

O/568/21

TRADE MARKS ACT 1994

IN THE MATTER OF UNITED KINGDOM TRADE MARK NO. 3494505

BY DC LEGAL LIMITED TO REGISTER



IN CLASSES 5, 9, 10, AND 25

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 421736

BY SBI HOLDINGS, INC.

BACKGROUND AND PLEADINGS

1. On 28 May 2020 DC Legal Limited ('the applicant') applied to register in the United Kingdom ('UK') the following series of 2 trade marks:



It was accepted and published in the UK Trade Marks Journal on 10 July 2020 in classes 5, 9, 10, and 25 covering the following goods:

Class 5: *Plasters; plasters, materials for dressings; plasters for medical purposes; plasters for surgical purposes; adhesive plasters; medicated plasters; medical dressings and coverings; surgical dressings and coverings; materials for dressings; adhesive dressings; disinfectant dressings; elastic dressings; gauze for dressings; surgical bandages; bandages for dressings; compression bandages; parts and fittings for all the aforesaid goods.*

Class 9: *Temperature sensing apparatus for scientific use, household use or industrial use; temperature indicators; parts and fittings for all the aforesaid goods.*

Class 10: *Skin temperature indicators for medical use; temperature indicator labels for medical purposes; parts and fittings for all the aforesaid goods.*


Class 25: *Clothing; footwear; headgear; suits; gowns; gloves; shoes; boots; caps; visors; parts and fittings for all the aforesaid goods.*

2. On 12 October 2020 SBI Holdings, Inc. ('the opponent') partially opposed the trade mark on the basis of section 5(2)(b) of the Trade Marks Act 1994 ('the Act'). The opponent opposes all of the goods in classes 5 and 10, only. The opposition is made on the basis of its earlier trade marks listed below, which, given that they have not been protected for five years or more at the filing date of their application,

are not subject to the proof of use requirements specified within section 6A of the Act. The details of these marks, alongside the goods on which the opponent relies, are noted in the following table:

First earlier Trade Mark	UK Trade Mark no.3381825 for SBI ALApharma
Goods relied upon	<p>Class 3: <i>Skin lotions; skin cream; skin care cosmetics and toiletries; cosmetics and toiletries; soaps and the like; anti-static preparations for household purposes; de-greasing preparations for household purposes; rust removing preparations; stain removing benzine; fabric softeners for laundry use; laundry bleach; polishing preparations; dentifrices; perfume and flavour materials; false nails; false eyelashes</i></p> <p>.</p> <p>Class 5: <i>Supplements mainly consisting of 5-aminolevulinic acid; supplements; 5-aminolevulinic acid for medical use; amino levulinic acid for medical use; amino acid for medical use; amino acid preparations and agents; pharmaceutical preparations for skin care; diagnostic preparations for medical use; pharmaceutical preparations; lacteal flour for babies; dietetic beverages adapted for medical use; dietetic food adapted for medical use; beverages for babies; food for babies; dietary supplements for animals.</i></p> <p>Class 10: <i>Medical diagnosis machines and apparatus; medical inspection or test machines and apparatus; image processing machines and apparatus for medical use; imaging machines and apparatus for medical use; light source machines and apparatus for medical use; endoscopic machines and apparatus for medical use; therapeutic and treatment machines and apparatus; surgical machines and apparatus; chemiluminescent light sources for use in endoscopy; medical machines and instruments.</i></p>

Relevant dates	Filing date: 8 March 2019 Date of entry in register: 9 August 2019, claiming a partial priority date of 8 February 2019 from Japan TM No. 2019-0229548
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Second earlier Trade Mark	UK Trade Mark no. 3381835 for 
Goods relied upon	Class 3: <i>Skin lotions; skin cream; skin care cosmetics and toiletries; cosmetics and toiletries; soaps and the like; anti-static preparations for household purposes; de-greasing preparations for household purposes; rust removing preparations; stain removing benzine; fabric softeners for laundry use; laundry bleach; polishing preparations; dentifrices; perfume and flavour materials; false nails; false eyelashes.</i> Class 5: <i>Supplements mainly consisting of 5-aminolevulinic acid; supplements; 5-aminolevulinic acid for medical use; amino levulinic acid for medical use; amino acid for medical use; amino acid preparations and agents; pharmaceutical preparations for skin care; diagnostic preparations for medical use; pharmaceutical preparations; lacteal flour for babies; dietetic beverages adapted for medical use; dietetic food adapted for medical use; beverages for babies; food for babies; dietary supplements for animals.</i> Class 10: <i>Medical diagnosis machines and apparatus; medical inspection or test machines and apparatus; image processing machines and apparatus for medical use; imaging machines and apparatus for medical use; light source machines and apparatus for medical use; endoscopic machines and apparatus for medical use; therapeutic and treatment machines and apparatus; surgical</i>

