o/0332/24

TRADE MARKS ACT 1994

IN THE MATTER OF
TRADE MARK APPLICATON NO. 3761804
BY SE BICYCLES COMPANY LIMITED TO REGISTER AS A TRADE MARK:

IN CLASSES 6, 7, 9, 11, 12, and 35.

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. OP000434606
BY ENERGICA MOTOR COMPANY S.P.A.

## BACKGROUND AND PLEADINGS

1. On 04 March 2022, SE BICYCLES COMPANY LIMITED ("the applicant") applied to register the trade mark displayed on the cover page of this decision, under number 3761804 ("the application"). It was accepted and published in the Trade Marks Journal on 25 March 2022 in respect of the following goods and services:

Class 6: Bicycle locks; metal stands for bicycles.

Class 7: Clutches and parts thereof; transmissions and transmission shafts; bearings; shock absorbers; springs; starter motors; kick starters; cylinders and parts thereof; camshafts; valves and fittings; crank shafts and piston rings; gear shafts and parts thereof; carburettors and parts thereof; connection rods; oil pumps and oil filters; electrical generators, alternators and dynamos; bearings for engines; chains; starting and ignition apparatus for motor vehicles; electrical generators and parts thereof.

Class 9: Electrical switches, electrical cut-offs; speedometers and parts therefor; batteries for land vehicles; helmets.

Class 11: Lamps, reflectors for lamps and lights; bulbs; tail lights for land vehicles; lights for bicycles.

Class 12: Vehicle axle assemblies; brake shoes, brake pads; clutches and parts thereof; transmissions and transmission shafts; bearings; vehicle wheel hubs; direction indicators; shock absorbers; springs; starter motors; cylinders and parts thereof; valves and fittings; cranks for motorcycles,

cycles and bicycles; cranks [parts of land vehicles]; connection rod; connection rods; oil pumps and oil filters; bearings for engines; kick starters; chains; indicators for land vehicles; metal rods/shafts for use within gear shift apparatus, being parts for land vehicles; magnetic flywheels, flywheels being parts for land vehicles; Pedal land vehicles; cycles; bicycles, tricycles; folding bicycles, cycle cars; baskets, panniers, bag carriers, luggage carriers, bells, covers, mudguards, saddles, direction indicators, all for use on pedal land vehicles; stands and kickstands for pedal land vehicles; bicycle pumps, handlebars, bicycle bar ends, bicycle saddle posts, bicycle bar extensions, bicycle trailers, bicycle rims, bicycle cranks, stands, chains, stabilisers, spokes, sprockets, horns, structural parts, fitting bicycle covers, brakes, derailleurs, gears, frames, wheels, hubs, water bottle cages, pumps, children's bicycle seats, twist grips, baskets adapted for bicycles, brake cables, suspension systems, front forks, toe clips; parts and fittings for all the aforesaid goods; none being tyres, inner tubes and treads for recapping tyres, nor parts and fittings for tyres, inner tubes and treads for recapping tyres.

Class 35: Retail services, wholesale services, electronic retail services, mail order retail services all in connection with the sale of Bicycle locks, metal stands for bicycles, clutches and parts thereof, transmissions and transmission shafts, bearings, shock absorbers, springs, starter motors, cylinders and parts thereof, camshafts, valves and fittings, crank shafts and piston rings, gear shafts and parts thereof, connection rods, oil pumps and oil filters, electrical generators, alternators and dynamos, bearings for engines, chains, starting and ignition apparatus for motor vehicles, electrical generators and parts thereof, electrical

