

***GUIDELINES FOR EXAMINATION IN THE
EUROPEAN UNION INTELLECTUAL
PROPERTY OFFICE ON EUROPEAN UNION
TRADE MARKS***

PART C

OPPOSITION

SECTION 2

***DOUBLE IDENTITY AND
LIKELIHOOD OF CONFUSION***

CHAPTER 6

OTHER FACTORS

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1. Introduction

The Office normally examines the most salient and habitually relevant factors relating to likelihood of confusion under separate headings before the chapter on Global Assessment. These factors have been treated in the preceding chapters of these Guidelines.

However, Global Assessment also takes into account **other factors, based on arguments and evidence submitted by the parties**, which are relevant for deciding on likelihood of confusion. This chapter deals with the frequent arguments/claims raised by the parties.

2. Family of Marks/Series of Marks

When an opposition to a EUTM application is based on several earlier marks and those marks display characteristics that give grounds for regarding them as forming part of a single 'series' or 'family', a likelihood of confusion may be created by the possibility of association between the contested trade mark and the earlier marks forming part of the series. The Courts have given clear indications on the two cumulative conditions that have to be satisfied (judgment of 23/02/2006, T-194/03, Bainbridge, EU:T:2006:65, § 123-127, confirmed by judgment of 13/09/2007, C-234/06 P, Bainbridge, EU:C:2007:514, § 63).

- Firstly, the proprietor of a series of earlier marks must submit **proof of use** of all the marks belonging to the series or, at the very least, of a number of marks capable of constituting a 'series' (i.e. at least three).
- Secondly, the trade mark applied for must **not only be similar** to the marks belonging to the series, but must also display characteristics capable of **associating** it with the series. Association must lead the public to believe that the contested trade mark is also part of the series, that is to say, that the goods and services could originate from the same or connected undertakings. This may not be the case where, for example, the element common to the earlier series of marks is used in the contested trade mark, either in a different position from that in which it usually appears in the marks belonging to the series, or with a different semantic content.

The argument that there is a 'family of marks' must be claimed before the expiry of the **time limit set for substantiating the opposition**. The opponent must prove within the same time limit that it has used the marks forming the alleged family in the marketplace to such an extent that the relevant public has become familiar with this family of marks as designating the goods and/or services of a particular undertaking.

A positive finding that the opponent has a family of marks entails **the use of at least three marks**, the minimum threshold for such an argument to be taken into due consideration. Proof of use relating to only two trade marks cannot substantiate the existence of a series of marks.

Normally, the trade marks constituting a 'family' and used as such are all registered marks. However, it cannot be precluded that the 'family of marks' doctrine may include **non-registered trade marks** as well.

When the opponent has proven the existence of a family of marks, it would be wrong to compare the contested application individually with each of the earlier marks making up the family. Rather, the assessment of similarity **should be conducted to make a comparison between the contested mark and the family taken as a whole**, in order to establish if the contested sign displays those characteristics that are likely to trigger in the consumers' minds the association with the opponent's family of marks. In fact, an individual comparison between the conflicting signs might even lead to a finding that the signs are not sufficiently similar to lead to a likelihood of confusion, whereas the association of the contested sign with the earlier family of marks might be the decisive factor that tips the balance to a finding of likelihood of confusion.

An assumption of a family of marks on the part of the public requires that the **common denominator of the contested application and the earlier family of marks must have a distinctive character**, either per se or acquired through use, to allow a direct association between all of these signs. Likewise, there will be no assumption of a family of marks where the further components of the earlier signs have a greater impact in the overall impression of those signs.

Earlier signs	Contested sign	Case No
Ophtal, Crom-Ophtal, Visc-Ophtal, Pan-Ophtal	ALERGOFTAL	R 0838/2001-1
<p>G&S: Class 5 Territory: Germany Assessment: The Board held that the differences between the signs were such as to exclude the likelihood that the contested mark would be perceived as belonging to the opponent's family of marks (assuming the existence of this had been established). In particular, the Board considered that, whereas the claimed 'series' depended upon the presence in every case of the suffix '-ophtal' (and not 'oftal') preceded by a hyphen, the contested sign did not contain exactly the same suffix nor reflect exactly the same principles of construction. When 'ophtal' is combined with 'Pan-', 'Crom-' and 'Visc-', these partly disjointed prefixes become of greater distinctive value, affecting quite significantly the overall impression made by each of the marks as a whole, and in each case providing initial elements quite clearly different from the first half – 'Alerg' – of the mark applied for. The German consumer, upon seeing 'Alergoftal' would not think of dividing it into two elements, as opposed to being invited to do so when encountering marks made up of two elements separated by a hyphen (paragraphs 14 and 18).</p>		
Earlier signs	Contested sign	Case No
TIM OPHTAL, SIC OPHTAL, LAC OPHTAL etc.	OFTAL CUSI	T-160/09
<p>G&S: Class 5 Territory: EU Assessment: The element 'Ophtal', which denotes ophthalmologic preparations, is a weak element in the family of marks. The elements TIM, SIC and LAC are the distinctive elements (paragraphs 92-93).</p>		

The finding that a particular mark forms part of a family of marks requires that the **common component of the signs is identical or very similar**. The signs must contain the same distinctive element, and this element must play an independent role in the sign as a whole. Minor graphical differences in the common component may not exclude an assumption of a series of marks, when these differences may be understood by the public to be a modern presentation of the same product line. In contrast, letters that are different from or additional to the common component generally do not allow an assumption of a family of marks.

Normally, the **common element that characterises the family appears in the same position within the marks**. Therefore, the same (or very similar) element appearing in the same position in the contested sign will be a strong indicator that the later mark could be associated with the opponent's family of marks. However, the common

element appearing in a different position in the contested sign weighs heavily against such an association being established in the consumers' minds. For example, the contested sign ISENBECK is not likely to be associated with a family of BECK- marks where the element BECK is at the beginning of the signs making up the family.

Earlier signs	Contested sign	Case No
UNIZINS, UNIFONDS and UNIRAK	UNIWEB	C-317-10 P
<p>G&S: Class 36 (financial services) Territory: Germany Assessment: In this judgment the Court annulled a decision of the GC since it has not duly assessed the structure of the marks to be compared, nor the influence of the position of their common element on the perception of the relevant public (paragraph 57).</p>		

Examples where the Boards considered that a family of marks had been established:

Earlier signs	Contested sign	Case No
UniSECTOR UniSTARTUP UniSTRATEGIE	uni-gateway	R 0031/2007-1
<p>G&S: Class 36 (financial services) Territory: Germany Assessment: The Board considered that the opponent had in fact submitted sufficient evidence, by submitting, in particular, references from the relevant specialist press, such as FINANZtest, and by referring to its considerable 17.6 % market share of 'Uni' investment funds amongst German fund management companies, to show that it uses the prefix 'UNI' for a number of well-known investment funds. There is a likelihood of confusion from the point of view of the family of trade marks since the relevant trade circles would include in the series the trade mark applied for, since it is constructed in accordance with a comparable principle (paragraphs 43-44).</p>		
Earlier signs	Contested sign	Case No
UNIFIX, BRICOFIX, MULTIFIX, CONSTRUFIX, TRABAFIX, etc.	ZENTRIFIX	R 1514/2007-1
<p>G&S: Classes 1, 17 and 19 (adhesives) Territory: Spain Assessment: The Board considered that the opponent had proven the existence of a family of marks. Firstly, the Board discarded that the common element 'FIX' would be non-distinctive, given that it is not a Spanish word and even its Spanish meaning 'fijar' is not one that spontaneously comes to mind to average Spanish consumers in the context of glues and adhesives, since verbs like 'pegar', 'encolar' or 'adherir' are used more regularly in this context. Secondly, the opponent duly proved that all the marks forming the family are being used. Invoices and promotional literature duly show that goods bearing these marks are available to consumers on the market. Consumers, therefore, are aware that there is a family of marks. Thirdly, ZENTRIFIX has characteristics that replicate those of the trade marks in the family. The FIX element is placed at the end; the element that precedes it alludes to something that has some relevance to glues; the two elements are juxtaposed without any punctuation signs, dashes or physical separation; the typeface used for the two elements is the same (paragraphs 43-44).</p>		
Earlier signs	Contested sign	Case No
CITIBANK, CITIGOLD, CITICORP, CITIBOND, CITICARD, CITIEQUITY, etc.	CITIGATE	R 0821/2005-1 (confirmed by the GC T-301/09)

