

O/008/19

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003298408

BY GLOBAL HUBB LTD

TO REGISTER THE FOLLOWING TRADE MARK:

**Apex CBD**

IN CLASS 34

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 600000922 BY

APEX CBD LTD

## BACKGROUND AND PLEADINGS

1. On 21 March 2018, Global Hubb Ltd (“the applicant”) applied to register the mark shown on the cover page of this decision in the UK. The application was published for opposition purposes on 15 June 2018. The applicant seeks to register the mark for the following goods:

Class 34      Electronic cigarette liquid [e-liquid] comprised of flavorings in liquid form used to refill electronic cigarette cartridges.

2. The application was opposed under the fast track opposition procedure by Apex CBD Ltd and Andrew Wood (“the opponents”). The opposition is based on section 5(2)(a) of the Trade Marks Act 1994 (“the Act”). The opponents rely on their earlier UK Trade Mark No. 3292827 for the mark **apex cbd**. The earlier mark was filed on 26 February 2018 and was registered on 1 June 2018. The opponents rely on all of the services for which the earlier mark is registered, namely:

Class 35      Retail services in relation to dietary supplements.

3. The opponents submit that the respective goods and services are similar and that the marks are identical.

4. The applicant filed a counterstatement denying the claims made.

5. Rule 6 of the Trade Marks (Fast Track Opposition) (Amendment) Rules 2013, S.I. 2013 2235, disapplies paragraphs 1-3 of Rule 20 of the Trade Mark Rules 2003, but provides that Rule 20(4) shall continue to apply. Rule 20(4) states that:

“The registrar may, at any time, give leave to either party to file evidence upon such terms as the registrar thinks fit.”

6. The net effect of these changes is to require the parties to seek leave in order to file evidence in fast track oppositions. No leave was sought in respect of these proceedings.

7. Neither party is represented. Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if (i) the Office requests it or (ii) either party to the proceedings requests it and the registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate costs; otherwise, written arguments will be taken. A hearing was neither requested nor considered necessary; only the opponents filed written submissions in lieu.

## **PRELIMINARY ISSUES**

8. In their written submissions in lieu, the opponents stated:

“We have read the response from Global hubb ltd and still wish to proceed with our opposition as allowing them to trademark a product with our trademarked company name would impact our business e.g

Relative grounds for refusal of registration.

“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 applied for are identical with the goods or services for which the earlier trade mark is protected.”

Therefore we object under this definition.”

9. The reference to identical marks and identical goods and services in the opponents’ written submissions is a reference to section 5(1) of the Act. This was not pleaded in the Notice of Opposition; the opponents pleaded section 5(2)(a) only. It would not be fair to allow the opponents to rely upon section 5(1) of the Act in addition to section 5(2)(a) as this was not pleaded by the opponents until their written submissions in lieu, meaning the applicant did not have an opportunity to respond, and no request to amend the pleadings was made. However, as section 5(2)(a) of the Act only requires the goods and services for which the marks are applied for/registered to be similar, this is a lower threshold for the opponents to satisfy than the threshold required under section 5(1) of the Act and will not affect the outcome of this opposition. I will consider section 5(2)(a) of the Act only in reaching my decision.

10. Both parties have provided various details regarding the size and development of their businesses. However, this information does not go to the issues to be determined in this case and is, therefore, of no relevance to my decision. The only issues I have to decide are whether the parties' marks are identical and whether the goods and services for which they are registered/applied for are similar, giving rise to a likelihood of confusion on the part of the average consumer. I will, therefore, treat this as background information only.

## **DECISION**

11. 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.”

12. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1) (a) or (b) subject to its being so registered.”

13. The trade mark upon which the opponents rely qualifies as an earlier trade mark under the above provisions. As the earlier trade mark had not completed its registration process more than 5 years before the publication date of the application in issue in these proceedings, it is not subject to proof of use pursuant to section 6A of the Act. The opponents can, as a consequence, rely upon all of the services they have identified.

### **Comparison of the marks**

14. It is a prerequisite of section 5(2)(a) of the Act that the trade marks are identical. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, Case C-291/00, the Court of Justice of the European Union (“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”.