	<i>machines and apparatus; chemiluminescent light sources for use in endoscopy; medical machines and instruments.</i>
Relevant dates	Filing date: 8 March 2019 Date of entry in register: 9 August 2019

3. The opponent contends that “SBI” is the dominant element of the contested marks and that the consumer will readily shorten their earlier marks to “SBI”, which is identical. They submit that the contested mark covers identical and/or highly similar goods and argue that, since a likelihood of confusion exists, the contested mark should be refused registration and that an award of costs is made in their favour.
4. The applicant filed a counterstatement denying the grounds of opposition in their entirety and putting the opponent to strict proof of each of the claims made, including that the consumer will readily shorten the earlier marks to “SBI”. They deny that the respective parties’ goods are highly similar and that there is a likelihood of confusion. The applicant requests that the opposition is rejected and that a costs award is made in its favour.
5. Only the opponent filed submissions during the evidence rounds and whilst I will not summarise these, I will refer to them as and where appropriate during this decision.
6. Neither party filed submissions in lieu of a hearing and no hearing was requested. This decision is taken following a careful perusal of the papers to which I refer, as necessary, below.
7. Both parties have had professional representation in these proceedings; Taylor Vinters LLP representing the opponent and IPOA Limited representing the applicant.
8. Although the UK has left the European Union (‘EU’), section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition

period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

DECISION

Section 5(2)(b) and relevant case law

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

“5(2) A trade mark shall not be registered if because-

[...]

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

10. The opponent has based their opposition on two earlier marks. The stylisation of the second earlier mark creates an additional point of difference between the marks. I will therefore focus my analysis on the first earlier mark and turn to the second if this proves necessary.

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

The principles

- (a) The likelihood of confusion must be appreciated, 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

12. The opponent contends that the contested mark covers goods that are identical or, otherwise, highly similar to the goods covered by their earlier mark. This is on the basis that the applied for goods either share the same purpose and distribution channels, or are a “*subset*” of the opponent’s goods.
13. The applicant submits that the opponent’s goods are not highly similar to the applied for goods, but does not adduce any further reasoning as to why this is.
14. At the outset, I find it useful to highlight that section 60A of the Act provides that whether the goods and services are in the same or in different classes is not decisive in determining whether they are similar or dissimilar. What matters is the actual goods and services at issue and whether they are similar or not, having regard to the case law that I refer to below.
15. When it comes to understanding what terms used in specifications cover, the guidance in the case-law is to the effect that “*in construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of the trade*”¹. Also, I must bear in mind that words should be given their natural meaning within the context in which they are used;

¹See *British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] R.P.C. 281

they cannot be given an unnaturally narrow meaning². As Lord Justice Arnold summarised when setting out the correct approach to interpreting broad and/or vague terms in *Sky v Skykick* [2020] EWHC 990 (Ch):

“...the applicable principles of interpretation are as follows:

(1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.

(2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.

(3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.

(4) A term which cannot be interpreted is to be disregarded.”

16. In the judgment of the CJEU in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer*, 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”.

17. The relevant factors for assessing similarity were identified by Jacob J. (as he then was) in *British Sugar Plc v James Robertson & Sons Limited (“Treat”)* [1996] RPC 281. At paragraph [296], he identified the following:

²See *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

“(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

18. Regarding the complementarity of goods (and, by extension, services), in *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods/services. Also, in *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court stated that ‘complementary’ means:

“...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.”

19. Additionally, in *Sanco SA v OHIM*, Case T-249/11, the General Court indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*.

