O/0898/25

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NUMBER 3965871
IN THE NAME OF SELLUE LIMITED
FOR THE TRADE MARK

OPTIC

IN CLASSES 9 AND 35

AND

THE OPPOSITION THERETO UNDER NUMBER 445604
BY ONTIC ENGINEERING & MANUFACTURING UK LIMITED

Background and pleadings

1. SellUe Limited ("the applicant") filed an application for the trade mark OPTIC (number 3965871) on 10 October 2023 ("the relevant date") for the following goods and services:

Class 9: *Software; Application software; Software for monitoring, analysing, controlling and running physical world operations; Process controlling software; Computer programmes for data processing; Computer programs, downloadable; Computer programs, recorded; Computer software; Computer software downloaded from the internet; Computer software for mobile phones; Computer software, recorded; Data processing programs; Downloadable software; Programs for smartphones; Software and applications for mobile devices; Software downloadable from the internet; Software for smartphones; Software for tablet computers; all of the aforesaid software and programs for use in the aircraft teardown and consignment field for the purposes of optimising the financial return of an aircraft asset, assisting with the set up and management of aircraft consignment projects and data processing relating thereto, assisting with aircraft and parts inventory, assisting with aircraft and parts warehousing, assisting with aircraft teardown, aircraft and parts sales activity, assisting with aircraft and parts inventory management and finance relating thereto; none of the aforesaid software to be used for operating Navigational apparatus and instruments for use in aircraft, or operating GPS navigation systems for use in aircraft, or operating monitoring apparatus and instruments for use in aircraft, or operating autopilot systems for use in aircraft, or operating safety fire monitoring and suppression systems; Market prediction software.*

Class 35: *Business efficiency expert services; Business management and organization consultancy; Business management and organization consultancy services; Business management assistance; Business management consultancy; Commercial or industrial management assistance; Market intelligence services.*

2. Ontic Engineering & Manufacturing UK Limited ("the opponent") opposes the application under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the

Act”). The opponent relies upon the following two earlier trade mark registrations for its section 5(2)(b) and 5(3) grounds:

(i) 3672726

ONTIC

Filing date: 23 July 2021; registration date: 10 December 2021

Class 7: *Hydraulic aircraft systems; hydraulic systems and machines; fluid pressure operated mechanisms, gears and gear boxes; hydraulic accumulators; hydraulic cylinders, valves and pumps; cylinders, valves; aircraft filters and lubricators; hydraulic couplings and hydraulic filters; selector valves; hydraulic actuators and actuator systems; parts and fittings for all the aforesaid goods.*

Class 9: *Navigational apparatus and instruments for use in aircraft; GPS navigation systems for use in aircraft; monitoring apparatus and instruments for use in aircraft; autopilot systems for use in aircraft; safety fire monitoring and suppression systems; parts and fittings for all the aforesaid goods.*

Class 12: *Parts and fittings for aircraft; aeronautical apparatus and appliances; landing gear components; hydraulic systems for aircraft; aircraft steering systems; parts and fittings for all the aforesaid goods.*

Class 37: *Aircraft component maintenance and repair; aircraft steering and landing gear construction, maintenance and repair; information and advisory services connected with all the aforesaid services.*

Class 40: *Custom manufacture of aircraft parts; custom manufacture of products and components for use in the aerospace industry; custom manufacture of hydraulic systems and individual assemblies including actuators, valves, accumulators, reservoirs and dampers; custom manufacture of electronics and avionics including fuel measurement systems, engine and environmental controls, oxygen components, fire*

protection and suppression systems and airborne radar; information and advisory services connected with all the aforesaid services.

Class 41: *Provision of training; provision of training in connection with aircraft parts and aircraft systems.*

Class 42: *Technical testing services; fatigue testing and endurance testing; testing services for the certification of quality standards (equipment); design of aircraft parts; information and advisory services connected with all the aforesaid services.*

(ii) 3672711

ONTIC

Filing date: 23 July 2021; registration date: 10 December 2021.

Relying on the same goods and services as for earlier mark (i).

3. Under section 5(2)(b) of the Act, the opponent claims that the difference of a single letter could be overlooked. It claims the respective goods and services are complementary and highly similar, potentially having the same customers, such as airlines, air forces and companies that own and lease aircraft. These factors, combined with the enhanced distinctive character of the earlier mark, will lead to a likelihood of confusion.

4. Under section 5(3) of the Act, the opponent claims a reputation in all of its registered goods and services such that the relevant public will believe that the applicant's goods and services come from the opponent or an undertaking economically connected to the opponent. The marks will either be confused directly or mistaken for a related brand or sub-brand; for example, in connection with parts at the end of an aircraft's life. There will also be unfair advantage because the contested mark will benefit from the opponent's investment in promoting its marks by free-riding on their repute. This is particularly relevant in the aviation industry, where safety and reliability of aircraft parts are paramount. If the applicant's goods and services are of lower quality and

reliability, this could cause damage to the reputation of the opponent's marks. The third type of damage claimed is that the use of the applicant's mark would dilute the distinctive character of the opponent's marks and consumers would accordingly be less capable of identifying the opponent's marks as a unique identifier of origin. The opponent claims that part of its business model is the acquisition or licensing of other businesses, and the economic behaviour of those businesses in their dealings with the opponent, as well as of the opponent's customers, could be damaged by the diluted status of the ONTIC brand.

5. Under section 5(4)(a) of the Act, the opponent claims that it has used signs which correspond to the earlier marks throughout the UK since at least pre-2008 in relation to "a wide range of aircraft parts, components and systems and aircraft software, as well as manufacture, repair, testing, design, information, advisory and training services in connection with aircraft parts, components, software and systems. Many aircraft parts have pre-loaded software; examples of systems that Ontic manufacture and support include weather radar systems, flight recording systems, navigational systems, communications systems and fuel management systems." The opponent claims that its goodwill attached to its business distinguished by the signs entitles it to prevent the use of the application under the law of passing off because it would cause misrepresentation and damage to the opponent's goodwill. This would include confusion, loss of business, damage to reputation and dilution of distinctive character. The opponent states:

> "It is perfectly possible that the applicant's OPTIC aircraft teardown and asset realisation software and services could be used in relation to aircraft containing parts manufactured by Ontic. The two businesses either have, or could easily have, customers in common, such as airlines.
>
> There is the additional consideration in the aviation industry that safety is paramount, and getting things wrong can lead to loss of life, which as well as being tragic, can lead to enormous and sometimes irrevocable reputational damage to a business involved in aircraft parts and related services. In this particular case, that could occur if the applicant were to sell aircraft parts, such as software, in connection with their OPTIC brand, which were of inferior

quality, or had outlived their operation life, and failed in use. It is important to note that Ontic specialises primarily in the manufacture of new spares and repair and overhaul services for legacy aerospace products, rather than new products, which further increases the overlap between the two businesses, because we understand that the applicant's OPTIC products and services relate to aircraft teardown and realisation of assets at the end of an aircrafts [sic] life, at which point some of the parts might potentially be salvagable, and suitable for repair/re-engeering [sic] and therefore re-use, whereas others might be designated for scrap."