15. Both the applicant’s mark and the opponents’ mark consist of the letters APEX CBD. In the applicant’s mark the letters CBD and the first letter of the word APEX are capitalised (with the rest being in lower case). The opponents’ mark is presented entirely in lower case. This is the only difference between the marks. As notional and fair use means that the marks could both be used in any standard typeface, the differences created by the capitalisation are not relevant. The marks are, therefore, identical.

### **Comparison of goods and services**

16. The competing goods and services are as follows:

The Opponents' Services	The Applicant's Goods
<u>Class 35</u> Retail services in relation to dietary supplements.	<u>Class 34</u> Electronic cigarette liquid [e-liquid] comprised of flavorings in liquid form used to refill electronic cigarette cartridges.

17. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment of the CJEU in *Canon*, 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. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

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

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

20. In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as then was) stated that:

“I should add that I see no reason to give the word “cosmetics” and “toilet preparations”... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context.”

21. In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as the then was) stated that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They

should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

22. 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. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court (“GC”) 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 the responsibility for those goods lies with the same undertaking.”

23. In *Sanco SA v OHIM*, Case T-249/11, the GC 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 Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“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.”

24. I have no submissions from either party on the similarity of the goods other than the opponents’ submissions that the parties “both sell cbd products” and that the



opponents also “intend to produce [their] own products and brand them with [their] company logo”. These submissions do not assist the opponents because the opponents’ mark is only registered for “Retail services in relation to dietary supplements”. The opponents’ mark is not registered for any goods. My decision must be based on the goods/services for which the marks are registered/applied for only. The fact that the opponents may be using their mark for goods/services which go beyond the scope of its specification (and which may be similar to the applicant’s goods) is not relevant to the decision I must make.

25. Clearly there will be some overlap between the users of the goods/services on a superficial level as they will both be used by members of the general public. However, this is not sufficient on its own for a finding of similarity. The uses and nature of the goods/services are self-evidently different. There is no competition between the goods and services because you would not select one as an alternative for the other. In *Oakley, Inc v OHIM*, Case T-116/06, at paragraphs 46-57, the GC held that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree. In *Waterford Wedgewood Plc v. Assembled Investments (Proprietary) Ltd*<sup>1</sup> it was held that the findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party’s trade mark was registered (or proposed to be registered). However, this case is concerned with retail services related to dietary supplements on the one hand and electronic cigarette liquid on the other. There is no connection, at all, between them and there is no complementarity. I am satisfied that there is no similarity between “retail services in relation to dietary supplements” in the opponents’ specification and “electronic cigarette liquid [e-liquid] comprised of flavourings in liquid form used to refill electronic cigarette cartridges” in the applicant’s specification.

26. My finding that the marks are identical on its own is not sufficient for the opposition to succeed. Some degree of similarity between the goods and services in issue is

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<sup>1</sup> Case C-398/07P

required for there to be a likelihood of confusion<sup>2</sup>. As there is no similarity between the parties' respective goods and services the opposition must fail.

## **CONCLUSION**

27. The opposition is unsuccessful and the application will proceed to registration.

## **COSTS**

28. Awards of costs in fast track opposition proceedings filed after 1 October 2015 are governed by Tribunal Practice Notice 2 of 2015. The applicant has been successful and would normally be entitled to a contribution towards its costs. However, as the applicant is unrepresented, the tribunal wrote to the applicant on 11 October 2018 and invited it to indicate whether it intended to make a request for an award of costs. The applicant was informed that, if so, it should complete a pro-forma, providing details of the actual costs incurred and accurate estimates of the amount of time spent on various activities in dealing with the opposition. The applicant was informed that "no costs, other than official fees arising from the action... will be awarded" if the pro-forma was not completed. The applicant did not file a completed pro-forma. That being the case, and as no official fee has been paid by the applicant, I make no award of costs in respect of these proceedings.

**Dated this 7<sup>th</sup> day of January 2019**

**S WILSON**

**For the Registrar**

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<sup>2</sup> *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA