

BL O/1030/22

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK DESIGNATION WO0000001550892

BY

AVB METRICS, LLC

TO REGISTER THE FOLLOWING TRADE MARK:

GRAVITY

AND

OPPOSITION NO. 425136 THERETO

BY

GRAVITY INDUSTRIES LIMITED

Background and pleadings

1. On 11 August 2020, AVB Metrics, LLC (the “Holder”) applied to designate the UK for its the word only trade mark registration GRAVITY, which has a US priority date of 13 February 2020. The contested designation was published for opposition purposes in the Trade Marks Journal on 26 March 2021. Designation of the mark is sought in respect of the following goods:

Class 12 *Electrically powered automobiles.*

2. On 21 July 2021, Gravity Industries Limited (the “Opponent”) filed a notice of opposition, opposing the designation under Section 5(1) and 5(2)(a) of the Trade Marks Act 1994 (“the Act”), on the basis of one earlier European Union Trade Mark (EUTM):

EUTM No. 17980091

GRAVITY

Filing date: 2 November 2018

Registration date: 18 April 2019

3. For the purposes of this opposition, the Opponent relied upon all of the goods for which the earlier mark is registered in Classes 7, 9, 12, 25, 41 and 42.

4. Since the filing date of the earlier mark predates that of the contested designation, the Opponent’s mark is considered to be an “earlier mark” in accordance with section 6 of the Act.¹ However, as the mark has not been registered for a period of five years or more before the filing date of the application, it is not subject to the use requirements specified within section 6A of the Act. As a consequence, the Opponent may rely upon

¹ Although the UK has left the EU and the transition period has now expired, EUTMs, and International Marks which have designated the EU for protection, are still relevant in these proceedings given the impact of the transitional provisions of the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019. Tribunal Practice Notice 2/2020 refers.

any or all of the goods and services for which the earlier mark is registered without having to show that it has used the mark at all.

5. The opposition is aimed against all of the goods in the contested designation. The Opponent claimed that the contested goods are identical to the goods of its earlier mark, specifically *vehicles, driverless cars and vehicles for locomotion by land*. The Opponent also claimed that the marks are identical. As such, the Opponent argued that the designation should be rejected under Section 5(1)(a), or in the alternative, and if it is held that the goods at issue are only similar, then the designation should be rejected under Section 5(2)(a).

6. On 11 October 2021, the Holder filed a counterstatement. The Holder's counterstatement consisted of a series of "denials" in response to the Opponent's indications/"claims" in the notice of opposition.

7. Neither party submitted evidence.

8. No Hearing was requested and only the Opponent filed submissions in lieu of a Hearing. The Opponent's submissions consisted of a summary of the proceedings up to that point, and also claimed that the Holder had engaged in "unreasonable actions" and "pure delay", resulting in "almost 18 months of needless expense". As a consequence of the delays caused by the Holder's continuation of a case which "never had any chance of success", the Opponent requested an award of costs in excess of the usual scale.

9. Both parties are professionally represented. The Holder is represented by Lane IP Limited, and the Opponent is represented by Dolleymores.

Decision

10. Although the UK has left the 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 Act relied upon in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

Section 5(1) and 5(2)(a)

11. Section 5(1) of the Act states:

“5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

12. Section 5(2)(a) of the Act reads as follows:

(2) A trade mark shall not be registered if because – (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the trade mark is protected

(b) [...]

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

13. The Holder’s reply to the Opponent’s claim that the marks are identical is limited to the following:

“The Applicant denies the Opponent’s claim in Sentence 1 in response to Question 5 on Page 6 in its entirety”.

14. Despite the Holder’s submission to the contrary, it is clear that the marks at issue are identical. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, Case C-291/00, the CJEU held that:

“54... a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by the average consumer.” 44.

15. It is therefore self-evident and undeniable, in my opinion, that the earlier mark and the contested designation are visually, aurally and conceptually identical.