The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amalia Mary Elliot v LRC Holdings Limited* BL-O-255-13:

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

Whilst on the other hand:

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

20. With the above factors in mind, the goods for comparison are as follows:

<p>Opponent’s goods</p>	<p>Class 3: <i>Skin lotions; skin cream; skin care cosmetics and toiletries; cosmetics and toiletries; soaps and the like; anti-static preparations for household purposes; de-greasing preparations for household purposes; rust removing preparations; stain removing benzine; fabric softeners for laundry use; laundry bleach; polishing preparations; dentifrices; perfume and flavour materials; false nails; false eyelashes</i></p> <p>.</p> <p>Class 5: <i>Supplements mainly consisting of 5-aminolevulinic acid; supplements; 5-aminolevulinic acid for medical use; amino levulinic acid for medical use; amino acid for medical use; amino acid preparations and agents; pharmaceutical preparations for skin care; diagnostic preparations for medical use; pharmaceutical preparations; lacteal flour for babies;</i></p>
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	<p><i>dietetic beverages adapted for medical use; dietetic food adapted for medical use; beverages for babies; food for babies; dietary supplements for animals.</i></p> <p>Class 10: <i>Medical diagnosis machines and apparatus; medical inspection or test machines and apparatus; image processing machines and apparatus for medical use; imaging machines and apparatus for medical use; light source machines and apparatus for medical use; endoscopic machines and apparatus for medical use; therapeutic and treatment machines and apparatus; surgical machines and apparatus; chemiluminescent light sources for use in endoscopy; medical machines and instruments.</i></p>
<p>Applicant's goods</p>	<p>Class 5: <i>Plasters; plasters, materials for dressings; plasters for medical purposes; plasters for surgical purposes; adhesive plasters; medicated plasters; medical dressings and coverings; surgical dressings and coverings; materials for dressings; adhesive dressings; disinfectant dressings; elastic dressings; gauze for dressings; surgical bandages; bandages for dressings; compression bandages; parts and fittings for all the aforesaid goods.</i></p> <p>Class 10: <i>Skin temperature indicators for medical use; temperature indicator labels for medical purposes; parts and fittings for all the aforesaid goods.</i></p>

21. I will make the comparison with reference to the applied for goods, grouping them together when it is relevant to do so³.

Plasters; plasters, materials for dressings; plasters for medical purposes; plasters for surgical purposes; adhesive plasters; medicated plasters; medical dressings and coverings; surgical dressings and coverings; materials for dressings; adhesive

³ See *Separode Trade Mark BL O-399-10 (AP)*

dressings; disinfectant dressings; elastic dressings; gauze for dressings; surgical bandages; bandages for dressings; compression bandages; parts and fittings for all the aforesaid goods.

22. These goods are all forms of plasters, dressings and bandages that are used to treat and protect wounds. They are typically available to purchase at a general supermarket and specialist outlets either separately or as part of a first aid kit. However, I acknowledge that surgical dressings are mostly only used within hospitals for larger injuries and, thus, their availability is more restricted to specialist healthcare outlets and users. The opponent has coverage of “*pharmaceutical preparations*”, which I interpret to refer to various types of preparations (such as creams, gels, capsules and elixirs) used for any medicinal purpose. Thus, the respective parties’ goods share a purpose to care for/enable the recovery of a health complaint/injury and there will be an overlap of user. Whilst the nature of the goods clearly differ, I expect the goods are available through similar trading and distribution channels. However, I have no evidence that the same entity usually offers both plasters and pharmaceutical preparations. The goods may be used together, though they are not competitive or complementary in a trade mark sense. Overall, the goods have a medium degree of similarity.

Skin temperature indicators for medical use; temperature indicator labels for medical purposes; parts and fittings for all the aforesaid goods.

23. These goods cover skin temperature indicators and labels and their parts and fittings. Skin temperature indicators and labels are used on humans to measure their temperature, usually with a view to indicating whether their temperature is of concern. For instance, if the temperature is particularly high or low it may indicate that the person is unwell and that further medical investigation is warranted. They are used by medical professionals at doctors’ practices and hospitals etc, in addition to the general public who might use the indicators at home. The opponent’s specification covers various types of medical apparatus, including “*Medical diagnosis machines and apparatus*” and “*medical inspection or test machines and apparatus*” generally. These goods are also used in the medical industry to investigate a person’s health, so there is a general overlap in medical

use and users to the applicant's goods. There may also be a degree of overlap in the nature of the parties' goods since the opponent's terms could include a wide variety of different types of apparatus. However, the opponent's goods are more specific and not generally used by the general public - most of the goods covered by that term are predominantly used by medical professionals. Whilst the opponent's goods enable the investigating of a specific condition or symptoms, sometimes to obtain a medical diagnosis, the applicant's goods merely indicate the temperature of a person and not what medical condition they may have, if any. Thus, the specific nature and purpose is likely to be different, or else, any overlap in purpose will be fairly small. As I do not have any evidence to indicate otherwise, in my experience I consider that whilst some trading channels may be shared, the opponent's goods are more specialist and, thus, they may not be always be found in an pharmacy or chemist, for instance. The goods are neither competitive nor complementary. Overall, I find the goods have a medium degree of similarity.

