

**BL O/233/20**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATION 3386857**

**BY**

**SIYUE LTD**

**TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 10:**



**AND**

**OPPOSITION THERETO (NO. 416628)**

**BY**

**THE CRUDE OIL COMPANY LTD**

## **Background and pleadings**

1. Siyue Ltd (hereafter “the applicant”) applied to register the trade mark:



in the UK on 26 March 2019. It was accepted and published in the Trade Marks Journal on 31 May 2019, in respect of the following goods:

**Class 10:** Sex toys.

2. The Crude Oil Company Ltd (hereafter “the opponent”) opposes all of the goods in the trade mark on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (the Act).
3. The opposition is based on two earlier UK registrations:

3098192, filed on 09 March 2015 and registered on 05 June 2015, for the mark:



In respect of the following goods:

**Class 05:** Personal sexual lubricants.

**AND**

3267518, filed on 01 November 2017 and registered on 26 January 2018, for the mark:

**LUBIDO**

In classes 03 and 05, however the opponent relies on only a part of the goods registered in those classes, namely:

**Class 03:** Non medicated formulations for use in, on or around intimate parts of the body.

**Class 05:** Personal lubricants relating to sexual health.

4. The opponent's marks qualify as earlier marks in accordance with section 6 of the Act, and as neither of the earlier marks had been registered for more than five years at the date that the contested application was filed they are not subject to the proof of use provisions contained in section 6A of the Act.
5. The opponent claims that the way the letters in the contested mark appear and read, are almost identical to the earlier marks. It adds that the contested goods 'Sex toys' will be sold alongside its earlier goods in stores and online and therefore, as the differences between the marks are limited, the consumer will be confused.
6. In its counterstatement, the applicant denies that the marks at issue are similar. It states that the application has been made in class 10 whilst the earlier marks are in classes 03 and 05. The applicant also states that the goods are different and that 99% of sales of sex toys in the UK are purchased online. It adds that an online search for sex toys would not bring back lubricants, in the same way that a search for a used car would not return hits for e.g. cooling oil or engine oil. The applicant claims that the marks are different and that they will sound different, the 'LI' sound and the 'LU' sound being quite different. It adds that the colours used are different, the contested mark being presented in pink and the earlier marks in black. Also, the applicant states that the shape and design of the marks are different, and therefore the end-user would easily differentiate between them.
7. The opponent filed a Witness Statement with accompanying evidence. I will not summarise that evidence here but will refer to it if necessary, later in my decision.
8. The applicant provided no evidence or written submissions other than the comments made in its counterstatement.
9. No hearing was requested and so this decision is taken following a careful perusal of the papers.
10. Throughout the proceedings both parties have represented themselves.

## **Decision**

### **Section 5(2)(b) of the Act**

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

“(2) A trade mark shall not be registered if because –

(a) ...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

12. The following principles are gleaned from the decisions of the Court of Justice of the European Union (“the 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 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 the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“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. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

15. In *Boston Scientific*<sup>1</sup>, the General Court (“GC”) described goods/services as “complementary” in circumstances where “... *there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking*”. I also take note that in *Kurt Hesse v OHIM*<sup>2</sup>, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods.

16. I will begin my assessment of the marks by focusing initially on earlier mark **3267518** for the plain word ‘**LUBIDO**’, as this earlier mark covers a wider list of goods than earlier mark **3098192**. I will return to consider 3098192 later in my decision.

17. The parties’ respective specifications are:

Earlier mark <b>3267518</b>	Application
<p><b>Class 03:</b> Non-medicated formulations for use in, on or around intimate parts of the body.</p> <p><b>Class 05:</b> Personal lubricants relating to sexual health.</p>	<p><b>Class 10:</b> Sex toys.</p>

18. The contested goods are sex toys. These are products used by the consumer during sexual activity.

19. The earlier goods are personal lubricants relating to sexual health and non-medicated formulations for use in, on or around the intimate parts of the body.

20. The applicant has noted that the goods of the opponent fall into different classes of the Nice classification system than their goods. Whilst this is true, it is the case that the Nice system is an administrative tool intended to make it easier to search for trade marks in respect of particular goods or services.

<sup>1</sup> *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

<sup>2</sup> Case C-50/15 P

21. Section 60A of the Act provides:

“(1) For the purpose of this Act, goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

22. The opponent’s goods are products intended for personal use in, on or around the intimate parts of the body. The applicant’s goods are sex toys. Both sets of goods are used on intimate parts of the body and may be said to be used for sexual purposes. I note that the opponent’s class 03 goods do not specifically refer to use in a sexual sense, nevertheless they are products for use in, on or around intimate parts of the body and therefore include such goods for use in a sexual context. I find it highly likely that these goods will be found within the same retail areas and on the same websites online. If not sold side by side, they are likely to be found in close proximity to each other.

23. The goods at issue can be said to be similar inasmuch as they may share end-user, purpose, channels of distribution and possibly manufacturer. It would seem likely that a producer of sex toys might also produce associated products such as lubricants for use with such toys.

24. These goods may also be said to be complementary as there is a close connection between them, in the sense that one is important for the use of the other.

25. I therefore find the goods at issue to be similar to at least a low degree.

**Average consumer and the purchasing act**

26. 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: *Lloyd Schuhfabrik Meyer, Case C-342/97*.



27. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

28. The average consumer of the goods at issue will be a member of the general public.

29. The selection of such goods is largely a visual process, however, I do not ignore the aural impact of the marks and the potential for the marks to be spoken, for example, by sales assistants in a retail establishment or when making a purchase over the telephone.

30. The goods at issue are intended for use in, on and around the most intimate and sensitive parts of the body. That being so, I find that the average consumer will be careful to ensure that the products chosen are precisely what they require and are safe and fit for purpose. Consequently, I find that the average consumer will pay at least a medium degree of attention during the selection of such goods.


### **Comparison of marks**

31. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

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

33. The respective trade marks are shown below:

Earlier mark 3267518	Contested trade mark
<p><b>LUBIDO</b></p>	

34. The earlier mark is comprised solely of the word ‘LUBIDO’ presented in standard typeface. The overall impression of the mark lies in its totality.

35. The applicant’s mark is a figurative mark comprised of the word element ‘LIBIDOO’ combined with a figurative element that may or may not be perceived as a condom placed within a circle. Neither element of the contested mark can be said to dominate the mark, however it is the case that the eye is naturally drawn to verbal elements in a mark and, as such, I find that the word element ‘LIBIDOO’ in the contested mark plays a slightly greater role in the overall impression of that mark.

### **Visual similarity**

36. Visually, the marks are similar inasmuch as they share the letters 'L\*BIDO' in the same order. They differ in the letter 'U' of the earlier mark and the letters 'I' and 'O' within the contested mark. They also differ visually in the figurative element of the contested mark, which has no counterpart in the earlier mark, and in the colour and stylised typeface present in the contested mark that is not present in the earlier word mark. As I have touched on previously, when faced with complex marks, the average consumer will tend to focus initially on verbal elements within that mark. As such, the word 'LIBIDOO' of the contested mark has been found to play a slightly greater role than the figurative elements in that mark. The marks at issue are therefore considered to be visually similar to a medium degree.

### **Aural similarity**

37. The verbal elements in the marks at issue are the words 'LUBIDO' and 'LIBIDOO' which will be pronounced *LUB/EEH/DOH* or *LUB/EEH/DOO* and *LYB/EEH/DOO*. The beginnings of the words will sound slightly different to each other, but not to any great degree. The middle sections of the words will sound identical and it is possible that the final parts of these words will be articulated identically. The marks are therefore considered to be aurally similar to a high degree.

### **Conceptual similarity**

38. The verbal elements 'LUBIDO' and 'LIBIDOO' contained within the marks at issue are both invented or fancy words that are very similar in look and structure to the dictionary word 'libido'. Bearing in mind the nature of the goods at issue, I find that the average consumer would readily perceive a connection between these words and the term libido. The word libido can be defined '*as that part of a person's personality that causes their sexual desires. The term is synonymous with sex drive and sexual appetite*'.<sup>3</sup> As the goods at issue are all connected with sexual health or sexual activity there can be said to be a conceptual link between the marks and the goods. The figurative element in the contested mark may be perceived as a stylised design of a condom. As all of the elements found in each of the marks at issue share

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<sup>3</sup> Collinsdictionary.com

a concept around the idea of sex, sexual appetite or sex drive, I find the marks to be conceptually similar to a high degree.

