

O/0219/23

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION
NO. 3686713 BY
SOCIEDAD COOPERATIVA ANDALUZA GANADERA
DEL VALLE DE LOS PEDROCHES COVAP
TO REGISTER AS A TRADE MARK:**

Smilke
CAFÉ
COVAP

IN CLASSES 29 & 30

AND

**OPPOSITION THERETO
UNDER NO. 0429007 BY
VALLES DE CÓRDOBA S.L.**


Background & Pleadings

1. SOCIEDAD COOPERATIVA ANDALUZA GANADERA DEL VALLE DE LOS PEDROCHES COVAP (“**the applicant**”), applied to register the word trade mark shown on the front page of this decision in the United Kingdom. The application was filed 26 August 2021 and was published on 05 November 2021 in respect of the following goods and services:

Class 29: Dairy products.

Class 30: Coffee.

2. Valles de Córdoba S.L. (“**the opponent**”) opposes the application on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (“**the Act**”). In conjunction with the Section 5(2)(b) ground, this opposition was also initially based on Section 5(3) of the Act. However, in its letter dated 21 December 2022, the Tribunal informed the parties that the grounds of opposition were reduced to Section 5(2)(b) for the earlier right below as the opponent withdrew its Section 5(3) grounds. The opponent is the proprietor of the following mark:

Trade Mark no.	UK00917935467 ¹
Trade Mark	 The trade mark consists of the word "SMILKEN" in a bold, black, sans-serif font, centered within a blue brushstroke graphic that has a textured, painterly appearance.
Goods Relied Upon	Class 29, 30, 33, 32, & 33.

¹ On 1 January 2021, the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing registered EUTM. As a result, the opponent's earlier mark was automatically converted into a comparable UK trade mark. Comparable UK marks are now recorded on the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original filing dates remain the same.

Relevant Dates	Filing date: 26 July 2018
	Date of entry in register: 21 September 2020

3. Under Section 6(1) of the Act, the opponent's trade mark clearly qualifies as an earlier trade mark. Further, as the registration of the opponent's earlier mark was completed less than five years before the application date of the contested mark, proof of use is not relevant in these proceedings as per Section 6A of the Act.
4. For the purposes of this opposition, the opponent relies on its goods in all classes of the earlier mark, as shown in detail later in this decision.
5. The opponent, in its notice of opposition, claims that:

“The mark applied for is visually, phonetically and conceptually very closely similar to the earlier mark of the opponent.

The goods applied for are either identical to, closely similar to, or associated with, the goods covered by the earlier mark of the opponent.”

6. The applicant filed a defence and counterstatement, denying that the marks are confusingly similar. The applicant claims that the competing marks are visually “quite different”, phonetically dissimilar, and there is no conceptual similarity. I will return to these points later in the decision. In relation to the competing goods, the applicant contends that:

“It is admitted that the goods in Class 30 are identical. It is also admitted that the goods in Class 29 are identical in as far as they cover "milk". However, the "dairy products" covered by the mark applied for, also includes other goods such as cheese, ice cream, yogurts and condensed or dried milk, which are not covered by the earlier mark.”

7. Only the opponent filed written submissions in lieu of a hearing in these proceedings, which will not be summarised but will be referred to as and where appropriate during this decision. Thus, this decision has been taken following a careful consideration of the papers.
8. In these proceedings, the opponent is represented by Sonder & Clay and the applicant by Lincoln IP.
9. 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 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)

10. Section 5(2)(b) of the Act is as follows:

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

[...]

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

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

11. The principles considered in this opposition stem from the decisions of the European 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 BV* (Case C-342/97),

Marca Mode CV v Adidas AG & Adidas Benelux BV (Case C-425/98), Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (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-334/05 P) and Bimbo SA v OHIM (Case C-519/12 P):

- 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 will wrongly 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 General Court (GC) confirmed in *Gérard Meric v OHIM*, Case T-133/05, paragraph 29, that, even if goods or services are not worded identically, they can still be considered identical if one term falls within the scope of another, or vice versa:

“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 für 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”.