switches, electrical cut-offs, speedometers and parts therefor, batteries for land vehicles, helmets, lamps, reflectors for lamps and lights, bulbs, tail lights for land vehicles, lights for bicycles, vehicle axle assemblies, brake shoes, brake pads, clutches and parts thereof, transmissions and transmission shafts, bearings, vehicle wheel hubs, direction indicators, shock absorbers, springs, starter motors, cylinders and parts thereof, camshafts, valves and fittings, crank shafts and piston rings, connection rods, oil pumps and oil filters, bearings for engines, kick starters, chains, indicators for land vehicles, metal rods and/or shafts for use within gear shift apparatus, being parts for land vehicles, magnetic flywheels, flywheels being parts for land vehicles, Pedal land vehicles, cycles, bicycles, tricycles, folding bicycles, cycle cars, baskets, panniers, bag carriers, luggage carriers, bells, covers, mudguards, saddles, direction indicators, stands and kickstands for pedal land vehicles, bicycle pumps, handlebars, bicycle bar ends, bicycle saddle posts, bicycle bar extensions, bicycle trailers, bicycle rims, bicycle cranks, stands, chains, stabilisers, spokes, sprockets, horns, structural parts, fitting bicycle covers, brakes, derailleurs, gears, frames, wheels, hubs, water bottle cages, pumps, children's bicycle seats, twist grips, baskets adapted for bicycles, brake cables, suspension systems, front forks, toe clips, parts and fittings for all the aforesaid goods; none being tyres, inner tubes and treads for recapping tyres, nor parts and fittings for tyres, inner tubes and treads for recapping tyres.

2. On 27 June 2022, the application was opposed by ENERGICA MOTOR COMPANY S.p.A. (“the opponent”). The opposition is brought under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), is directed against all of the

goods and services specified in the application and is reliant upon the following word mark:

**ENERGICA**

UK trade mark registration number UK00917922575
Filing date: 25 June 2018
Priority date: 22 June 2018
Registration date: 05 December 2018
Relying on all goods, namely:

Class 12: Parts of Electric vehicles (EV); Electric apparatus for locomotion by land; Electric apparatus for locomotion by air; Electric apparatus for locomotion by water; Electric motors for electric land vehicles; Electric micro cars; Electric motorbikes; Electric motor cycles; Electrically operated scooters; Electric cars; Electric bicycles; Electric quadricycles; Electric aquatic vehicles; Electric jet skis; Electric snowmobiles; Boats and Electrically powered watercraft.

3. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing registered EUTM or International Trade Mark designating the EU. As a result, the opponent's mark was converted into a comparable UK trade mark. Comparable UK marks are now recorded in the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original filing dates remain the same.[1]

4. The opponent's mark is an earlier mark in accordance with Section 6 of the Act. However, as it had not been protected for five years or more at the filing date of the application, it is not subject to the proof of use requirements specified within Section 6A of the Act.

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[1] See also Tribunal Practice Notice ("TPN") 2/2020 End of Transition Period – impact on tribunal proceedings

5. The opponent submits that the marks at issue are visually, aurally, and conceptually confusingly similar, and that the applicant’s goods and services are all identical or highly similar to the opponent’s goods. As such, it submits that the application should be refused in its entirety and that an award of costs be made in the opponent’s favour.

6. The applicant filed a counterstatement denying that the marks are similar, as well as contending specifically that the following goods and services are dissimilar to any of the opponent’s goods due to them not being present in electric vehicles:

**Class 07**

Clutches and parts thereof; transmissions and transmission shafts; starter motors; kick starters; cylinders and parts thereof; camshafts; valves and fittings; crank shafts and piston rings; gear shafts and parts thereof; carburettors and parts thereof; connection rods; oil pumps and oil filters; bearings for engines; chains.

**Class 12**

Clutches and parts thereof; transmission and transmission shafts; starter motors; cylinders and parts thereof; valves and fittings; cranks for motorcycles, cycles and bicycles; cranks [parts of land vehicles]; connection rod; connection rods; oil pumps and oil filters; bearings for engines; kick starters; chains; metal rods/shafts for use within gear shift apparatus, being parts for land vehicles; magnetic flywheels, flywheels being parts for land vehicles; Pedal land vehicles; baskets, panniers, bag carriers, luggage carriers, bells, covers, mudguards, saddles, all for use on pedal land vehicles; stands and kickstands for pedal land vehicles; bicycle cranks; chains; stabilisers; derailleurs, gears; children's bicycle seats.

**Class 35**

Retail services, wholesale services, electronic retail services, mail order retail services all in connection with the sale of clutches and parts thereof, transmissions and transmission shafts, starter motors, cylinders and parts thereof, camshafts, valves and fittings, crank shafts and piston rings, gear shafts and parts thereof, connection rods, oil pumps and oil filters, bearings for engines, chains, ignition apparatus for motor vehicles, helmets, vehicle axle assemblies, clutches and parts thereof, transmission and transmission shafts, starter motors, cylinders and parts thereof, camshafts, valves and fittings, crank shafts and piston rings, connection rods, oil pumps and oil filters, bearings for engines, kick starters, chains, metal rods and/or shafts for use within gear shift apparatus being for land vehicles, magnetic flywheels, flywheels being parts for land vehicles, pedal land vehicles, baskets, panniers, bag carriers, luggage carriers, bells, covers, mudguards, saddles, direction indicators, stands and kickstands for pedal land vehicles, bicycle cranks, chains, stabilisers, sprockets, derailleurs, gears, children's bicycle seats.

7. Neither party filed any evidence in support of their case, however both sides filed written submissions in lieu. These will not be summarised but will be referred to as and where appropriate during this decision. Neither party requested a hearing and so this decision is taken following a careful perusal 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.

9. In these proceedings, the opponent is represented by Beck Greener LLP and the applicant is represented by National Business Register Group Ltd.

## Decision

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

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

> "5 (2) A trade mark shall not be registered if because –
>
> > […]
> >
> > (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,
>
> there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark"

11. 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."

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

**The principles:**

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

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

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

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

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

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

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

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

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

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

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

**Comparison of goods and services**

13. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the General Court stated that:

"29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut 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."

14. The applicant's goods and services are listed at paragraph 1 above and the opponent's goods are listed at paragraph 2.

15. Having considered the parties' specifications, it is clear that some of the applicant's goods and services are identical to the goods in the opponent's

mark's specification. While I do not intend to go over each and every example, I note the following:

- *'Vehicle axle assemblies; brake shoes, brake pads; vehicle wheel hubs; direction indicators'* in class 12 of the applicant's specification are identical under the principle outlined in *Meric* with *"parts of electric vehicles (EV)"* in the opponent's mark's specification; and
- *'Cycles; bicycles; folding bicycles'* in class 12 of the applicant's specification are identical under the principle outlined in *Meric* to *'electric bicycles'* in the opponent's mark's specification.

16. In the present case, I do not consider it necessary to undertake a full comparison of the goods and services of both parties. My consideration of the opposition will, therefore, proceed on the basis that the applicant's goods and services are identical to those goods covered by the opponent's mark. If the opposition reliant upon the present ground fails even where the goods and services are identical, it follows that it will also fail where the goods and services are only similar. In the event that the opposition succeeds, it will be necessary to return to this point to consider the parties' goods and services in full.

**The average consumer and the nature of the purchasing act**

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

18. 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."

19. In their submissions the opponent states that the applicant seeks protection for a range of goods and services, the majority of which relate to vehicle parts and accessories, as well as the retail of these goods. They go on to argue that as a result of the nature of the goods, the average consumer is the general public at large. The opponent also submits that the consumer is unlikely to conduct extensive planning or research before the selection of these goods and services and consequently the visual element will play a significant role in the purchasing act, but so too will the aural element. Further, it is argued that the majority of the goods are functional in nature and therefore would be routinely replaced, resulting in a low level of attention being paid by the consumer. However, for more expensive items, specifically 'Pedal land vehicles' (which are claimed to be dissimilar by the Applicant) and 'cycles; bicycles, tricycles; folding bicycles' (whose identity not disputed), the attention of the average consumer may be somewhat higher.

20. I agree with the opponent insofar as I also believe the average consumers for the contested goods are the general public, however, I also consider that they will include businesses that specialise in the provision of vehicle equipment. The purchasing of goods such as pedal land vehicles, cycles, bicycles, tricycles, folding bicycles, and cycle cars is likely to be less frequent than for parts and fittings and there will be considerable price variations for the goods. The purchasing process will be predominately visual as consumers will either visit a physical shop, showroom, garage or browse online websites. An aural element cannot be ruled out as consumers may seek advice from sales staff or

order parts in person or by telephone. I do disagree with the opponent that the level of attention paid in the purchasing of the goods will be low due to them being routinely replaced. Whilst parts and accessories for vehicles may be replaced more frequently than a vehicle itself, it is my view that there are likely to be a number of factors for consumers to consider during purchase such as suitability for purpose, technical capabilities and aesthetics, so as to select the appropriate part or accessory to ensure that it operates correctly for their chosen vehicle. I therefore find that a consumer will be paying a medium degree of attention.