G&S: Classes 9, 16 (potentially finance-related goods)

Territory: EU

Assessment: The Board considered that the evidence – consisting in particular of extracts from the opponents' websites, annual reports, press advertisements and so forth – is littered with references to the trade marks CITICORP, CITIGROUP, CITICARD, CITIGOLD, CITIEQUITY. The evidence demonstrates that CITIBANK is in the nature of a 'house mark' or basic brand and that the opponents have developed a whole series of sub-brands based on the CITI concept. The contested mark CITIGATE is the sort of mark that the opponents might add to their portfolio of CITI marks, in particular if they wished to offer a new service to customers and place the emphasis on the idea of access (paragraphs 23-24).

3. Coexistence of the Conflicting Marks on the Market in the Same Territory

The EUTM applicant may claim that the conflicting trade marks coexist in the relevant territory. Usually the coexistence argument comes up when the applicant owns a national trade mark corresponding to the EUTM application in the territory where the opposing trade mark is protected. The applicant may also refer to coexistence with a trade mark owned by a third party.

Therefore, two different situations, both referred to as 'coexistence' by the parties, should be distinguished:

- coexistence between the two marks involved in the opposition can be persuasive of the absence of a likelihood of confusion in the relevant public's perception (see below);
- where many similar marks (other than the two marks involved in the opposition) are used by competitors, the coexistence may affect the scope of protection of the earlier right. See the Guidelines, Part C, Opposition, Section 2, Double Identity and Likelihood of Confusion, Chapter 5, Distinctiveness of the Earlier Mark.

3.1. Coexistence between the marks involved in the opposition

In opposition proceedings, it is most commonly argued by the EUTM applicant that the conflicting marks coexist on a national level and that the coexistence is tolerated by the opponent. Occasionally, it is argued that coexistence is accepted by the parties in a coexistence agreement.

The possibility cannot be ruled out that the coexistence of two marks on a particular market might, together with other elements, contribute to diminishing the likelihood of confusion between those marks on the part of the relevant public (judgment of 03/09/2009, C-498/07P, La Española, EU:C:2013:302, § 82). In certain cases, the coexistence of earlier marks in the market could reduce the likelihood of confusion that the Office finds between two conflicting marks (judgment of 11/05/2005, T-31/03, Grupo Sada, EU:T:2005:169, § 86).

However, the indicative value of coexistence should be treated with **caution**. There might be different reasons why the two signs coexist on a national level, e.g. a different legal or factual situation in the past or prior rights agreements between the parties involved.

Therefore, whilst the impact of coexistence on the finding of likelihood of confusion is accepted in theory, the conditions for this coexistence to be persuasive of the absence of a risk of confusion are, in practice, very difficult to establish and seldom prevail.

For the EUTM applicant to prove that the coexistence was based upon the absence of any likelihood of confusion on the part of the relevant public certain conditions must be met.