13. The competing goods to be compared are shown in the following table:

Opponent's Goods	Applicant's Goods and Services
<p>Class 29: Meat; Fish; Poultry, not live; Game; Meat extracts; Preserved, frozen, dried and cooked fruits and vegetables; Jellies, jams, compotes; Eggs; Milk; Milk products; Edible oils and fats.</p> <p>Class 30: Coffee; Tea; Cocoa; Artificial coffee; Rice; Tapioca; Sago; Flour; Preparations made from cereals; Bread; Pastries; Confection; Ices; Sugar; Honey; Golden syrup; Yeast; Baking powder; Salt; Mustard; Vinegar; Sauces [condiments]; Spices; Ice.</p> <p>Class 32: Beer; Aerated water; Non-alcoholic beverages; Mineral water [beverages]; Fruit juice beverages; Preparations for making beverages; Syrups for making beverages.</p> <p>Class 33: Alcoholic beverages (except beer).</p>	<p>Class 29: Dairy products.</p> <p>Class 30: Coffee.</p>

14. In its submissions the opponent reiterates that the respective goods are identical.

15. As quoted above, the applicant claims the following:

“It is admitted that the goods in Class 30 are identical. It is also admitted that the goods in Class 29 are identical in as far as they cover "milk". However, the "dairy products" covered by the mark applied for, also includes other goods such as cheese, ice cream, yogurts and condensed or dried milk, which are not covered by the earlier mark.”

16. I consider that the competing terms “dairy products” and “milk products” are equivalent/alternative terms, and, thus, they are identical. On this

basis, and together with the applicant's admission, I find the competing goods to be identical.

Average Consumer and the Purchasing Act

17. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purposes 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 and services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. In *Hearst Holdings & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch), at paragraph 70, Birss J (as he then was) described the average consumer in these terms:

“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 word ‘average’ denotes that the person is typical. The term ‘average’ does not denote some form of numerical mean, mode or median.”

18. The goods at issue are food or drink items, which will be purchased and consumed by the general public. These are inexpensive goods purchased through primarily visual means, most often selected from supermarket shelves or on a website for home delivery. Whilst the average consumer will predominantly purchase them following a visual inspection, I do not discount aural recommendations. Given the low cost of the goods, the level of care and attention paid when purchasing them will be no more than average.



Comparison of Trade Marks

19. 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.”

20. 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.

21. The marks to be compared are:

Opponent's Mark	Applicant's Mark
	

Overall Impression

22. The earlier mark consists of both verbal and figurative elements. The verbal element “SMILKEN” is presented in bold, upper case and a standard typeface. The figurative and decorative blue brushstrokes appear above and below the word element. I find that the word element will be the dominant element, having the greatest weight in the overall impression, whilst the brushstrokes will play only a decorative role in the mark with minimal impact on the overall impression.
23. The contested mark comprises three words (from top to bottom) “Smilke”, “CAFÉ”, and “COVAP”, in different font sizes and (standard) typefaces. The word “Smilke” appears at the top of the mark, more prominent than the other two elements, capitalised and bold. Further, the word “CAFÉ” is positioned at the centre of the mark in upper case and bold font, albeit smaller in size than the word element “Smilke”. By comparison, the word “COVAP” is the smallest element in the mark, placed at the bottom of the mark in upper case and bold font. Because of its primary position and font size, the word “Smilke” will be the dominant element of the mark, having the greatest weight in the overall impression. This is because the word “CAFÉ” will be descriptive of the goods under the mark, and the word “COVAP” is very small in size, thereby playing a secondary role in the overall impression.

Visual Comparison

24. In terms of visual similarity, the marks coincide in the sequence of the first six letters between the dominant element of the contested mark “Smilke” and the earlier word mark “SMILKEN”. However, there are points of visual difference in the competing marks. In particular, the marks differ in the presence/absence of: the letter ‘N’ in the word elements “SMILKEN/Smilke”; the word elements “CAFÉ” and “COVAP”; and the decorative element. Taking everything into account, including the overall impressions of the marks, there is a medium degree of visual similarity.