6. The applicant filed a defence and counterstatement, denying the grounds of opposition. It puts the opponent to proof of reputation and goodwill. More particularly, the applicant makes the following points:

- the marks are relatively short which means that the difference will be easily noticed by the consumer;
- the marks are conceptually different, neutralising any perceived visual or phonetic similarities;
- the level of attention of the average consumer will be high, being someone with technical, aviation, business and/or financial expertise;
- the goods and services are not similar; for example, the opponent's class 9 goods are for use in aircraft to help it to fly, whereas the applicant does not sell aircraft parts. The applicant states:

> "11. Unlike the Opponent, the Applicant does not sell aircraft parts. The Applicant assists companies in optimising each operational element of the aircraft consignment and teardown process, including cost and revenue management, reporting and communication. Specifically, OPTIC is an online data and communication software platform used to optimise the financial return of torn down aircraft. The data and communication platform software is used by third parties for aviation consignment management and reporting. The OPTIC mark is not used in aircraft or on aircraft parts. The OPTIC software platform does not

help aircraft to fly. It is a piece of software used by third parties to optimize the financial return of a torn down aircraft when that aircraft is at the end of its lifespan.

12. In today's high-tech society, almost all electronic systems and apparatus function using integrated software. This does not, however, lead to the conclusion that software is similar to goods that use software to function successfully. Even if the Opponent's navigation systems, fire monitoring and suppression systems and autopilot systems all contain software, the purpose of such software is very different when compared to the software of the applicant which we repeat is to optimize the financial return of a torn down aircraft. For example, a piece of software whose purpose is to minimize time and resources when managing the teardown process for end of life aircraft (as the Applicant's software does) is very different to a piece of software that helps guide and keep an aircraft it in the air. It follows that the Opponent's Class 9 goods are not similar to those covered by the Opponent's earlier marks."

7. The opponent is represented by Abel & Imray LLP and the applicant by FRKelly. Both parties filed evidence. The matter came to be heard by video conference on 11 September 2025. Ms Sofia Arenal, of Abel & Imray LLP, appeared for the opponent. The applicant filed written submissions in lieu of attendance at the hearing. I make this decision after careful consideration of all the oral submissions and the papers on file, referring to them as necessary.

Evidence

8. The opponent's evidence comes from Gareth Blackbird, who is Vice President and Chief Commercial Officer of the Ontic Group.[1] He states that the opponent is one of the trading entities of the Ontic Group. Mr Blackbird's evidence is aimed at proving enhanced distinctiveness and reputation in respect of all the earlier marks and proving goodwill in the signs relied upon for section 5(4)(a).

[1] Witness statement dated 7 June 2024 and exhibits.

9. The applicant's evidence comes from David Baily, the applicant's CEO and Director.[2] His evidence explains what the applicant does; how its goods and services are different to those of the opponent; and sponsorship and community support activities.

Section 5(2)(b) of the Act

10. Section 5(2)(b) states:

> "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 states:

> "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."[3]

12. The following principles for determining whether there is a likelihood of confusion under section 5(2)(b) of the Act are taken from the decisions of the Court of Justice of the European Union ("CJEU") in *Sabel BV v Puma AG,* Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc,* Case C-39/97, *Lloyd Schuhfabrik*

[2] Witness statement dated 7 August 2024 and exhibits.
[3] This section also applies to the grounds raised under sections 5(3) and 5(4)(a) of the Act.

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.[4]

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;

[4] 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.

(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 comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where the CJEU 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."

14. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited ("Treat")* [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

15. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, the General Court ("GC") stated that complementary means:[5]

> "82 … there is a close connection between [the goods], 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…".[6]

16. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

> "… Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language

[5] Case T-325/06.
[6] In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is capable of being the sole basis for the existence of similarity between goods and services.

unnaturally so as to produce a narrow meaning which does not cover the goods in question."

17. The goods and services for comparison are:

Earlier marks	**Application**
Class 7: *Hydraulic aircraft systems; hydraulic systems and machines; fluid pressure operated mechanisms, gears and gear boxes; hydraulic accumulators; hydraulic cylinders, valves and pumps; cylinders, valves; aircraft filters and lubricators; hydraulic couplings and hydraulic filters; selector valves; hydraulic actuators and actuator systems; parts and fittings for all the aforesaid goods.* Class 9: *Navigational apparatus and instruments for use in aircraft; GPS navigation systems for use in aircraft; monitoring apparatus and instruments for use in aircraft; autopilot systems for use in aircraft; safety fire monitoring and suppression systems; parts and fittings for all the aforesaid goods.* Class 12: *Parts and fittings for aircraft; aeronautical apparatus and appliances; landing gear components; hydraulic systems for aircraft; aircraft steering*	Class 9: *Software; Application software; Software for monitoring, analysing, controlling and running physical world operations; Process controlling software; Computer programmes for data processing; Computer programs, downloadable; Computer programs, recorded; Computer software; Computer software downloaded from the internet; Computer software for mobile phones; Computer software, recorded; Data processing programs; Downloadable software; Programs for smartphones; Software and applications for mobile devices; Software downloadable from the internet; Software for smartphones; Software for tablet computers; all of the aforesaid software and programs for use in the aircraft teardown and consignment field for the purposes of optimising the financial return of an aircraft asset, assisting with the set up and management of aircraft consignment projects and data processing relating thereto, assisting*

systems; parts and fittings for all the aforesaid goods. Class 37: *Aircraft component maintenance and repair; aircraft steering and landing gear construction, maintenance and repair; information and advisory services connected with all the aforesaid services.* Class 40: *Custom manufacture of aircraft parts; custom manufacture of products and components for use in the aerospace industry; custom manufacture of hydraulic systems and individual assemblies including actuators, valves, accumulators, reservoirs and dampers; custom manufacture of electronics and avionics including fuel measurement systems, engine and environmental controls, oxygen components, fire protection and suppression systems and airborne radar; information and advisory services connected with all the aforesaid services.* Class 41: *Provision of training; provision of training in connection with aircraft parts and aircraft systems.* Class 42: *Technical testing services; fatigue testing and endurance testing;*	*with aircraft and parts inventory, assisting with aircraft and parts warehousing, assisting with aircraft teardown, aircraft and parts sales activity, assisting with aircraft and parts inventory management and finance relating thereto; none of the aforesaid software to be used for operating Navigational apparatus and instruments for use in aircraft, or operating GPS navigation systems for use in aircraft, or operating monitoring apparatus and instruments for use in aircraft, or operating autopilot systems for use in aircraft, or operating safety fire monitoring and suppression systems; Market prediction software.* Class 35: *Business efficiency expert services; Business management and organization consultancy; Business management and organization consultancy services; Business management assistance; Business management consultancy; Commercial or industrial management assistance; Market intelligence services.*

testing services for the certification of quality standards (equipment); design of aircraft parts; information and advisory services connected with all the aforesaid services.	