- **Comparable situation.** The earlier ('co-existing') marks and the marks at issue are **identical** to those involved in the opposition before the Office (judgments of 11/05/2005, T-31/03, Grupo Sada, EU:T:2005:169, § 86; 18/09/2012, T-460/11, Bürger, EU:T:2012:432, § 60-61) and cover the same goods or services as those in conflict (decision of 30/03/2010, R 1021/2009-1, Eclipse, § 14).
- The coexistence concerns the **countries** relevant in the case (e.g. alleged **coexistence in Denmark is irrelevant when the opposition is based on a Spanish** trade mark; judgment of 13/07/2005, T-40/03, Julián Murúa Entrena, EU:T:2005:285, § 85). If the earlier trade mark is a EUTM, the EUTM applicant must show coexistence in the entire EU.
- Only the coexistence in the **marketplace** can be taken into account. The mere fact that both trade marks exist in the national register (formal coexistence) is insufficient. The EUTM applicant has to prove that the trade marks were **actually used** (decision of 13/04/2010, R 1094/2009-2, Business Royals, § 34). Coexistence should be understood as 'co-use' of concurrent and supposedly conflicting marks (decisions of 08/01/2002, R 0360/2000-4, No Limits, § 13; 05/09/2002, R 0001/2002-3, Chee.Tos, § 22).
- The **period of coexistence** must be taken into consideration: in the judgment of 01/03/2005, T-185/03, 'Enzo Fusco', the alleged coexistence of only four months was considered obviously too short. Moreover, the coexistence of the trade marks has to relate to a period close to the filing date of the EUTM application (decision of 12/05/2010, R 0607/2009-1, Elsa Zanella, § 39).
- The absence of a likelihood of confusion may be only inferred from the '**peaceful**' nature of the coexistence of the marks at issue on the market concerned (judgments of 03/09/2009, C-498/07P, La Española, EU:C:2013:302, § 82; 08/12/2005, T-29/04, Cristal Castellblanch, EU:T:2005:438, § 74; 24/11/2005, T-346/04, Arthur et Félicie, EU:T:2005:420, § 64). This is not the case when the conflict has been an issue before the national courts or administrative bodies (infringement cases, oppositions or applications for annulment of a trade mark).
- Moreover, the peaceful coexistence of the trade marks in the relevant national market does not outweigh the likelihood of confusion if it is based on prior right agreements between the parties including agreements settling disputes before national courts, since these agreements, even if based on the assessment of the legal situation made by the parties, may have purely economic or strategic reasons.

However, exceptional situations are possible. In its preliminary ruling of 22/09/2011, C-482/09, Budweiser, EU:C:2011:605, the Court of Justice ruled that two identical trade marks designating identical goods can coexist on the market to the extent that there has been a long period of **honest concurrent use** of those trade marks and that

use neither has nor is liable to have an adverse effect on the essential function of the trade mark which is to guarantee consumers the origin of the goods and services.

As regards **coexistence agreements** between the parties, when assessing likelihood of confusion the Office's policy is that these agreements may be taken into account like any other relevant factor, but they are **in no way binding for the Office**. This is particularly true when the application of the relevant provisions of the EUTMR and the established case-law lead to a conclusion that is not in accordance with the content of the agreement.

If an agreement is disputed before national instances or there are pending court proceedings and the Office estimates that the outcome could be relevant for the case at issue, it may decide to suspend the proceedings.

In addition, as a general rule, nothing precludes the opponent from filing an opposition against a EUTM application, whether or not it previously opposed other (national) marks of the applicant. This cannot be considered as 'contradictory behaviour' and interpreted to the opponent's disadvantage, especially since in the opposition proceedings, unlike the invalidity proceedings, the defence of 'acquiescence' is not available (the rules for opposition proceedings do not contain an equivalent to Article 54 EUTMR, according to which a EUTM proprietor may invoke as a defence the fact that the applicant for invalidity has acquiesced to the use of the EUTM for more than five years).

4. Incidences of Actual Confusion

Likelihood of confusion means a probability of confusion on the part of the relevant consumer and does not require **actual** confusion. As expressly confirmed by the Court: '... it is not necessary to establish the existence of actual confusion, but the existence of a likelihood of confusion' (judgment of 24/11/2005, T-346/04, Arthur et Félicie, EU:T:2005:420, § 69).

