mark will be articulated as 'ath-el-eat-hype-er-cor'. On that basis I find a medium degree of aural similarity between the marks. If I am wrong on that and the average consumer does articulate the slogan 'be and it is', followed by 'ath-el-eat-sp-ort' and the website address in the applicant's mark, there would be a very low degree of aural similarity between them.

51) Conceptually, as already stated, I do not consider that the words 'HYPER CORE' will evoke any clear concept in the average consumer's mind and as such, they do not contribute to the conceptual aspect of the comparison. Bearing in mind my comments at paragraph 44 about: i) how the word 'athelite' in both marks is likely to be conceptualised and ii) how the applicant's mark, as a whole is likely to be conceptualised, I find that the respective marks are conceptually highly similar, if not identical. If I am wrong about that and the other elements in the respective marks, including the 'HYPER-CORE' element, *do* also contribute to the conceptual hook, there will still be a medium degree of conceptual similarity between the marks overall, bearing in mind the dominance of the word 'athelite' in both marks.

Distinctive character of the earlier marks

52) The distinctive character of the earlier marks must be considered. The more distinctive each of them is, either by inherent nature or by use, the greater the likelihood of confusion between each of them and the applicant's mark (*Sabel BV v Puma AG*). 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 *WindsurfingChiemsee* 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)."

53) I bear in mind that it is the distinctiveness of the common element which is key[10]. That being so, the most relevant element in the earlier marks is the plain word, 'ATHELITE', in marks '930 and '678, and the stylised word 'athelite' (where the letters 'ath' are less bold than the letters 'elite') in marks '201 and '766.

54) There is no evidence of use before me and so I have only the inherent distinctiveness to consider.

55) I will first consider marks '930 and '678. 'ATHELITE' is not a dictionary word. However, it strongly resembles the known word, 'athlete' and is therefore likely to allude to the concept associated with the latter word. That is not a particularly distinctive allusion in relation to the relevant earlier goods which may be used for participation in sports. However, the misspelling, which gives the word an invented nature, does elevate its distinctiveness to some degree. I find that the plain word 'ATHELITE' in earlier marks '930 and '678 has a <u>below-medium</u> degree of distinctiveness in relation to the relevant goods. I do not consider that the words

[10] As per *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, [38]-[39]

‘HYPER CORE’ elevate the distinctiveness of the mark to any greater degree. The mark, as a whole, also has a below-medium degree of distinctiveness.

56) Turning to mark ‘201, the particular presentation of the word ‘athelite’, where the stylisation creates contrast between the letters ‘ath’ and ‘elite’, serves to highlight the presence of the known word ‘elite’ within the mark which is not, of itself, particularly distinctive, if at all. That said, the conjoining of ‘elite’ with ‘ath’ creates an invented word overall, ‘athelite’. For reasons already explained, the allusive concept created by that word is not a particularly distinctive one in relation to the earlier goods. Notwithstanding that allusion, I find that the invented nature of the word ‘athelite', as a whole, combined with the use of the particular stylisation highlighting the contrast between the first and last letters of the word, is such that the ‘athelite’ element in mark ‘201 has a medium degree of distinctiveness. The hexagonal ‘a’ device does not, in my view, materially enhance the distinctiveness of the mark. The mark, as a whole, also has a medium degree of distinctiveness.

57) Similar considerations apply to mark ‘766 as those in the preceding paragraph. The ‘athelite’ element in the mark has a medium degree of distinctiveness. However, this mark also contains the words ‘HYPER-CORE’. I do not consider that the words ‘HYPER-CORE’ elevate the distinctiveness of this mark to any higher level. I find that mark ‘766, as a whole, has a medium degree of distinctiveness.

Likelihood of confusion

58) I must now feed all of my earlier findings into the global assessment of the likelihood of confusion, keeping in mind the following factors: i) the interdependency principle, whereby a lesser degree of similarity between the goods may be offset by a greater similarity between the marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*); ii) the principle that the more distinctive the earlier mark is, the greater the likelihood of confusion (*Sabel BV v Puma AG*), and; iii) the factor of imperfect recollection i.e. that consumers rarely have the opportunity to compare marks side by side but must rather rely on the imperfect picture that they have kept in their mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V).*

59) At the hearing, Ms Blythe confirmed that the opponent relies, primarily, upon the likelihood of indirect confusion. I agree that the opponent's strongest case lies with the prospect of indirect rather than direct confusion. Put shortly, bearing in mind, in particular, the degree of visual similarity between the respective marks, it is unlikely that any of the earlier marks will be mistaken for the applicant's mark notwithstanding the conceptual similarities that exist and the degree of similarity between the respective goods. I will, therefore, proceed to consider the likelihood of indirect confusion between them.

60) I bear in mind that in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10 (*L.A. Sugar),* Mr Iain Purvis Q.C. (as he then was), sitting 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)".

61) I also keep in mind that in *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [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. Furthermore, it is not sufficient that a mark merely calls to mind another mark: *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17. This is mere association not indirect confusion.

62) I bear in mind that the categories listed above in *L.A. Sugar* are, of course, not an exhaustive list of all the ways in which indirect confusion can occur; they are merely examples of the way in which it tends to occur.

<u>The likelihood of indirect confusion between earlier mark '201 and the applicant's mark</u>

63) The respective goods in class 25 are identical. There is also a medium/low degree of similarity between the earlier goods in class 25 and some of the applicant's goods in class 18. The marks are visually similar to a medium degree. Aurally the marks are similar to an above medium degree or, if I am wrong, a low degree. Conceptually, the marks are highly similar, if not identical. If I am wrong about that, they are conceptually similar to an above-medium degree. Mark '201, as a whole, has a medium degree of distinctiveness and the 'athelite' element, of itself, in mark '201 also has a medium degree of distinctiveness. The average consumer, being a member of the general public, is likely to pay a medium degree of attention.