18. In his witness statement, Mr Baily states:

> "By way of background, when an aircraft reaches the end of its lifespan and is retired from service, it is usually torn down and its parts are consigned for reuse, resale or recycling. SellUe assists companies in optimising each operational element of the aircraft consignment and teardown process, including cost and revenue management, reporting and communication. SellUe provides project management and advisory services relating to the disassembly of aircraft and engages third parties to disassemble, warehouse and sell the parts. SellUe does not itself sell or warehouse aircraft parts. SellUe is not a manufacturer of aircraft parts. SellUe's customer base comprises leasing companies and investors. Unlike the Opponent, SellUe does not market its business to aircraft/aircraft part manufacturers, or airlines, or Maintenance, Repair and Overhaul (MRO) companies."

19. Of course, the comparison must be made on the basis of what is notionally covered by the goods and services in each party's specification.[7] The applicant includes the following points in its written submissions in lieu of a hearing:

- the opponent's goods in classes 7 and 12 are highly technical products embedded within the internal mechanics of the aircraft or used in systems which require precise pressure regulation and performance under aerospace standards;

[7] In *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited* Case C-533/06, at paragraph 66, the CJEU stated that when assessing the likelihood of confusion under Section 5(2) it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered.

- the opponent's class 9 goods are used in real-time aircraft operation, flight safety and navigational control;
- the applicant's class 9 goods are not aircraft parts, systems or components and are not intended for use on or within aircraft: "[t]he online, software-based platform OPTIC enables professionals to manage and optimise the consignment, teardown, and remarketing process for aircraft at the end of their operational life. Specifically, the platform facilitates reporting, financial analysis, communication, and asset tracking to improve the return on investment from decommissioned aircraft and their parts." Mr Baily, in his witness statement, states that the goods are a software product, the function of which "is ultimately financial given it optimises the financial return of torn down aircraft."
- therefore, there is no overlap in purpose, function or technical nature because the opponent's goods are aimed at enabling aircraft to fly safely and efficiently, whilst the applicant's software becomes relevant only once an aircraft has been retired. Its purpose is to minimise time and resources when managing the teardown process;
- software embedded in aircraft systems is not comparable to a financial focussed software solution for teardown cost recovery, resale strategy and financial asset management. Neither compete or are substitutes for the other;
- the end users and commercial environments are distinct. The opponent's goods are designed for aircraft manufacturers, aerospace suppliers, or technical teams, often involving procurement contracts subject to international aviation standards. The applicant's software is marketed to leasing companies and investors who are focussed on cost recovery and resale strategy;
- the applicant's services focus on business operations commercial strategy and efficiency, whereas the opponent's services involve engineering, manufacturing, testing and training for aviation hardware. The opponent's services are typically delivered to aircraft manufacturers, aerospace engineers, aviation regulators and technical procurement teams, through aerospace supply chains, technical maintenance contracts, and specialist engineering procurement channels, whereas the applicant's services are for leasing companies and investors;

- the opponent's services are for ensuring the functionality, safety, and regulatory compliance of aircraft parts and systems, either by building them, repairing them, testing them or training personnel in their use. The applicant's services do not touch upon these areas and they are removed from the physical operation of aircraft: they are for optimising business processes, efficiency and financial outcomes;
- the fact that both businesses ultimately related to the aviation sector is an insufficient and superficial similarity: there is no meaningful similarity when assessed through the accepted criteria of nature, intended purpose, method of use, end users, trade channels and market positioning.

20. The opponent submits:

- both parties are doing business in relation to aircraft parts which makes the goods and services very similar;
- software is a component of many of the opponent's products. Examples given by Mr Blackbird of parts with pre-loaded software which the opponent manufactures and supports include weather radar systems, flight recording systems, navigational systems, communication systems and fuel management systems;
- the applicant's exclusion of software for operating five types of parts for aircraft does not reduce the similarity of the applicant's goods compared with the opponent's goods and services;
- market prediction software (unlimited) could relate to aircraft parts and airlines and any of the other goods and services covered by the earlier marks. Their business efficiency services could apply to business efficiency in anything related to aircraft parts, at any stage of a part's life, or to the aviation industry;
- the opponent's training services could be in relation to the applicant's software;
- the opponent's fatigue testing and endurance testing for parts are similar to the applicant's goods and services because in the teardown process it is necessary to check to see how the asset can be realised and if the part can be reused;

- the users could be encountering both brands in the context of being an engineer who is either repairing or making a part, or taking a part out of an aircraft; or someone in procurement departments.

21. At the hearing, Ms Arenal said that the applicant claims software which is for assisting in the inventory of aircraft parts, assisting with inventory management and finance, and assisting with aircraft and parts warehousing. At this point, it is worth looking at the applicant's specification to see the effects of both the positive limitation and the exclusion. I have underlined the positive limitation and italicised the exclusion:

Software; Application software; Software for monitoring, analysing, controlling and running physical world operations; Process controlling software; Computer programmes for data processing; Computer programs, downloadable; Computer programs, recorded; Computer software; Computer software downloaded from the internet; Computer software for mobile phones; Computer software, recorded; Data processing programs; Downloadable software; Programs for smartphones; Software and applications for mobile devices; Software downloadable from the internet; Software for smartphones; Software for tablet computers; all of the aforesaid software and programs for use in the aircraft teardown and consignment field for the purposes of optimising the financial return of an aircraft asset, assisting with the set up and management of aircraft consignment projects and data processing relating thereto, assisting with aircraft and parts inventory, assisting with aircraft and parts warehousing, assisting with aircraft teardown, aircraft and parts sales activity, assisting with aircraft and parts inventory management and finance relating thereto*; none of the aforesaid software to be used for operating Navigational apparatus and instruments for use in aircraft, or operating GPS navigation systems for use in aircraft, or operating monitoring apparatus and instruments for use in aircraft, or operating autopilot systems for use in aircraft, or operating safety fire monitoring and suppression systems;* Market prediction software.

22. The first point to note is that 'market prediction software' stands alone because it is placed after the last semi-colon, so is not subject to either limitation. I also agree with Ms Arenal as a basic point that the exclusion, effectively, of goods (software) which pertain to the goods covered by the opponent's class 9 specification does not

mean that they are necessarily no longer similar at all. However, there is also the effect of the positive limitation prior to the exclusion to consider.

23. The positive limitation is not easy to map onto what comes before it. It is clear from the applicant's evidence and written submissions that the intention (by filing a Form TM21B) was to limit all the goods prior to the positive limitation to those which are for use in the aircraft teardown and consignment field for the purposes of optimising the financial return of an aircraft asset. However, the limitation reads as a list of goods so that the preceding software is not only for use in the aircraft teardown and consignment field for the purposes of optimising the financial return of an aircraft asset, but is also to assist with the set up and management of aircraft consignment projects and data processing relating thereto, to assist with aircraft and parts inventory, to assist with aircraft and parts warehousing, to assist with aircraft teardown, aircraft and parts sales activity, and to assist with aircraft and parts inventory management. If the newly-itemised software mentioned in the positive limitation had been positioned prior to the semi-colon which precedes the limitation (which would have been permissible because the specification included the term 'software' at large), and then the positive limitation had been 'all of the aforesaid software and programs for use in the aircraft teardown and consignment field for the purposes of optimising the financial return of an aircraft asset', the preceding goods would all have been limited to teardown and consignment for optimising financial return of aircraft assets. That is not the case, as it stands.