In the global assessment of likelihood of confusion all relevant factors have to be taken into consideration. Evidence of actual confusion is a factor that may weigh in favour of likelihood of confusion; its indicative value should not, however, be overestimated for the following reasons:

- in everyday life there are always people who confuse and misconstrue everything, and others who are extremely observant and very familiar with every trade mark. Therefore, there is no legal value in highlighting the existence of these people since it could lead to subjective results;
- insofar as the targeted consumer's perception is concerned, the assessment is normative. The average consumer is assumed to be 'reasonably well-informed and reasonably observant and circumspect', even though in purely factual terms some consumers are extremely observant and well-informed, whilst others are careless and credulous (decision of 10/07/2007, R 0040/2006-4, SDZ Direct World, § 32).

Therefore, incidences of actual confusion can influence the finding of likelihood of confusion only if it is proven that these incidences usually accompany the existence of the conflicting trade marks in the market in the typical situation in trade involving the goods and/or services concerned.

To properly weigh evidence on the number of occasions when actual confusion has arisen, the assessment must be made in the light of the number of opportunities for confusion. If the business transactions are voluminous but the instances of confusion are sparse, this evidence will have little weight in the assessment of likelihood of confusion.

Lack of actual confusion has been treated in the context of coexistence, in paragraph 4 above.

5. Prior Decisions by EU or National Authorities Involving Conflicts Between the Same (or Similar) Trade Marks

5.1. Prior Office decisions

As regards previous decisions of the Office in conflicts between identical or similar trade marks, the General Court has stated that:

... it is settled case-law ... that the legality of the decisions of the [Office] is to be assessed purely by reference to [the EUTMR] and not the Office's practice in earlier decisions.

(Judgment of 30/06/2004, T-281/02, Mehr für Ihr Geld, EU:T:2004:198, § 35.)

Accordingly, the Office is **not bound by its previous decisions**, since each case has to be dealt with separately and with regard to its particularities.

Notwithstanding the fact that previous decisions of the Office are not binding, their reasoning and outcome should still be **duly considered** when deciding upon the case in question. This was reinforced in the judgment of 10/03/2011, C-51/10 P, 1000, EU:C:2011:139, § 73-75:

The Office is under a duty to exercise its powers in accordance with the general principles of European Union law, such as the principle of equal treatment and the principle of sound administration.

In the light of those two principles, the Office must, when examining an application for registration of a EU trade mark, take into account the decisions already taken in respect of similar applications and consider with special care whether it should decide in the same way or not ...

That said, the way in which the principles of equal treatment and sound administration are applied must be consistent with respect for legality.



The indicative value of the previous decisions will in principle be limited to cases that bear a sufficiently close resemblance to the case in question. However, according to Article 76(1) EUTM R, in opposition proceedings the Office shall be restricted in the examination of the case to the facts, evidence and arguments submitted by the parties. For this reason, even in cases based on comparable facts and involving similar legal problems, the outcome may still vary due to the different submissions made by the parties and the evidence they present.

5.2. Prior national decisions and judgments

Decisions of national courts and of national offices in cases regarding conflicts between identical or similar trade marks on the national level **do not have a binding effect** on the Office. According to case-law, the EU trade mark regime is an autonomous system with its own set of objectives and rules peculiar to it and applies independently of any national system. Accordingly, the registrability of a sign as a EU trade mark is to be assessed on the basis of the relevant legislation alone (judgments of 13/09/2010, T-292/08, *Oftan*, EU:T:2010:399, § 84; 25/10/2006, T-13/05, *Oda*, EU:T:2006:335, § 59).

Therefore, the decisions adopted in a Member State or in a State that is not a member of the European Union are not binding for the Office (judgment of 24/03/2010, T-363/08, *Nollie*, EU:T:2010:114, § 52).