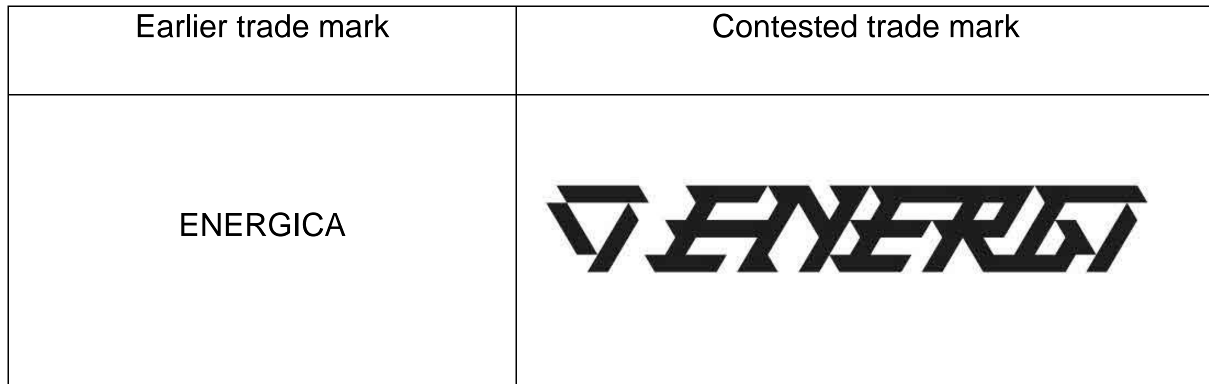
**Comparison of trade marks**

21. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union ("CJEU") stated at paragraph 34 of its judgement 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".

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

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



| Earlier trade mark | Contested trade mark |
|---|---|
| ENERGICA | |

24. The opponent contends that from a visual point of view the marks are largely identical. That is because the contested mark reproduces the first six letters of the opponent's mark, in the same order. Additionally, the opponent argues that phonetically the marks are highly similar due to them sharing the same first three syllables. Further, the opponent states that there is no conceptual consideration that would count against the phonetic and visual similarities of the marks.

25. The applicant disagrees that the marks are visually, phonetically, and conceptually similar. The applicant argues that the opponent's mark consists of eight letters that make up the single word 'ENERGICA' presented in a standard typeface, whereas their contested mark consists of a combination of a triangular device at the beginning of the mark, followed by the stylised word ENERGI, made up of six letters. Additionally, the applicant contends that the opponent's mark is phonetically dissimilar to the contested mark because the additional syllable results in a different pronunciation. Conceptually, the applicant argues that the contested mark would be perceived as a fanciful spelling of the well-recognised word ENERGY which is itself defined as the power derived from the utilization of physical or chemical resources, especially to provide light and heat or to work machines, whereas the opponent's mark has no obvious meaning to the average consumer and therefore the two marks are conceptually dissimilar.

**Overall Impression**

26. The opponent’s mark consists of the single word ‘ENERGICA’. There are no other elements in the mark to contribute to its overall impression, which lies in the word itself.

27. The applicant’s mark is a composite mark containing the word ‘ENERGI’ which is presented in a stylised uppercase font. To the left of the word is a stylised triangular device. While the device is noticeable, one’s eye is drawn to the word element which makes the greater contribution in forming the overall impression. As for the stylisation of the word itself, I am of the view that this has quite a large impact on the overall impression of the mark (though to a slightly lesser degree than the word itself). The stylisation of the word goes beyond a simple or standard typeface where the word would be immediately identifiable and instead disguises the word to such a degree that the consumer would not instantly recognise it. Further, for some consumers the stylised typeface will render the word unreadable, however a significant proportion of consumers will still decipher the word 'ENERGI' from the sign. To give the opponent their best case it is upon these consumers that I will base the remainder of this opposition because it is established that if a court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention, then it may properly find infringement. [2]