24. Although both parties' class 9 goods notionally include software, they have very different functions and purposes. The purpose and method of use of the opponent's class 9 goods is that they are used during aircraft operation, for flight safety and navigational control. They are integral to the flight and safety of aircraft. The applicant's goods, however, are for aircraft teardown financial management, for assisting with aircraft and parts inventories, warehousing, and aircraft/parts sales activity and the finance relating thereto, and market prediction software. These are distinct and separate purposes and methods of use. They are not in competition because none can be substituted for others. This is also the case for the comparison between the applicant's class 7 and 12 goods, for essentially the same reasons.

25. I turn to consider the users and the channels of trade. The opponent has provided evidence about industry events, such as the Farnborough International Airshow, and an event called Aviation Week Network. Mr Blackbird states that the latter covers aircraft and engine manufacturing as well as current financial reports and data. At Exhibit GDB18, information about the Ishka Trading Summit is provided, described as "a forum dedicated to dealmaking around midlife and end-of-life assets. Connecting engine lessors, aircraft asset managers, MRO shops, operators and more…". The applicant exhibited at the 2023 Ishka event, attended by Emirates. Mr Blackbird states that Emirates is one of the opponent's customers. That does not mean that the same people are users of the parties' goods and services. Emirates must employ staff doing a wide variety of jobs, such as cabin crew, engineers, pilots and those involved in finance and governance.

26. The opponent states that the opponent's fatigue testing and endurance testing services for parts are similar to the applicant's goods and services because in the teardown process it is necessary to check to see how the asset can be realised and if the part can be reused; and that the users could be encountering both brands in the context of being an engineer who is either repairing or making a part, or taking a part out of an aircraft; or someone in procurement departments. It seems inherently unlikely that an engineer testing individual parts will also be the end user of software for the purposes of optimising the financial return of the part. However, an engineer could need the use of software to assist with a parts inventory and warehousing of parts. A procurement department is likely to be involved in buying parts, in maintaining an inventory and warehouse management of parts, and also in realising the financial return of torn down aircraft and parts. On the notional use of what is in the applicant's class 9 specification, the user will not always be leasing companies and investors. Additionally, the positive limitation in the specification goes wider than optimising financial return of aircraft assets, even if the applicant's current customers are limited to leasing companies and investors. There may be shared users and channels of trade in relation to the opponent's goods in classes 7, 9 and 12. There may also be shared users and channels of trade in respect of the applicant's goods and the opponent's fatigue testing and endurance testing services, as part of the teardown process, requiring software for a parts inventory and warehousing. Making the best of the information which I have, there would appear to be complementarity with regard

to these services of the opponent and the applicant's goods. I find that there is a low to medium degree of similarity between the applicant's goods, which are subject to the limitations, and the opponent's goods and its fatigue testing and endurance testing services.

27. That leaves the applicant's 'market prediction software'. The opponent has cover for training services at large, which could cover training in the use of market prediction software. The nature, purpose, method of use and user all differ. There is no complementarity in the sense of the case law and the goods and services are not in competition. On the basis that the same undertaking which sells the software may also provide training in the use of the software, there is a very low degree of similarity.

28. In relation to the applicant's class 35 services, the opponent submits that the services could apply to anything to do with aircraft parts or the aviation industry at any stage of the life of a part, whether it is in design, use or maintenance, or once it can no longer be used. This is very general and would mean, on the opponent's logic, that business management and consultancy services are similar to any goods or services in any field of business activity. That cannot be right. I cannot see any levels of similarity applying any of the established criteria.

Average consumer and the purchasing process

29. As the caselaw cited above indicates, it is necessary to decide who the average consumer is for the goods and services at issue and how they purchase them. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect: *Lloyd Schuhfabrik Meyer*. "Average consumer" in the context of trade mark law means the "typical consumer." In *Lidl Great Britain Limited & anor v Tesco Stores Limited & anor* [2024] EWCA Civ 262, Lord Justice Arnold explained:

> "16. First, the average consumer is both a legal construct and a normative benchmark. They are a legal construct in that consumers who are ill-informed or careless and consumers with specialised knowledge or who are excessively careful are excluded from consideration. They are a normative benchmark in

that they provide a standard which enables the courts to strike a balance between the various competing interests involved, including the interests of trade mark owners, their competitors and consumers.

17. Secondly, the average consumer is neither a single hypothetical person nor some form of mathematical average, nor does assessment from the perspective of the average consumer involve a statistical test. They represent consumers who have a spectrum of attributes such as age, gender, ethnicity and social group.

18. Thirdly, assessment from the perspective of the average consumer is designed to facilitate adjudication of trade mark disputes by providing an objective criterion, by promoting consistency of assessment and by enabling courts and tribunals to determine such issues so far as possible without the need for evidence. ....

19. Fourthly, the average consumer's level of attention varies according to the category of goods or services in question.

20. Fifthly, the average consumer rarely has the opportunity to make direct comparisons between trade marks (or between trade marks and signs) and must instead rely upon the imperfect picture of the trade mark they have kept in their mind."[8]

30. I have already made some comments about the average consumer for the goods and services which I have found to be similar in some respect. The average consumer may be directly or indirectly involved in the maintenance or teardown of aircraft. The purchasing process is likely to be primarily visual, whether from website information, direct advertising, visiting stalls at aviation industry events, or word-of-mouth recommendation or contact. In all respects, the average consumer will pay a high degree of attention to the purchase, as accepted by Ms Arenal at the hearing. For obvious reasons, the opponent's goods and services (apart from, perhaps, training services) will entail a close level of scrutiny of what is being bought for safety, efficiency

[8] Approved by the Supreme Court in *Iconix Luxembourg Holdings SARL v Dream Pairs Europe Inc and anor* [2025] UKSC 25, at paragraph 30.

and longevity. The applicant's goods and services will, likewise, be important for financial efficiency, whether that is for realising assets, maintaining accurate records of assets, or business advice.

Distinctiveness of the earlier marks

31. The assessment as to whether there is a likelihood of confusion includes considering whether the distinctive character of the earlier marks has been enhanced (i.e. more distinctiveness has been acquired) through the use made of them. If a mark has an inherently high, or an enhanced, level of distinctiveness, the likelihood of confusion is increased.[9]

32. The opponent's evidence shows use of both of the earlier marks and I consider that use of the composite form can be relied upon to show enhanced distinctive character and reputation of the word-only form.[10] In its skeleton argument and at the hearing, the opponent focussed upon its word-only earlier mark "since the logo format of the ONTIC mark will not be more similar than the word ONTIC." Therefore, from this point, I will assess the grounds of opposition using the word-only earlier mark, as this represents the opponent's best case, as identified by the opponent.

33. In its notice of opposition, the opponent states that "whilst the word "ontic" has a meaning in philosophy, i.e. "relating to entities and the facts about them; indicating real as opposed to phenomenal existence", many consumers will be unaware of this." In the applicant's evidence, Mr Baily provides the following definition of 'ontic' from the *Collins Dictionary* (and produces the prints at Exhibit DB5, albeit they are categorised as being American English):

- "having the status of real and ultimate existence
- Philosophy – possessing the character of real rather than phenomenal existence."