Still, their reasoning and outcome should be **duly considered**, particularly when the decision has been taken in the Member State that is relevant to the proceedings. National courts have a thorough knowledge of the specific characteristics of their Member State, in particular as regards the marketplace reality in which goods and services are marketed and the customer perception of signs. This may, in particular cases, be relevant for the assessment made by the Office.

Earlier sign	Contested sign	Case No
MURUA		T-40/03
<p>G&S: Class 33 Territory: Spain Assessment: The Court took into consideration the reasoning of a judgment of the national court as far as it explained the perception of family names on the part of the public in the relevant country: regarding the question whether the relevant public in Spain will generally pay greater attention to the surname 'Murúa' than to the surname 'Entrena' in the trade mark applied for, the Court considers that, while it is <u>not binding</u> on EU bodies, Spanish case-law can provide a <u>helpful source of guidance</u> (paragraph 69).</p>		
Earlier sign	Contested sign	Case No
	OFTEN	T-292/08
<p>G&S: Class 14 Territory: Spain Assessment: The Court did not see the relevance of Spanish case-law, according to which an average member of the Spanish public has some knowledge of English for the assessment of the particular case:</p> <p>In the present case, the applicant has not put forward any factual or legal consideration, deriving from the national case-law relied upon, which is capable of providing helpful guidance for determination of the case The mere finding that certain English words are known to the Spanish consumer, namely the words 'master', 'easy' and 'food', even if that is clear from the national case-law in question, cannot lead to the same conclusion as regards the word 'often' (paragraph 85).</p>		

Whilst it is, in principle, permissible to take into account decisions of national courts and authorities, these decisions should be examined **with all the required care and in a diligent manner** (judgment of 15/07/2011, T-108/08, Good Life, EU:T:2011:391, § 23). Usually the understanding of such a decision will require the submission of sufficient information, in particular about the facts on which the decision was based. Their indicative value will, therefore, be limited to the rare cases when the factual and legal background of the case was presented completely in the opposition proceedings and is conclusive, clear and not disputed by the parties.

The above guidelines are without prejudice to the effects of the judgments of EU trade mark courts dealing with counterclaims for revocation or for a declaration of invalidity of EUTM s.

6. Irrelevant Arguments for Assessing Likelihood of Confusion

6.1. Specific marketing strategies

The examination of the likelihood of confusion carried out by the Office is a prospective examination. In contrast to trade mark infringement situations – where the courts deal with specific circumstances in which the particular facts and the specific nature of use of the trade mark are crucial – the deliberations of the Office on likelihood of confusion are carried out in a more abstract manner.

For this reason, specific marketing strategies are not relevant. The Office must take the usual circumstances in which the goods covered by the marks are marketed as its benchmark, that is, those circumstances that are expected for the category of goods covered by the marks. The particular circumstances in which the goods covered by the marks are actually marketed have, as a matter of principle, no impact on the assessment of the likelihood of confusion because they may vary in time depending on the wishes of the proprietors of the trade marks (judgments of 15/03/2007, C-171/06 P, Quantum, EU:C:2007:171, § 59; 22/03/2012, C-354/11 P, G, EU:C:2012:167, § 73; 21/06/2012, T-276/09, Yakut, EU:T:2012:313, § 58).

For example, the fact that one party offers its everyday consumer goods (wines) for sale at a higher price than competitors is a purely subjective marketing factor that is, as such, irrelevant when assessing the likelihood of confusion (judgment of 14/11/2007, T-101/06, Castell del Remei Oda, EU:T:2007:340, § 52).

6.2. Reputation of EUTM application

Applicants sometimes argue that there will be no likelihood of confusion with the earlier mark because the EUTM application has a reputation. This argument cannot prosper because the right to a EUTM begins on the date when the EUTM application is filed and not before, and it is from that date onwards that the EUTM has to be examined with regard to opposition proceedings. Therefore, when considering whether or not the EUTM falls under any of the relative grounds for refusal, events or facts that happened before the filing date of the EUTM are irrelevant because the opponent's rights, insofar as they predate the EUTM, are earlier than the applicant's EUTM.