Aural Comparison

25. The opponent submits that:

“When compared phonetically, the marks are very closely similar. The distinctive and dominant element of both marks is the wording element. The distinctive and dominant element of the earlier registered mark is the word SMILKEN; the distinctive and dominant element of the subject application is the word SMILKE. These elements are almost identical on a phonetic comparison. Upon pronunciation, the words are almost identical in length, both comprising two syllables of identical length. Both words consist of a string of 6 identical letters in the identical order which upon pronunciation sound identical. The only very minor difference between the two words on a phonetic comparison is the final letter “n” at the end of the earlier registered mark. This is a very soft sound which is easily lost in pronunciation, and would be easily missed when spoken aloud, in particular given accepted case law that most attention is paid to the beginning of a sign. Phonetically, the dominant and distinctive elements of the signs are virtually identical. It is of course acknowledged that the subject application also contains additional wording, however it is submitted that those words do not detract from the almost identical nature of the first and primary word of the subject application. The additional wording within the subject application does nothing to detract from that identity. Indeed, the visual presentation makes it abundantly clear to the consumer that the dominant element of the subject application is the word SMILKE, and this invites the consumer to refer to the subject application orally as SMILKE, without the additional wording. Overall, the signs are very closely similar on a phonetic comparison.”

26. In its counterstatement the applicant claims that:

“Phonetically the trade marks are also dissimilar. The earlier mark is comprised of one word consisting of two syllables. In contrast, the mark applied for consists of three words, comprising five syllables in total. When the marks are verbalised these differences would be immediately apparent.”

27. The verbal element in the earlier mark is a two-syllable word that the average consumer will articulate as “SMIL-KUHN”. The dominant word element in the contested mark is a monosyllabic word which will most likely be pronounced as “SMILK”. Thus, the competing marks will share the same first syllable and the same sound produced by the letter ‘K’ (SMIL-KUHN/SMIL-K). In this regard, the competing marks only differ in the presence/absence of the sound “-UHN”. Whilst there is no phonetic counterpart of the additional word elements “CA-FAY” and “CO-VAP” in the earlier mark, I do not consider that the average consumer will attempt to articulate them, including the decorative element in the earlier mark. This is due to their secondary/minimal role in the overall impression, whereby the average consumer will focus on the dominant elements in the competing marks to refer to the products. Consequently, I find that the marks are aurally similar to a high degree (though lower where the words “CA-FAY” and “CO-VAP” are spoken).

Conceptual Comparison

28. In its counterstatement, the applicant asserted that:

“There is also no conceptual similarity. The word “SMILKEN” has no recognisable meaning in the English language. Whilst the word “CAFÉ” is recognisable in English, the words “Smilke” and “COVAP” in the mark applied for do not have any recognisable meaning. Therefore, the marks are not conceptually similar.”

29. In its submissions, the opponent claims that:

“The distinctive and dominant element of the sign is the word SMILKEN which has no meaning in the English language. Whilst it is understood that the word SMILKEN may be translated from Norwegian to mean “the smile”, it is submitted that this would not be a commonly known or understood translation to normal English speakers. As such, the word would be understood by a normal English speaking consumer to be an invented word with no definition or meaning.

In the unlikely event that an English speaker would know and understand the Norwegian language translation into English, the sign “the smile” still has no meaning or significance in respect of the goods concerned.

[...]

Conceptually, it is not possible to compare the signs given that the normal English speaking consumer would not know or understand the words SMILKEN or SMILKE to have any real meaning.”

30. No immediate perceptible meaning can be extracted from the word elements SMILKEN and Smilke in the competing marks. As a result, the average UK consumer will treat both of these word elements as invented words with no identifiable concept. However, the contested mark contains the common dictionary word “CAFÉ”, having a descriptive quality, that the average consumer will readily understand. I note that there is no such conceptual counterpart in the opponent’s mark. Further, I find that the word “COVAP” in the contested mark has no meaning and will be considered to be an invented word. As a result, I find that the marks are conceptually dissimilar as one mark is invented, whereas the other contains at least one recognisable and descriptive element.