[9] *Sabel BV v Puma AG,* Case C-251/95.
[10] See *adidas AG v EUIPO*, Case T-307/17, [2019] E.T.M.R. 44., General Court.

34. In my view, the average consumer for the parties' goods and services is unlikely to be aware of the meaning of ontic, or even that it is a dictionary word. It follows that ONTIC will have a high degree of inherent distinctive character because it does not describe and does not allude to the earlier goods or services or to any characteristic thereof. In *Grosvenor Technology Limited v Janus International Group LLC*, case BL O/0558/25, Mr Phillip Johnson, sitting as the Appointed Person, considered an appeal against the refusal under section 5(2)(b) of the mark JANUS (with a device) for doors, amongst other goods. He said:

> "26. Clearly, a Hearing Officer is not bound to conclude that the relevant public knows the existence (and meaning) of every word in the dictionary or indeed every proper noun. This is not affected by the fact that the goods in question (relating to gates and doorways) might be within the sphere of Janus's divine control. In Roman mythology there was a large number of Gods and demi-gods. The *di consentes* were the twelve main deities and these do not include Janus (Livy:XXII.10.9). I doubt many members of the general public would know more than a few of the *di consentes*, let alone Gods, like Janus, falling in the wider category of divine beings. Accordingly, I think the Hearing Officer's conclusion that the public would not link the word Janus to the dictionary meaning presented is perfectly reasonable. She was therefore entitled to treat the relevant public as believing the word Janus to be invented (even if, as Ms Watkinson say, it looks like a word)."

35. Mr Johnson went on to say:

> "32. The Appellant's third challenge is to the Hearing Officer's finding that the earlier mark JANUS C4 would be inherently distinctive to a high degree: Decision, [52]. Ms Watkinson submits that because the relevant public would know that Janus was the god of gates and doorways the word would be allusive in relation to the relevant goods. And so the mark could not be highly distinctive.
>
> 33. This ground of appeal was, therefore, predicated on the Hearing Officer having erred in her finding that the relevant public would see Janus as an

invented word. I have already held that this was an acceptable finding and so the third ground of appeal falls away.

34. I will however address one point made by Ms Watkinson. She submits that if Janus was not an invented word it would necessarily be less distinctive than if it were an invented word. I do not accept this submission. There is no reason why arbitrary marks (ie existing words used as trade marks) cannot be inherently distinctive to a high degree or why invented (fanciful) marks cannot have a lower degree of distinctiveness. The level of inherent distinctiveness will depend on the mark in question and its relationship to the goods or services."

36. In the present case, I find that the earlier mark is inherently highly distinctive for the registered goods and services. That will clearly be so for average consumers who do not know of its meaning and will be the case even if they consider that it is a dictionary word, but still do not know of its meaning. Finally, even though it is a dictionary word, it will seldom be encountered by the average consumer for the parties' goods and services and it has no meaning in relation to the goods and services of the earlier mark.

37. Distinctive character is a measure of how strongly an earlier mark identifies the goods or services for which it is registered, determined, according to *Lloyd Schuhfabrik Meyer & Co.*, partly by assessing the proportion of the relevant public which, because of the mark, identifies the goods or services as originating from a particular undertaking. At paragraph 23, of its judgment, the CJEU stated:

"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)."

38. Mr Blackbird states that there has been a dedicated UK business since 2008, when the opponent was incorporated (as one of the trading entities of the Ontic Group). The business sells aircraft parts to keep aircraft flying safely, for longer, with 400 customers in the UK. These include British Airways and the Ministry of Defence. A press release, dated 24 August 2021, described the opponent as "the aerospace industry's leading provider of 'Extended Life Solutions' for Original Equipment Manufacturer (OEM) legacy products." Another press release, dated 22 July 2022, explains that the opponent sells new and serviceable spares and repairs for over 7,000 mature aircraft parts: "Ontic's portfolio of products, licensed or acquired from major OEMs such as Honeywell, Collins Aerospace, Safran, Thales and GE Aviation, span all major aircraft systems in both civil and military markets."[11] The opponent does not conduct research and development to produce new products and services, but instead focusses on the acquisition and licensing of products from industry partners. This enables the lifetime of aircraft to be extended. Mr Blackbird states that the opponent makes a very large range of aircraft parts and offers a range of several hundred thousand components; at paragraph 9, Mr Blackbird explains:

> "We specialize in electronics & avionics, electro-mechanical engineering, major systems, hydraulics, pneumatics & fuel systems for the aerospace industry. Examples of products in the electronics and avionics range include: fuel measurement systems; engine and environmental controls; oxygen components; fire protection and suppression systems; airborne radar and ethernet switch units (ESUs). Examples of products in the electro-mechanical range include: flight surface control; motors; pilot controls and power generators and starters. Examples of what we refer to as major systems and which also fall in our hydraulics, pneumatics and fuel ranges include: fluid pumping, fuel controls; valves and actuation."

[11] Exhibit GDB2.

39. Mr Blackbird states that the opponent is an OEM and also provides maintenance, repair and overhaul services (MRO). Press releases relating to licence agreements are shown; for example, with Honeywell in 2021.[12] He states that the opponent segregates products which it considers do not meet regulatory quality standards. The opponent then assesses the products and the appropriate recorded processes are followed, depending on whether the product can be repaired; whether it is deemed usable after further assessment; whether the product can still be sent to the customer but under different conditions; or whether the product must be scrapped.

40. Mr Blackbird states that many aircraft systems have pre-loaded software. The opponent manufactures and supports systems which support, for example, weather radar systems, flight recording systems, navigational systems, communications systems and fuel management systems. The opponent loads the software onto relevant products during manufacture and often re-installs such software during component repair.

41. Mr Blackbird provides turnover figures for the opponent and he states that the opponent's operating currency is US dollars, widely used within the aerospace industry. He provides the GBP equivalents, calculated on the basis of the average annual exchange rate for each year:

Year	**Turnover (US$)**	**Turnover (£)**
2019	90,396,817.16	70,947,333.02
2020	92,592,013.91	72,012,204.17
2021	107,895,781.92	78,177,049.99
2022	123,418,966.63	99,470,218.43
2023	167,927,302.72	134,845,463.01

42. Exhibit GDB8 comprises a selection of high value invoices issued by the opponent from 2020 to 2023, generally for a small number of parts. For example, a single fuel quantity processor unit in 2020 cost $462,975.35. A considerable number of the invoices in this exhibit are to customers outside of the UK. Ms Arenal submitted that

[12] Exhibit GDB5.

companies such as Boeing will have operations in many countries. However, whether the opponent's earlier mark has an enhanced level of distinctive character must be assessed from the viewpoint of the average UK consumer for its goods and services. The two invoices in this exhibit which were to customers with UK addresses are as follows (the items are in code):

- 30 May 2021 for £389,259.84 to Aviation & Defence Spares Ltd, in Dorset, for 10 items;
- 18 November 2022 for £519,705.89 to Saywell International Aviation Centre, in Sussex, for 8 items.