Comparison of goods

16. The respective goods are:

Earlier mark	Contested designation
<p><i>Class 7: Propulsion engines, propulsion mechanisms, aeronautical engines, blowing machines, compressed air engines, control mechanisms for machines, engines or motors, jet engines other than for land vehicles, engines other than for land vehicles.</i></p>	
<p><i>Class 9: Flight control apparatus, computer controls, robotics, computer hardware, computer firmware, computer software, altimeters, GPS units, speedometers, azimuth instruments, barometers, directional compasses, protective clothing, protective gloves, protective masks, protective helmets for sports, speed indicators.</i></p>	
<p><i>Class 12: Vehicles; flying apparatus; civilian drones; parachutes; aeronautical apparatus, machines and appliances; electric bicycles; driverless cars; ejector seats for aircraft; hot air balloons; remote control vehicles, other than toys; jet engines; turbines for land vehicles; vehicles for locomotion by land, air, water or rail.</i></p>	<p><i>Class 12: Electrically powered automobiles.</i></p>

Class 25: <i>Clothing, footwear and headgear.</i>	
Class 41: <i>Training services, entertainment/sporting events, providing recreation facilities, providing sports facilities.</i>	
Class 42: <i>Engineering services; research, design and development; computer system design.</i>	

17. In the judgment of the Court of Justice of the European Union (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”.

18. 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.

19. It has also been established by the GC in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut fur Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

20. The contested *Electrically powered automobiles* fall within the more general category of the earlier mark’s *Vehicles* registered in Class 12. The contested goods are therefore considered to be identical to the goods of the earlier mark in accordance with the *Meric* principle.

Conclusion

21. It is a prerequisite of Section 5(1) that the goods be identical. They have been found to be identical. The marks themselves have also been found to be identical. The opposition under Section 5(1) therefore succeeds in its totality.

Costs

22. As the successful party, the Opponent is entitled to a contribution to its costs. I note that the Opponent has requested costs off the usual scale due to the alleged unreasonable conduct of the Holder. According to the Opponent, this unreasonable

conduct included the Holder's indication during the Case Management Conference (CMC) that it would file evidence, which it subsequently did not, and also the fact that it did not withdraw its designation at any time during the proceedings even though, according to the Opponent, it would have been "...aware of the futility of proceeding". The Opponent further stated that it had been forced to incur legal costs in dealing with an opposition which it feels should have stopped in May 2021, and requested that the costs award include an amount for the CMC.

23. In relation to the issue of the Holder not withdrawing its designation, I must point out that it is entirely within the Holder's right to continue with the proceedings in order to await a substantive decision, and that the decision to withdraw, or not, following a CMC is entirely the Holder's prerogative. That having been said, I can understand fully the Opponent's frustration. The Opposition has been found to be successful under Section 5(1), which is also the outcome that was indicated in the Preliminary Indication. Further, the CMC made clear that its purpose was to discuss avoiding unnecessary costs before proceeding to the evidence rounds, especially when considering that Section 5(1) was in play.

24. A Section 5(1) objection is based on clearly identifiable truths: that the marks are identical and that the goods at issue are identical. It does not seem to me that the Holder had any likelihood of success in proving this "factual matrix", as referred to by the Hearing Officer at the CMC, to be untrue. Although the Holder insisted on proceeding to the evidence rounds, I cannot fathom what evidence it intended to submit in order to overcome the Section 5(1) objection, which, in any case, it failed to provide. It is clear to me that the Opponent has had to continue unnecessarily with proceedings, and has undoubtedly incurred avoidable costs.

25. As to the request of off the scale costs, I do not find it to be fitting. I note that the original notice of opposition was extremely succinct. I also note that the Opponent had only the most basic of counterstatements to consider. In so far as evidence is concerned, the Opponent did not have any evidence from the Holder to consider, nor did it file any of its own evidence. Therefore, costs could not have been incurred in this aspect. Whilst I acknowledge that the Opponent filed submissions in lieu of a hearing, the actual submissions focused more on the fault and conduct of the Holder rather than providing argument in relation to the marks at issue. With all of this in mind, I am

minded to award the Opponent costs that fall within the established scale set down in the Tribunal Practice Notice 2/2016. The costs shall include an amount for the CMC.

26. In the circumstances I award the Opponent the sum of £1,100 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Fee for the opposition	£100
Preparing a statement and considering the counterstatement of the other side	£200
Preparing submissions in lieu of a hearing	£400
Preparing for and attending a CMC	£400
Total	£1,100

27. I therefore order AVB Metrics, LLC to pay Gravity Industries Limited the sum of £1,100. 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 23rd day of November 2022

Dafydd Collins

For the Registrar