Distinctive Character of the Earlier Trade Mark

31. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97, paragraph 22 and 23, the CJEU stated that:

“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).

In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

32. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.
33. The opponent has not shown use of its mark and thus cannot benefit from any enhanced distinctiveness. In this respect, I have only the inherent

distinctiveness of the earlier mark to consider. As described above in this decision, the earlier mark is the word “SMILKEN”. As it is comprised of one plain word, its distinctiveness lies in the word itself. The earlier mark has no real suggestive or allusive significance in relation to the goods for which it is registered. The mark will be perceived by consumers as an invented or a foreign language word, and I find that the level of inherent distinctiveness will be high.

Likelihood of Confusion

34. In assessing the likelihood of confusion, I must adopt the global approach set out in the case law to which I have already referred above in this decision. Such a global assessment is not a mechanical exercise. I must also have regard to the interdependency principle i.e. that a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa.² It is essential to keep in mind the distinctive character of the opponent’s trade mark since the more distinctive the mark, the greater the likelihood of confusion. I must also keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon imperfect recollection.³
35. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other. Indirect confusion is where the consumer notices the differences between the marks but concludes that the later mark is another brand of the owner of the earlier mark or a related undertaking.
36. In *L.A. Sugar Limited v Back Beat Inc*, Case BL O/375/10, Iain Purvis Q.C., sitting as the Appointed Person, explained that:

² See *Canon Kabushiki Kaisha*, paragraph 17.

³ See *Lloyd Schuhfabrik Meyer*, paragraph 27.

“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.”

37. In *Nokia Oyj v OHIM*, Case T-460/07, the General Court stated that:

“Furthermore, it must be recalled that, in this case, although there is a real conceptual difference between the signs, it cannot be regarded as making it possible to neutralise the visual and aural similarities previously established (see, to that effect, Case C-16/06 *P Éditions Albert René* [2008] ECR I-0000, paragraph 98).”

38. Earlier in this decision I have concluded that:

- the goods at issue are identical;
- the average consumer of the parties’ goods is a member of the general public, who will select the goods by predominantly visual means, but without dismissing the aural means. The attention will normally be no more than average;
- the competing marks are visually similar to a medium degree, aurally to a high degree (though lower where the words “CA-FAY” and “CO-VAP” are spoken), and conceptually dissimilar;
- the earlier mark has a high degree of inherent distinctiveness.

39. Taking into account the above factors and considering the identical goods in play, there is likelihood of direct confusion. I find that the similarity between the marks coupled with the high distinctiveness of the earlier mark will result in the average consumer imperfectly recollecting the earlier mark and directly confusing it with the contested mark. Further, it is my view that the diverging letter (SMILKEN/Smilke) between the dominant word elements is in a much less impactful positioning than if it were at the beginning of the word. Notwithstanding the conceptual dissimilarity,⁴ the visual and aural similarities between the common dominant and distinctive element SMILKEN/SMILKE in the marks in question will lead the average consumer into mistaking/misrecalling the applicant's mark for the opponent's.

Outcome

40. The opposition under Section 5(2)(b) **succeeds in its entirety. Subject to an appeal against this decision, the application will be refused.**

Costs

41. In terms of costs, whilst both parties have achieved a measure of success, proportionately, the opponent has been more successful than the applicant. Awards of costs in opposition proceedings are governed by Tribunal Practice Notice 1/2023. I award costs to the opponent on the following basis:

⁴ As noted in *Nokia Oyj v OHIM*, Case T-460/07.

Filing a notice of opposition	£100
Opposition fee	£100
Filing written submissions	£350
Total	£550

42. I therefore order SOCIEDAD COOPERATIVA ANDALUZA GANADERA DEL VALLE DE LOS PEDROCHES COVAP to pay Valles de Córdoba S.L. the sum of £550. 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 1st day of March 2023

Dr Stylianos Alexandridis

For the Registrar,

The Comptroller General