43. Exhibit GDB9 more helpfully contains invoices which were sent to UK customers. Mr Blackbird describes them as smaller value invoices, but they still run to thousands of pounds each (some, many thousands of pounds), as follows:[13]

- 3 July 2020 for £3,768.52 to Bombardier Transp. UK Ltd, in Derby, for a single item;
- 13 October 2020 for £14,349 to Saywell International Aviation Centre, in Sussex, for 8 items;
- 2 July 2021 for £9,460.80 to LH Group Services Ltd, in Staffordshire, for various items;
- 18 March 2022 for £5,844.84 to Martin Baker Aircraft Co Ltd, in Uxbridge, for 5 items;
- 31 March 2022 for £42,876 to Leonardo UK Ltd, in Yeovil, for a flight control computer;
- 30 April 2022 for £13,310.64 to Saywell International Aviation Centre, in Sussex, for 5 items;
- 30 June 2022 for £70,860 to Goodrich Actuation Systems Ltd, in Solihull, for a damper computer unit;
- 18 November 2022 for £519,705.89 to Saywell International Aviation Centre, in Sussex, for 8 items;

[13] I have not given details of the invoice to Siemens Rail PLC, as this seems less relevant than those to aerospace customers.

- 27 April 2023 for £55,302.48 to Leonardo UK Ltd, in Yeovil, for an air data computer;
- 21 July 2023 for £251,640 to Aviation & Defence Spares Ltd, in Dorset, for 50 items; and
- 31 July 2023 for £50,097.26 to BAE Systems (Operations) Ltd, in Lancashire, for an emergency power unit.

44. Mr Blackbird provides figures for marketing and trade shows. The figure for 2023 is lower because the opponent had hired internal communications and marketing staff by that point.

Year	Expenditure in US$	Equivalent £
2019	233,000	182,868.48
2020	170,000	132,215.23
2021	247,000	178,966.51
2022	265,000	213,578.26
2023	36,000	28,907.97

45. Mr Blackbird states that the opponent regularly attends international trade shows. I note that it exhibited at the following UK shows:[14]

- Helitech Expo in September 2021 and September 2022 (about helicopters/the rotorcraft industry);
- MRO Europe in October 2021 and October 2022; and
- Farnborough International Airshow in July 2022.

46. The opponent won the Automotive, Aerospace & Rail company of the year at the Inside Media Made in the UK South West awards in 2022.[15] I have not given details of the other awards and sponsorship activities because they are all of a very local nature, situated in the locality in Gloucestershire where the opponent is based. Such localised activities do not assist in proving enhanced distinctive character in the earlier

[14] Exhibit GDB10.
[15] Exhibit GDB11.

mark which covers the UK and must be assessed from the perspective of the UK average consumer.

47. The invoices provided show a mixture of UK and overseas customers. It is likely, therefore, that the turnover figures provided include income generated from sales to overseas customers. However, the turnover figures are large; given that Mr Blackbird states that the opponent has 400 UK customers; that there are still a good number of invoices to UK customers in evidence; and that the majority of those UK invoices run to many thousands of pounds each, I infer that a reasonable portion of the turnover relates to UK customers. The market in the UK must be relatively limited compared to the market for general consumer goods and services. I find that the combination of the number of customers and the level of turnover and advertising, together with the opponent having exhibited at major airshows in the UK, is sufficient to prove that at the relevant date, the earlier mark had an enhanced level of distinctive character (it was already highly distinctive, inherently). The evidence shows enhanced distinctive character only in relation to the following goods and services:

Class 7: *Hydraulic aircraft systems; hydraulic systems and machines; fluid pressure operated mechanisms, gears and gear boxes; hydraulic accumulators; hydraulic cylinders, valves and pumps; cylinders, valves; aircraft filters and lubricators; hydraulic couplings and hydraulic filters; selector valves; hydraulic actuators and actuator systems; parts and fittings for all the aforesaid goods.*

Class 9: *Navigational apparatus and instruments for use in aircraft; GPS navigation systems for use in aircraft; monitoring apparatus and instruments for use in aircraft; autopilot systems for use in aircraft; safety fire monitoring and suppression systems; parts and fittings for all the aforesaid goods.*

Class 12: *Parts and fittings for aircraft; aeronautical apparatus and appliances; landing gear components; hydraulic systems for aircraft; aircraft steering systems; parts and fittings for all the aforesaid goods.*

Class 37: *Aircraft component maintenance and repair; aircraft steering and landing gear construction, maintenance and repair; information and advisory services connected with all the aforesaid services.*

Class 40: *Custom manufacture of aircraft parts; custom manufacture of products and components for use in the aerospace industry; custom manufacture of hydraulic systems and individual assemblies including actuators, valves, accumulators, reservoirs and dampers; custom manufacture of electronics and avionics including fuel measurement systems, engine and environmental controls, oxygen components, fire protection and suppression systems and airborne radar; information and advisory services connected with all the aforesaid services.*

48. In relation to the services in classes 41 and 42, there is no evidence that these services are provided to customers, as opposed to being an integral part of the opponent's own business. This does not affect the opponent's reliance on these services for the purpose of section 5(2)(b) because the earlier mark had not been registered for five years and so the opponent does not have to prove it has used its mark. It may rely upon all its goods and services for its section 5(2)(b) claim. This section of the decision is purely in relation to whether, and for what, the opponent can claim an enhanced level of distinctive character.

Comparison of marks

49. *Sabel BV v. Puma AG* 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."

50. It is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

51. The marks to be compared are:

Opponent's mark	Applicant's mark
ONTIC	OPTIC

52. Each mark comprises a single word element, in which the overall impression resides. They each consist of five letters in the same sequence, save that the second letters are different. Ms Arenal raised an argument which had not been foreshadowed in the notice of opposition or in the opponent's evidence that to some consumers the Latin letter n looks like the Greek letter P, π, and could be understood as the letter P. It is late in the day to raise such a point for the first time, particularly when the applicant has already given notice that it is not attending the hearing. In any event, I am not persuaded by the argument. It is far-fetched to claim that the second letter in an otherwise Latin-alphabet word would be transposed to an entirely different alphabet. The perception of the marks is also to be measured taking into account the likely reaction of the UK average consumer. These are not goods or services aimed at communities which use non-Latin alphabets.

53. Bearing in mind that the sequencing of letters is the same apart from the second letter, but that the second letters do not look alike, I find that there is a medium to high degree of visual similarity. Ms Arenal submitted that the different letters will not sound so different because of the identical O sound and the identical TIC sound; i.e. that the different sound to the second letters will be somewhat lost because of the other identical sounds. I do not agree with that, but because the second syllables are identical, and both marks start with a short 'o' sound, I find that there is a medium to high degree of aural similarity.