24. In making the above analysis I have considered whether any of the opponent's other goods improve their position. In my view they do not and, in fact, any similarity would be of the same or a lesser degree.

Average consumer and the purchasing act

25. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' services. I must then decide the manner in which these services are likely to be selected by the average consumer in the course of trade.

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 question⁴. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited*,

⁴ See *Lloyd Schuhfabrik Meyer & Co. GmbH*

The Partnership (Trading) Limited, U Wear Limited, J Fox Limited, [2014] EWHC 439 (Ch), Birss J. (as he then was) 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.”

27. The applicant does not indicate who they consider the average consumer is. The opponent, however, submits that the average consumer varies from *“the general public to healthcare organisations such as doctor practices and hospitals”*, depending on the goods at issue. I agree - where the goods are everyday goods like *“plasters”*, which are readily available at a range of retail shops, pharmacies, and more specialist medical retailers, then both the general public and healthcare professionals/organisations are the average consumer. In contrast, where the goods are more specialist – for instance, *“surgical bandages”* and *“temperature indicator labels for medical purposes”*, medical professionals are typically the average consumer, though they may also be a member of the general public

28. Where the average consumer is a member of public and the goods are non-specialist, such goods are typically low in price and frequently bought. The average consumer is likely to consider the price and suitability of the goods for their purpose (for instance, the size of the plasters and if they are water resistant), so I expect a medium degree of care and attention will be deployed. For more specialist goods, the goods will still be purchased frequently, though I expect they will be more expensive. The attention level for such goods will be higher than the non-specialist goods. Given the importance of the goods for the care of the medical professional’s patients, I expect that average consumer will pay a higher than average attention level, particularly since there is an increased focus on the suitability of the goods, including their quality and the reputation of the provider of the goods. Any non-professional buyers of such specialist goods would also have a higher than

average attention level. The goods will likely be selected from websites and brochures etc, so the visual element will be of most importance. However, the aural element also has a role in the selection process, particularly where orders are made following word-of-mouth recommendations and over the telephone.


Comparison of marks

29. 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.”

30. 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.

31. The respective trade marks are shown below:

First Earlier Trade Mark	Contested trade mark
SBI ALApharma	

32. The opponent submits that the contested mark incorporates the “*dominant and most distinctive element*” of their earlier marks (“SBI”). Further, that the shared element is “*placed at the beginning of both marks, where it is well established by case law that the consumers pay the both attention*⁵”. They submit that the marks are highly similar visually and that the opponent’s marks will be shortened to “SBI” of which is identically pronounced to the contested mark. Additionally, that the “SBI” element will be viewed as an acronym in both marks and, thus, they are conceptually similar.

33. The applicant states that their mark is “*distinguishable*” from the earlier trade marks. It does not elaborate as to why this is.

Overall impression

The applicant’s contested mark

34. The applied for mark is a series of 2, one mark filed in black and white; the other in red and green. The device itself consists of the letters “SBI” in a bold typeface with a combination of three lines (one horizontal, one vertical and one diagonal) and two triangles either side of the diagonal line. I find that some average consumers may view the line and triangular elements as reflecting the top right-hand corner of the Union Jack flag, albeit in different colours. The letters “SBI” are noticeably larger than the remaining elements of the mark and will play a considerably greater role in the overall impression of the mark than the typeface and figurative elements.

⁵ Cases T-183/02 and T-184/02 *El Corte Inglés, SA v OHIM*

The opponent's mark

35. The opponent's mark is a word mark that consists of the words/phrase "SBI/ALPharma" in normal black font. I consider the spacing between "SBI" and "ALPharma" suggest the elements play independent distinctive roles. They do not hang together as a unit. The overall impression lies in the words/phrase themselves, with the "SBI" element playing a slightly more dominant role on the basis that it is at the forefront. For some average consumers, I consider that the "pharma" aspect in the second element may evoke some reference to the pharmaceuticals industry.