**Visual Comparison**

28. Visually, it cannot be denied that both marks share the same first six letters (ENERGI). The difference between the marks is the addition of the letters ‘CA’ at the end of the opponent’s mark, and the inclusion of a device element in the applicant’s mark, as well as the stylised font used. Regardless of the different impressions these elements have in their respective marks, they are all points of visual difference. Additionally, while the opponent's mark is a word only mark, it is not capable of being used in heavily stylised typefaces, like the one used by the applicant. As a result, the stylisation is a considerable point of difference. Bearing in mind my assessment of the overall impression of the marks, I

[2] See *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41

consider that there is no more than a medium degree of visual similarity between the marks at issue.

**Aural Comparison**

29. Aurally, it is considered that the opponent's mark will be articulated as 'EH-NUH-JEE-KA', whereas the applicant's mark would be pronounced as 'EH-NUH-JEE'. It is unlikely that the device element in the applicant's mark will be articulated. The marks share three identical syllables at their beginnings, however the additional syllable at the end of the opponent's mark will not be ignored as it contributes to the mark as a whole. I say this because neither mark is particularly lengthy and while there is no special test which applies to the comparison of 'short' marks,[3] I am of the view that, in the present case, the shortness of the marks at issue means that the average consumer is more likely to notice the differences. Given the difference in pronunciation, because of the additional syllable in the opponent's mark, it is considered that the marks are aurally similar to a medium to high degree.

**Conceptual Comparison**

30. Conceptually, it is considered that the applicant's mark would bring to mind the recognised definition of 'energy', namely being 'power or force derived from the exploitation of physical and chemical resources in order to operate machines and devices, to provide light and heat, etc., and frequently regarded as a resource or commodity[4] The applicant's mark would be perceived as a misspelling of 'energy' by the consumer. On the other hand, it is considered that the opponent's mark will be perceived as an invented or foreign word that alludes to something to do with energy. Consequently, as both marks allude to the concept of energy, they are considered to be conceptually similar to high degree. However, I do consider that the unknown nature of the 'CA' at the end of the opponent's mark will act as a slight point of conceptual difference.

[3] See paragraph 44 of *BOSCO*, BL O/301/20
[4] See Oxford English Dictionary definition.

**Distinctive character of the opponent's mark**

31. 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)."

32. 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, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctive character of a mark can be enhanced by virtue of the use that has been made of it. The opponent has not claimed that its mark has acquired an enhanced degree of distinctiveness and has not filed any evidence to that effect. As such, I have only the inherent position to consider.

33. The earlier mark consists of the plain word ENERGICA without any additional stylisation or figurative elements. As such, the inherent distinctive character rests solely in the word itself. 'ENERGICA' is not a dictionary defined word and, as above, will be viewed either an invented or foreign language word. Ordinarily, this would lend itself to a finding of distinctiveness on the higher end of the scale. However, in the present case, the main conceptual message of the opponent's mark is an allusion to the word 'energy'. While I do not consider that this is directly descriptive in the context of the goods for which the mark is registered, I am of the view that it is somewhat allusive. I say this because the opponent's goods (being electric vehicles and their accessories) are such that any reference to 'energy' will be understood, by a significant proportion of average consumers, to allude to an alternative fuel source that powers the vehicles i.e., electricity. The reference to 'energy' for such goods, is therefore, unremarkable from a trade mark perspective. On balance of the above, I find that the opponent's mark possesses no more than a medium degree of distinctive character.

**Likelihood of confusion**

34. 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.

35. 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 (see *Sabel*, C-251/95, para 22). The first is the interdependency principle i.e., a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa (see *Canon*, C-39/97, para 17). It is necessary for me to keep in mind the distinctive character of the earlier 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 he has retained in his mind.

36. Whilst conducting a global assessment of the likelihood of confusion I must be aware of the fact that not all aspects of the respective marks will necessarily have the same impact. For example, the importance of the respective visual, aural and conceptual aspects will be dependent on factors such as the way the goods at issue are marketed, and in which type of store/platform they are made available.