64) Having carefully considered all of the above factors, I find that there is a likelihood of indirect confusion between earlier mark '201 and the applicant's mark. I agree with Ms Blythe that the applicant's mark is likely to be perceived as a sub-brand or brand extension of the earlier mark. In reaching this view, I have borne in mind, in particular, the degree of conceptual similarity between the marks (if not identity) and that, although the common element is not strikingly distinctive, it is the most dominant element of the earlier mark and the most dominant verbal element of the later mark. Further, both marks also use a visually contrasting effect (albeit in different ways) between the letters 'ath' and 'elite'. In my view, the average consumer, whilst recalling that the marks are not the same (but, nonetheless, still experiencing some degree of imperfect recollection), is likely to put the common use of the dominant 'athelite' element, with contrasting letters, down to the goods coming from the same or linked undertaking(s) even where there is only a low degree of similarity between the goods. **The opposition based upon earlier mark '201 succeeds.**

The likelihood of indirect confusion between earlier mark '766 and the applicant's mark

65) The respective goods in class 28 are identical or highly similar. There is also a high degree of similarity between the earlier goods in class 28 and some of the applicant's goods in class 18 and a low degree of similarity between others in those classes. The marks are visually similar to a below-medium degree. Aurally the marks are similar to an above-medium degree or, if I am wrong, a very low degree. Conceptually, the marks are highly similar, if not identical. If I am wrong about that, they are conceptually similar to a medium degree. Mark '766, as a whole, has a medium degree of distinctiveness and the 'athelite' element, of itself, in mark '766 also has a medium degree of distinctiveness. The average consumer, being a member of the general public, is likely to pay a medium degree of attention.

66) Having carefully considered all of the above factors, I find that there is a likelihood of indirect confusion between earlier mark '766 and the applicant's mark. The applicant's mark is likely to be perceived as a sub-brand or brand extension of the earlier mark. In reaching this view, I have borne in mind, in particular, the degree of conceptual similarity between the marks (if not identity) and that, although the common element is not strikingly distinctive, it is the most dominant element of the earlier mark

and the most dominant verbal element of the later mark. Further, both marks also use a visually contrasting effect (albeit in different ways) between the letters 'ath' and 'elite'. In my view, the average consumer, whilst recalling that the marks are not the same (but, nonetheless, still experiencing some degree of imperfect recollection) is likely to put the common use of the dominant 'athelite' element, with contrasting letters, down to the goods coming from the same or linked undertaking(s), even where there is only a low degree of similarity between the goods. **The opposition based upon earlier mark '766 succeeds.**

The likelihood of indirect confusion between earlier marks '930 and '678 and the applicant's mark

67) The goods in class 25 covered by mark '930 are identical to the applicant's class 25 goods. There is also a medium/low degree of similarity between the class 25 goods of that earlier mark and some of the applicant's goods in class 18. The goods in class 28 covered by mark '678 are identical or highly similar to the applicant's goods in class 28. There is also a high/low degree of similarity between the class 28 goods covered by mark '678 and some of the applicant's goods in class 18. The marks are visually similar to a below-medium degree. Aurally the marks are similar to a medium degree or, if I am wrong, a very low degree. Conceptually, the marks are highly similar, if not identical. If I am wrong about that, they are conceptually similar to a medium degree. Both earlier marks, as a whole, have a below-medium degree of distinctiveness and the 'athelite' element, of itself, in each earlier mark also has a below-medium degree of distinctiveness. The average consumer, being a member of the general public, is likely to pay a medium degree of attention.

68) Considering all of the above factors, I find that there is a likelihood of indirect confusion in respect of both earlier marks and the applicant's mark. The latter mark is likely to be perceived as a sub-brand or brand extension of both earlier marks. In reaching this view, I have borne in mind, in particular, the degree of conceptual similarity (if not identity) between the marks and that, although the common element is not strikingly distinctive, it is the most dominant element of the earlier mark and the most dominant verbal element of the later mark. In my view, the average consumer, whilst recalling that the marks are not the same (but, nonetheless, still experiencing

some degree of imperfect recollection), is likely to put the common use of the invented and dominant ‘athelite’ element down to the goods coming from the same or linked undertaking(s), even where there is only a low degree of similarity between the goods. **The opposition based upon earlier marks ‘930 and ‘678 succeeds.**

COSTS

69) As the opponent has been successful, it is entitled to a contribution towards its costs. At the hearing, Ms Blythe made a request for ‘off-scale’ costs. The reason for this request is that the applicant has, in Ms Blythe’s submission, repeatedly persisted in making submissions about irrelevant matters which the opponent has had to consider and respond to by way of its submissions in reply during the evidence rounds and which Ms Blythe also had to deal with at the hearing. Having reviewed the circumstances of this case, I do not consider that the applicant’s conduct has been so unreasonable as to warrant a departure from the scale.

70) As the instant proceedings were commenced prior to 1 February 2023, the relevant scale is that which is provided in Tribunal Practice Notice 2/2016. Using that scale as guidance, and bearing in mind that the opponent amended its grounds of opposition early on to rely solely upon Section 5(2)(b) of the Act (which grounds attract an official fee of only £100), I award costs to the opponent on the following basis:

Official fee (Form TM7)	£100
Preparing a statement and considering the other side’s statement	£300
Filing submissions during the evidence rounds (in chief and in reply)	£600
Preparing for, and attending, the hearing	£600
Total:	**£1600**

71) I order CORNERSTONE1 Limited to pay One Zero Pty Ltd the sum of **£1600**. This sum is to 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 4th day of March 2025

Beverley Hedley
For the Registrar