Visual comparison

36. The beginning of the earlier mark ("SBI") appears at the top of the contested mark, albeit with a lowercase 'i'. Whilst there are additional elements in the contested mark, they are proportionately much smaller and clearly secondary in nature. Though the earlier mark does also contain the word "ALPharma", which does not appear in the contested mark. The marks are visually similar to a medium degree.

Aural comparison

37. The earlier mark comprises the element "SBI", that I expect will be articulated as an acronym ('es-be-eye'), and, the second element, "ALPharma" that will likely be articulated as 'al-a-phar-ma'. I consider there are 2 groups of consumers, one of which will articulate the whole mark and, due to the positioning of "SBI" at the forefront of the mark and its independent distinctive role, one of which will only articulate the "SBI" element. The contested mark only comprises of "SBI", which will be articulated in the same way as the beginning of the earlier mark. Overall, I consider the marks have a medium to high degree of aural similarity where the whole of the earlier mark is verbalised. For those consumers who only say 'SBI', the marks will be aurally identical.

Conceptual comparison

38. In the absence of evidence from either party to show what the average consumer would make of “SBI”/“SBI”, I find that the word is without a conceptual meaning and will likely be perceived as an acronym of some sort. The earlier mark, however, also contains the word “ALPharma”. I find it likely that some average consumers may view the “pharma” aspect as a common abbreviation for the pharmaceutical industry. I also consider that some average consumers may view the figurative element in the contested mark as the corner of the Union Jack Flag. Whilst some average consumers may consider the marks evokes both or either of these concepts, I consider some average consumers may see no conceptual reference at all. For the average consumer who sees a concept in at least one of the marks, the marks are conceptually dissimilar. For the average consumer who considers neither mark evokes a conceptual reference, the marks are conceptually neutral⁶.

Distinctive character of the earlier trade mark

39. The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, the greater the likelihood of confusion (see *Sabel*). In *Lloyd Schuhfabrik Meyer & Co. GmbH* 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-

⁶ In finding different classes of average consumer – I point to *Soulcycle Inc v Matalan Ltd*, [2017] EWHC 496 (Ch), particularly at paragraphs [27]-[28]. Here, Mann J. approved the approach of the Hearing Officer at first instance in considering the reactions of average consumers who did, and did not, recognise the word “SOUL” within the mark “SOULUXE”.

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)."*

40. Registered trade marks can possess various degrees of inherent distinctive character, ranging from low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words. The distinctiveness of a mark can be enhanced by virtue of the use made of it.

41. The earlier mark comprises the words/phrase "*SBI ALApharma*". As this has no obvious meaning, I consider it will be perceived as a combination of acronyms and/or invented words. The 'pharma' element alludes somewhat to the pharmaceuticals industry, within which the earlier mark is registered against some goods used in that industry; though the additional elements detract from this somewhat. I consider the mark has a high level of inherent distinctive character.

Likelihood of Confusion

42. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. I point particularly to the principles I referred above in paragraph 10. One of these is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity

between the respective goods, and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier trade mark, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

43. There are two types of possible confusion: direct (where 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/goods down to the responsible undertakings being the same or related). The distinction between these was explained by Mr Iain Purvis Q.C (sitting as the Appointed Person) in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply

even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.)

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

44. I also find it important to mention the case of *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch). Here, Arnold J. (as he then was) considered the impact of the CJEU’s judgment in *Bimbo*, Case C-591/12P, on the court’s earlier judgment in *Medion v Thomson*. The judge said:

“18 The judgment in Bimbo confirms that the principle established in Medion v Thomson is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In Medion v Thomson and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 *The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).*

21 *The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”*

45. Notwithstanding the principle of imperfect recollection, and taking all of the above factors into account, I consider the differences between the marks will be sufficient to enable the average consumer with a medium and/or high degree of attention to differentiate between the parties' marks. They will at least recall that one is a device mark with a series of lines and triangles, whilst the other is “SBI” plus an additional word. Although I find that the “SBI” element in the contested mark has an independent distinctive role in that mark and that element is shared with the earlier mark, I highlight Arnold J's findings in *Whyte and Mackay Ltd*, paragraph [22], that “*it does not automatically follow that there is a likelihood of confusion*” and, rather, that an overall analysis of all the relevant factors must still be undertaken⁷. Thus, due to the other differences between the marks, I do not consider there is a likelihood of direct confusion.