54. OPTIC is defined in *Collins Dictionary* as "relating to the eyes or to sight" and "of or relating to the eye or vision".[16] Whilst not perhaps a word used in everyday speech, it is a word which people will understand as relating to sight and the eyes. I have already given my view that the average consumer is likely to perceive the earlier mark as an invented word. This means that the marks are not conceptually similar. Even if consumers know that ONTIC is a dictionary word, but do not know what it means, the marks are not conceptually similar. In *Dreem Media Ltd v Yatter Ltd*, case BL O/1141/23, Mr Iain Purvis KC, sitting as the Appointed Person, stated at [20]:

> "We are concerned with average consumers confronted with a word which to them has no obvious 'dictionary' meaning and is being used in a trade mark sense (consistent with it having no such meaning). There is no way such an average consumer would be able to guess that it had an (unknown) dictionary meaning unless they had been told this in advance. Even if they did, since they do not know what the meaning is, the mark is conceptually neutral."

55. If the average consumer knows the meaning of ONTIC, the marks are conceptually dissimilar. I consider the opponent's submission that both marks convey perception, and so are conceptually similar, to be stretched and unlikely.

Likelihood of confusion

56. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa. In this case, the goods and services are either dissimilar, similar to a low degree or similar to a low to medium degree. The applicant's class 35 services are not similar to any of the

[16] Exhibit DB5.

opponent's goods or services, which means that the section 5(2)(b) opposition fails in relation to these services.[17]

57. There are two types of confusion, direct and indirect.[18] Direct confusion occurs where marks are mistaken for one another, flowing from the principle 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 which has been retained in the mind.

58. Simply because there is a single-letter difference does not mean that it will go unnoticed. The fact that OPTIC is far from being an obscure dictionary word may mean that it is more likely that a difference in spelling will be noticed. However, it could also be the case that the highly distinctive character of the earlier mark, and the fact that it enjoys market-place recognition for many of the goods and services, will lead to the average consumer seeing what they expect to see: ONTIC rather than OPTIC. That people have a tendency to see what they expect to see was explained by Lord Justice Arnold in several of his judgments, the first of these as the Appointed Person in *Muhammad Sarmad v Kentucky Fried Chicken (Great Britain) Ltd*.[19] In *Industria de Diseno Textil, S.A. (INDITEX, S.A.) v Hilary-Anne Christie*, Mr Daniel Alexander QC, having referred to another of Arnold LJ's judgments (then as Arnold J) *in Aveda Corporation v Dabur India Limited [2013] EWHC 589 (Ch)*, observed at paragraph 37:[20]

> "This is an explanation for why the CJEU case law (such as Canon) may be correct to treat marks with a highly distinctive character on the grounds of their acquired reputation as enjoying more extensive protection than those with a lower level of distinctiveness – the public has been sensitized to expect them."

59. These are factors in the opponent's favour. In the applicant's favour are the low, or low to medium, degree of similarity between the goods and services; the high

[17] *eSure Insurance v Direct Line Insurance,* [2008] ETMR 77.
[18] *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207.
[19] BL O/227/04. The two marks were Kentucky Fried Chicken and Kennedy Fried Chicken.
[20] Case BL O/040/20.

degree of attention which will be paid during the purchasing process; and the lack of conceptual similarity, with its own mark having a concept.

60. In *The Picasso Estate v OHIM*, Case C-361/04 P, the CJEU found that:

> "20. By stating in paragraph 56 of the judgment under appeal that, where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public, the conceptual differences observed between those signs may counteract the visual and phonetic similarities between them, and by subsequently holding that that applies in the present case, the CFI [Court of First Instance] did not in any way err in law."

61. That was a case involving an application for the mark PICARO and an opposition in which the earlier mark was PICASSO, both for identical goods (vehicles, for which the CFI found that the level of attention of the average consumer was high). In *JT International S.A. v Argon consulting & Management Limited*, Case BL O/049/17, Mr Iain Purvis QC, sitting as the Appointed Person, after quoting from *Picasso*, said:

> "39. The interesting point here is that the absence of a particular concept is said to 'counteract' confusion, by making the marks easier to distinguish. So lack of conceptual similarity is not merely a 'neutral' factor. That is the case even where one of the two marks has no particular meaning at all to the average consumer.

62. In *Christopher Kingsley v Talentcorp Pty Ltd*, Case BL O/389/17, the Appointed Person, Ms Amanda Michaels, considered the failure of an opposition in which the application was REVELIAN and the earlier mark REBELLION, both covering computer software. REVELIAN is not a dictionary word. Ms Michaels said, at paragraph 28:

> " … the Hearing Officer had to consider the question of the conceptual similarity between the marks on the basis that the word REBELLION has a clear and specific meaning, one which the public is capable of grasping immediately, whilst the word REVELIAN has no such meaning. He took the view that in this case the conceptual difference between the marks was significant and

> counteracted the visual and aural similarities which he had identified. I consider that he was entitled to apply the counteraction theory on the facts of this case, and it was open to him to come to the conclusion which he did as to its impact in relation to these marks…."

63. I bear in mind that a conceptual difference may not be sufficient to counteract visual and aural similarities: in *Victura, Inc v JYP Entertainment Corporation*, Case BL O/0504/24, Mr Geoffrey Hobbs KC, sitting as the Appointed Person, agreed that there was a likelihood of direct confusion between the marks DAY6 and SIX DAYS for identical goods and services; see also, *Nokia Oyj v OHIM,* Case T-460/07.[21] In the present case, one mark is a reasonably well-known word, the other will be seen as invented and the goods and services are similar to, at best, a medium degree and subject to a high level of attention. These factors militate against imperfect recollection. Notwithstanding the high level of distinctiveness of ONTIC there will be no imperfect recollection. Ms Arenal submitted that even experts can make mistakes. I accept that, but I am of the view that there would have to be more factors pointing towards confusion for that to be a relevant consideration in this case. As Mr Iain Purvis QC, said, sitting as the Appointed Person in *Volkswagen Aktiengesellschaft v Terence Patrick O'Halloran*:[22]

> "18. The Hearing Officer quite rightly identified the average consumer as someone who would display a particularly high degree of attention when considering the purchase of goods of this kind. But it is not merely a matter of attention. The average consumer is deemed to be reasonably 'circumspect'. Circumspection includes not leaping to conclusions which are not justified by the known facts and taking reasonable precautions (bearing in mind the nature of the goods and the importance of the purchase) to resolve uncertainties."

64. The nature of the goods and services at issue will mean that the average consumer will take reasonable precautions, exercising circumspection, before making the purchase. These are not snap purchasing decisions, or goods and services

[21] The marks in that case were LIFE and LIFE BLOG.
[22] BL O/001/21.

chosen frequently and repetitively. The fact they have no more than a very low, or low to medium, degree of similarity will feed into the average consumer's circumspect conclusion that the marks are different. There is no likelihood of direct confusion.