37. Having conducted a comparison of the marks at issue, I have determined that:

- At least some of the goods and services are identical as outlined above.

- The average consumer is either a member of the general public, or a business specialising in vehicle parts and accessories. Both will demonstrate a medium level of attention during the purchasing process.

- The purchasing process for the goods and services will be primarily visual in nature, though aural considerations have not been excluded.

- The opponent's mark possesses no more than a medium level of inherent distinctive character.

- The marks at issue are visually similar to no more than a medium degree, aurally similar to a medium to high degree, and conceptually similar to a high degree, albeit with a slight conceptual difference created by the additional letters 'CA' in the opponent's mark.

38. However, it is the visual consideration which is of primary importance due to the purchasing process of the respective goods and services being visually dominated.[5]

39. Taking all of the above into account, I consider that the differences between the marks are such that the consumers would be able to accurately recall and sufficiently remember which mark was which. I appreciate that the marks share an identical six letter string, however, the addition of the letters 'CA' in the opponent's mark are subsumed into the body of a different word and are such that they will not be overlooked. I say this because while the mark will be understood as referring to the concept of 'energy', the word will still be viewed as a whole and will not be dissected by consumers to the point that it will be viewed simply as 'ENERGI'.

40. In addition, the stylistic differences created by the typeface used in the applicant's mark are significant and, as above, the opponent's mark is not capable of being presented in a similar or identical typeface. As a result, I consider that consumers will be able to recall which mark had such heavy stylisation elements and which did not. Lastly, while the distinctiveness of the opponent's mark is not low and the conceptual similarity between the marks is high, I am of the view that the shared conceptual hook (being a reference to 'energy') is something that would be considered coincidental by the consumer, particularly given the nature of the goods for which the opponent's mark is registered. Consequently, I do not consider that there exists a likelihood of direct confusion between the marks.

41. That leaves indirect confusion to be considered. In *L.A. Sugar Limited v By Back Beat Inc,* Case BL O/375/10, Mr Iain Purvis QC, (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

[5] See *New Look Limited v OHIM,* joined cases T-117/03 to T-119/03 and T-171/03

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)."

42. These three categories are not exhaustive; rather, they were intended to be illustrative of the general approach, as has been confirmed by the Court of Appeal. I recognise that a finding of indirect confusion should not be made

merely because the competing marks share a common element. In this connection, it is not sufficient that a mark merely calls to mind another mark: this is mere association not indirect confusion.

43. Furthermore, in *Liverpool Gin* [6] 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 [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.

44. Consumers, having recognised the difference created by use of the two letters “CA” at the end of the opponent’s mark, and the additional stylisation and device element in the contested mark, would not then assume that they are economically linked undertakings. The common string of letters “ENERGI” is not strikingly distinctive, and consumers would have no reason to artificially dissect the marks to separate the string out from the rest of the mark. I do not consider it logical that an undertaking would remove the last two letters of their mark; this is more than simply removing a non-distinctive element. Whilst I appreciate that the *L.A. Sugar* categories (referred to above) are not exhaustive, I do not see any other plausible basis on which to conclude that consumers would see the competing marks as deriving from economically linked undertakings. Instead, in my opinion, the shared string of letters will be seen as merely coincidental. Consequently, and bearing in mind the comments of Arnold LJ and Mr Mellor Q.C in the preceding paragraph, I do not consider there to be a likelihood of indirect confusion.

## Conclusion

45. The opposition has failed in its entirety. Therefore, subject to any successful appeal, the application may proceed to registration for all goods and services.

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[6] *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207

**Costs**

46. As the applicant has been successful it is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice ("TPN") 2/2016.[7] In the circumstances, I award the applicant the sum of £500, calculated as follows:

| | |
|---|---|
| Filing a Counterstatement and considering the Notice of Opposition | £200 |
| Written submissions in lieu | £300 |
| **Total** | £500 |

47. I therefore order **ENERGICA MOTOR COMPANY S.p.A.** to pay **SE BICYCLES COMPANY LIMITED** the sum of £500. This sum is to 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 11th day of April 2024**

**Oliver Rose'Meyer**
**For the Registrar**

[7] As the proceedings were commenced before 01 February 2023