46. In considering whether there is a likelihood of indirect confusion, I bear in mind that the three categories of indirect confusion identified by Mr Purvis QC above are just illustrative – he stated that indirect confusion ‘tends’ to fall in one of them. I also

⁷ On the latter point, see paragraphs [48-50] of the General Court in *Anncò, Inc. V OHIM*, Case T-385/09

note that a finding of indirect confusion should not be made merely because the two marks share a common element⁸.

47. Nevertheless, the competing goods are of a medium degree of similarity and all within the medical industry. Although I bear in mind that the additional visual elements differentiate the marks somewhat, the marks are still visually similar to a medium degree and contain the same element (“SBI”/“SBI”). I find that even if the earlier mark evokes a conceptual message, it is a weak one that is somewhat allusive to the industry of which the registered goods pertain - pharmaceuticals, which is closely associated with the medical industry. Given that the common element has a high degree of distinctiveness and plays an independent distinctive role in the overall impression of the contested mark, upon considering all of the relevant factors, I find it likely that the average consumer would assume that the goods are offered by the same or an economically linked undertaking. Thus, due to the shared “SBI”/“SBI” element, I find the average consumer may be confused. This is notwithstanding if the average consumer pays a high or medium attentiveness. In particular, I consider it likely that the average consumer would view the contested mark as merely being a stylised logo for SBI/SBi, of whom is the parent brand or is related to “SBI ALApharma” – who could be a brand extension/sub-brand in the pharmaceutical industry. It follows that I find a likelihood of indirect confusion.

The opponent’s Second Earlier Trade Mark

48. The opposition based on the opponent’s First Earlier Mark has succeeded, though for the record, and in case of appeal, I will briefly consider whether its second registration puts it in a better position. I will state the position shortly, namely that the opposition on the basis of the second registration would succeed for the same/similar reasons as the first. For the record, my findings are that:

⁸ See Mr James Mellor Q.C., as the Appointed Person in *Duebros Limited v Heirler Cenovis GmbH* BL O/547/17

- The overall impression of the earlier mark rests in the words “SBI” and “ALPharma”, with the stylisation and red curved line above the “SBI” playing a more secondary role. Due to its positioning at the forefront and bold stylisation, the “SBI” element plays a slightly greater role than the italicised and slightly smaller “ALPharma” element. There is a slightly greater degree of visual difference between the parties’ marks, though the overall visual similarity is still medium.
- The aural and conceptual analysis is the same.
- The average consumer analysis is the same.
- The distinctiveness of the earlier mark assessment is very similar, when one bears in mind that it is the distinctiveness of the common element that is key⁹. I still find that the earlier mark has a high degree of inherent distinctiveness.
- The most similar terms of the parties’ goods are the same – so my analysis from earlier remains.
- When the above analysis is borne in mind, whilst the difference in stylisation brings the marks slightly further apart, I find that there is an increased emphasis on the common element (“SBI”/“SBI”). For that reason, my earlier likelihood of confusion analysis on this mark is very similar – I would still find a likelihood of indirect confusion.

CONCLUSION

49. The partial opposition under section 5(2)(b) of the Act has succeeded in full. Subject to any successful appeal against my decision, the application will be refused for the full range of goods opposed. The application can, however, proceed to registration for the following goods that were not opposed:

Class 9: *Temperature sensing apparatus for scientific use, household use or industrial use; temperature indicators; parts and fittings for all the aforesaid goods.*

⁹See Mr Iain Purvis Q.C, particularly at paragraphs [38-39] in *Kurt Geiger v A-List Corporate Limited*, BL O-075-13

Class 25: *Clothing; footwear; headgear; suits; gowns; gloves; shoes; boots; caps; visors; parts and fittings for all the aforesaid goods.*

COSTS

50. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs in proceedings commenced after 1 July 2016 are governed by Annex A of Tribunal Practice Notice (“TPN”) 2 of 2016. Using that TPN as a guide, I award the opponent the sum of £700 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Official fee	£100
Preparing a statement and considering the other side’s statement:	£300
Preparing written submissions:	£300

51. I therefore order DC Legal Limited to pay SBI Holdings, Inc. the sum of £700. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 29th day of July 2021

**B Wheeler-Fowler
For the Registrar**