39. In conclusion, the marks have been found to be visually similar to a medium degree, aurally similar to a high degree and conceptually similar to a high degree.

### **Distinctive character of the earlier trade marks**

40. 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).”

41. The opponent has made no claim that either of its earlier marks have acquired an enhanced degree of distinctive character. I must therefore assess the plain word mark ‘LUBIDO’ purely on its inherent distinctive character.

42. The word 'LUBIDO' is an invented term that may be considered by the average consumer of the goods at issue, to be suggestive, or a misspelling, of the English word 'libido'. However, the dictionary word libido itself may be said to be merely allusive of certain qualities or features of the goods at issue. The word 'LUBIDO' can therefore be said to be inherently distinctive to a medium degree.

### **Likelihood of Confusion**

43. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

44. Confusion can be direct (which effectively occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks/services down to the responsible undertakings being the same or related).

45. I have already found that:

- the goods at issue are similar to at least a low degree;
- the marks are visually similar to a medium degree and aurally and conceptually highly similar;
- the average consumer will be a member of the general public;
- the consumer will pay at least a medium level of attention when selecting the goods;
- the purchasing process will be largely visual however I do not ignore the aural aspect of the marks and the role that an aural assessment will play;
- the earlier mark has a medium degree of inherent distinctiveness.

46. Taking all of the aforesaid into account, I find that direct confusion is likely to occur when these marks are the subject of a primarily aural selection process. The words 'LUBIDO' and 'LIBIDOO' are phonetically and conceptually highly similar. During the purchase process the average consumer is unlikely to enunciate the figurative

element in the contested mark but will instead refer to the word 'LIBIDOO'. As I have found previously, the aural impact of the marks during the selection process cannot be discounted and I conclude that an aural selection process would lead to the average consumer mistaking one mark for the other.

47. I remind myself of the legal principles outlined above in paragraph 12, where the courts found that the average consumer rarely has the chance to make direct comparisons between marks side by side, but instead relies upon an imperfect picture of them that he has kept in his mind.

48. However, in the event that I am found to be wrong in a finding of direct confusion, I go on to consider the matter in respect of indirect confusion.

49. Mr Iain Purvis QC, sitting as the Appointed Person, in L.A. *Sugar Limited v By Back Beat Inc*, Case BL-O/375/10 noted that:

“16. ...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).”

50. These examples are not exhaustive but provide helpful focus.

51. For the consumer that notices the differences between the marks, I find that the similarities between the goods at issue; combined with the high level of aurally and conceptually similarity, and the medium degree of visual similarity, all serve to ensure that that average consumer, will assume that they are variant marks from the same brand and that any goods bearing these marks will come from the same, or an economically linked, undertaking.

52. I conclude therefore, that indirect confusion is likely to occur.

53. Having found that confusion is likely, I need go no further in my assessment of the opponent’s second earlier mark, 3098192 as this mark is less similar to the contested mark due to design aspects found in it and because it is registered for a more limited set of goods than earlier mark 3267518. Therefore, the opponent would be in no stronger a position if relying on 3098192.

### **Conclusion**

54. As I have found that there is a likelihood of confusion, the opposition is successful and, subject to appeal, the application is refused.

### **Costs**

55. The opponent has been successful and is entitled to a contribution towards its costs. I bear in mind that the relevant scale is contained in Tribunal Practice Notice 2/2016. As the evidence submitted by the opponent played no role in my determination of this matter, and was not of significant volume, I make no award for costs relating to that evidence.

56. I award costs to the opponent as follows:

Official opposition fee	£100
Preparing the statement of case and Considering the counterstatement	£200
<u>Total</u>	<u>£300</u>

57. I therefore order Siyue Ltd to pay The Crude Oil Company Ltd the sum of £300. The above sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

**Dated this 14<sup>th</sup> day of April 2020**

**Andrew Feldon**

**For the Registrar**

**The Comptroller-General**