65. There is also no likelihood of indirect confusion. As Arnold LJ explained in *Liverpool Gin Distillery Ltd v Sazerac Brands, LLC* [2021] EWCA Civ 1207 at [10]:

> "…"indirect confusion", is where the consumers do not mistake the sign for the trade mark, but believe that goods or services denoted by the sign come from the same undertaking as goods or services denoted by the trade mark or from an undertaking which is economically linked to the undertaking responsible for goods or services denoted by the trade mark.
>
> …
>
> 13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/219/16) at [16] "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Mr Mellor went on to say that, if there is no likelihood of direct confusion, "one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion". I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."[23]

66. The presence of the 'P' in OPTIC instead of the 'N' in ONTIC creates two different and unconnected words. Changing a dictionary word (OPTIC) into an invented word, or vice versa, is inconsistent, for example, with a brand extension because it substantially changes the distinctive character of the marks. There must be a belief in an economic connection, which is "something more than mere idle wondering or speculation that there might be a connection"; *per Vault IP Limited v Mark Kingsley-*

[23] In *LA Sugar Ltd v Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis QC, sitting as the Appointed Person, gave three examples of ways in which indirect confusion may be caused. These are not exhaustive examples, as confirmed at paragraph 12 of *Liverpool Gin*. See also the decision of Mr Phillip Johnson, sitting as the Appointed Person, in *Vinelight Holdings, LLC v Major League Baseball Properties, Inc*, Case BL O/0662/25, at paragraphs 16 to 19.

Williams, Mr Iain Purvis KC, sitting as the Appointed Person.[24] No proper basis for indirect confusion has been put forward by the opponent.

67. The section 5(2)(b) ground fails.

Section 5(3) of the Act

68. Section 5(3) states:

> "(3) A trade mark which-
>
> is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.
>
> (3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected."

69. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors,* Case 252/07, *Intel,* Case C-408/01, *Adidas-Salomon,* Case C-487/07, *L'Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C-383/12 P, *Environmental Manufacturing LLP v OHIM.* The law appears to be as follows.

> (a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

[24] BL O/0353/24 at paragraph 15.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; G*eneral Motors*, paragraph 26*.*

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63*.*

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42*.*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68*;* whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79*.*

(f) the more immediately and strongly the earlier mark is brought to mind by the later mark, the greater the likelihood that use of the latter will take unfair advantage of, or will be detrimental to, the distinctive character or the repute of the earlier mark; *L'Oreal v Bellure NV*, paragraph 44.

(g) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel,* paragraphs 76 and 77 and *Environmental Manufacturing*, paragraph 34.

(h) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

(i) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV,* paragraph 40. The stronger the reputation of the earlier mark, the easier it will be to prove that detriment has been caused to it; *L'Oreal v Bellure NV*, paragraph 44.

(j) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure).*

70. The applicant refers to reliance on due cause in its written submissions in lieu of a hearing. Due cause is a defence which needs to be pleaded explicitly. There was no mention of due cause in the applicant's Form TM8 and counterstatement, or at any other stage so that the opponent could consider it and respond. Consequently, I will not take it into account.

71. For a successful claim under section 5(3), cumulative conditions must be satisfied by the opponent: similarity between the marks; a qualifying reputation in the earlier mark; a link between the marks (the earlier mark will be brought to mind on seeing the

later mark); and one (or more) of the claimed types of damage. It is not necessary that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the relevant public will make a link between the marks.

72. The first condition of similarity between the marks is satisfied, as found earlier in this decision. For the reasons given earlier, I find that the opponent has shown that it has the requisite reputation in relation to the same goods and services for which its earlier mark has enhanced distinctive character. The strength of the reputation is a factor in whether the relevant public will make a link with the opposed goods and services. The goods and services are very high cost items, which means that the number of items sold is not as substantial as the turnover figures which pertain to the UK might otherwise suggest. On the evidence provided, I find that the earlier mark had a moderate reputation at the relevant date. Another factor in the creation of a link is how distinctive the mark is; as found earlier in this decision, the earlier mark is factually highly distinctive for the goods and services for which there is a reputation.

73. Unlike the section 5(2)(b) ground, where the opponent could rely on 'training services', it has shown no reputation for these. It trains its own staff, rather than providing training services to customers. I found no similarity between any of the opponent's goods and services and the applicant's class 35 services. The reputation and similarity between the marks is not so strong as to bridge the gap between the parties' goods and services and to cause a link to be made by the relevant public in relation to the applicant's class 35 services. I also find that there will be no link made in respect of the applicant's class 9 goods. Bearing in mind the circumspection of the relevant public at issue, at best any link will be fleeting and dismissed as mere coincidence. It will be far from sufficient to cause any confusion (as pleaded) and insufficient for damage. Although it is unnecessary for there to be confusion to find a link, it is one of the factors, per *Intel*. The absence of a likelihood of confusion therefore carries weight in considering whether there is a link.[25] If there is a link, it will not be

[25] See the decision of Mr Phillip Johnson, sitting as the Appointed Person, in *E.ON SE v EONX Services Pty Ltd,* Case BL O/0433/25.

an operative link.[26] The link would be at such a weak level that it would not lead to any unfair advantage or detriment to the opponent's mark.

74. The section 5(3) ground fails.

Section 5(4)(a)

75. Section 5(4)(a) states:

> "(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-
>
> > (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,
> >
> > (aa) […]
> >
> > (b) […]
>
> A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

76. Subsection (4A) of Section 5 states:

> "(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application."

77. The three elements which the opponent must show are well known. In *Discount Outlet v Feel Good UK* [2017] EWHC 1400 (IPEC), Her Honour Judge Melissa Clarke,

[26] See the decision of Mr Phillip Johnson, sitting as the Appointed Person, in *Industria De Diseño Textil, S.A v Zarzar LLC*, BL O/1064/25.

sitting as a Deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

> "55. The elements necessary to reach a finding of passing off are the 'classical trinity' of that tort as described by Lord Oliver in the Jif Lemon case (Reckitt & Colman Product v Borden [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.
>
> 56 In relation to deception, the court must assess whether *"a substantial number"* of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

78. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217, at 223:

> "What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start."

79. The evidence shows that the opponent, at the relevant date, had goodwill in its business associated with the sign ONTIC in relation to aircraft parts, components and systems and aircraft software and manufacturing services thereof.

80. Although the average consumer test is not strictly the same as the 'substantial number' test, in the light of the Court of Appeal's judgment in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, it seems doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes. This is because they are both normative tests intended

to exclude the particularly careless or careful, rather than quantitative assessments. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt LJ stated that:

> "There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is
>
> > "is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]".

81. The same analysis applies here with regard to the similarity of the marks and the goods as for the opponent's section 5(2)(b) ground. The opponent's case is narrower under the section 5(4)(a) ground because, under its section 5(2)(b) ground, the opponent could notionally rely upon all of its registered goods and services. Under this ground, its goodwill extends to less than the full range of goods and services covered by its earlier mark(s). For the reasons given earlier in this decision, I find that the opponent's section 5(4)(a) ground fails. A substantial number of the opponent's actual and potential customers will not believe that the applicant's goods and services are those of the opponent, or that it has expanded its business.

82. The section 5(4)(a) ground fails.

Overall outcome

83. The opposition fails. The application may proceed to registration.

Costs

84. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale of costs published in Tribunal Practice Notice 1/2023. The breakdown of the award of costs is as follows:

Considering the notice of opposition and preparing the counterstatement	£400
Considering the opponent's evidence and preparing evidence	£1600
Preparing submissions in lieu of a hearing	£550
Total	£2550

85. I order Ontic Engineering & Manufacturing UK Limited to pay to SellUe Limited the sum of £2550. 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 26th day of September 2025

Judi Pike
For the Registrar