



Common Communication
on the Common Practice of Relative
Grounds of Refusal – Likelihood of
Confusion (Impact of non-distinctive/weak
components)
2 October 2014

1. BACKGROUND





The trade mark offices of the European Union in their commitment to continue to collaborate in the context of the Convergence Programme through the European Trade Mark and Design Network have agreed on a common practice with regard to the impact of non-distinctive/weak components of marks in the examination of likelihood of confusion (relative grounds). The common practice is disseminated publicly through a Common Communication with the purpose of further increasing transparency, legal certainty, and predictability for the benefit of examiners and users alike.

The subject of this Common Communication is the convergence on the approach regarding the impact of non-distinctive/weak components of the marks at issue on the assessment of likelihood of confusion.

2. THE COMMON PRACTICE

The common practice is defined and detailed in the document of the “Principles of the Common Practice” (see Annex I to this Communication). In essence, the common practice consists of four objectives:

Objective 1	<i>Define what marks are subject to assessment of distinctiveness: the earlier mark (and/or parts thereof) and/or the later mark (and/or parts thereof)</i>
Common Practice	<p>When evaluating likelihood of confusion:</p> <ul style="list-style-type: none"> • The distinctiveness of the earlier mark as a whole is assessed, taking into account that a certain degree of distinctiveness needs to be acknowledged. • The distinctiveness of all components of the earlier mark and of the later mark is also assessed, prioritising the coinciding components.
Objective 2	<i>Determine the criteria to assess the distinctiveness of the mark (and/or parts thereof)</i>
Common Practice	<ul style="list-style-type: none"> • When assessing the distinctiveness of the marks in relative grounds, the same criteria that are used to determine distinctiveness as in absolute grounds apply. However, in relative grounds, these criteria are used not only to determine whether a minimum threshold of distinctiveness is met but also to consider the varying degrees of distinctiveness.
Objective 3	<i>Determine the impact on likelihood of confusion (“LOC”) when the common components have a low degree of distinctiveness</i>
Common Practice	<ul style="list-style-type: none"> • When marks share an element with a low degree of distinctiveness, the assessment of LOC will focus on the impact of the non-coinciding components on the overall impression of the marks. It will take into account the similarities/differences and distinctiveness of the non-coinciding components. • A coincidence in an element with a low degree of distinctiveness will not normally on its own lead to LOC. • However, there may be LOC if: <ul style="list-style-type: none"> ▪ the other components are of a lower (or equally low) degree of distinctiveness

	or are of insignificant visual impact and the overall impression of the marks is similar	
	<ul style="list-style-type: none"> or the overall impression of the marks is highly similar or identical. 	
Examples*	<i>NO LOC</i>	<i>LOC</i>
	MORELUX vs. INLUX (Class 44: Beauty treatments)	COSMEGLOW vs. COSMESHOW (Class 3: Cosmetics)
	 vs.  (Class 9: Credit cards)	 vs.  (Class 43: Holiday accommodation services)

Objective 4 *Determine the impact on likelihood of confusion (“LOC”) when the common components have no distinctiveness*

- Common Practice**
- When marks share a component with no distinctiveness, the assessment of LOC will focus on the impact of the non-coinciding components on the overall impression of the marks. It will take into account the similarities/differences and distinctiveness of the non-coinciding components.
 - A coincidence only in non-distinctive components does not lead to LOC.
 - When marks also contain other figurative and/or word elements which are similar, there will be LOC if the overall impression of the marks is highly similar or identical.

Examples*	<i>NO LOC</i>	<i>LOC</i>
	BUILDGRO vs. BUILDFLUX (Class 19: Building materials Class 37: Construction services)	TRADENERGY vs. TRACENERGY (Class 9: Solar energy collectors for electricity generation)
	 vs.  (Class 36: Financial services)	 vs.  (Class 9: Solar energy collectors for electricity generation)

* More examples are provided in the document of the Principles of the Common Practice (Annex I)

2.1. OUT OF SCOPE

The following are out of the scope of the common practice:

- The assessment of enhanced distinctiveness and/or acquired distinctiveness through use and/or reputation: for the purpose of this common practice, it is assumed that there is no evidence and/or claim and/or previous knowledge that any of the marks are reputed or have an enhanced distinctiveness acquired through use.
- Agreement on the factors that are considered when assessing the likelihood of confusion. Although there are many factors that may have an impact in the global appreciation of likelihood of confusion, such as dominance, degree of attention of the relevant public, coexistence, market situation, family of marks, etc., it is not the objective of the common practice to determine which are these factors.
- Agreement on the interdependencies between the assessment of distinctiveness and all the other factors that are considered when assessing the likelihood of confusion. Neither the criteria for the assessment of other factors which may have an impact in the global appreciation of likelihood of confusion, nor the interdependency between them are objective of this common practice, which does not deal with the overall assessment of likelihood of confusion, but with one of its essential parts.
- Language issues: It is considered for the sake of the common practice that marks which contain word elements with no (or low) distinctiveness in English will be considered as having no (or low) distinctiveness in all languages and are understood by the national offices.

3. IMPLEMENTATION

This common practice will be implemented within 3 months of the date of publication of this communication

Implementing offices may choose to publish additional information on their websites.

List of implementing offices: AT, BG, BX, CY, CZ, DE, DK, EE, ES, FR, GR, HR, HU, IE, IS, LT, LV, MT, NO, OHIM, PL, PT, RO, SE, SI, SK, TR, UK

4. ANNEX

I. CP5. RELATIVE GROUNDS - LIKELIHOOD OF CONFUSION (IMPACT OF NON-DISTINCTIVE/WEAK ELEMENTS): PRINCIPLES OF THE COMMON PRACTICE.

Convergence

Principles of the common practice
Convergence Programme

CP 5. Relative Grounds – Likelihood of Confusion
(Impact of non-distinctive/weak components)

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1. PROGRAMME BACKGROUND

Despite the growth in world-wide trade mark and design activity in recent years, efforts to achieve convergence in the way offices around the world operate have only yielded modest results. Within Europe there is still a long way to go to iron out the inconsistencies among the EU IP offices. The OHIM Strategic Plan identifies this as one of the main challenges to address.

With this in mind the Convergence Programme was established in June 2011. It reflects the shared determination of national offices, the OHIM and users, to move towards a new era among EU IP offices with the progressive creation of a European interoperable and collaborative network contributing to a stronger IP environment in Europe.

The vision of this Programme is *“To establish and communicate clarity, legal certainty, quality and usability for both applicant and office.”* This goal will be achieved by working together to harmonise practices and will bring considerable benefits to both users and IP Offices.

In the first wave the following five projects were launched under the umbrella of the Convergence Programme:

- **CP 1. Harmonisation of Classification**
- **CP 2. Convergence of Class Headings**
- **CP 3. Absolute Grounds – Figurative Marks**
- **CP 4. Scope of Protection of B&W Marks**
- **CP 5. Relative Grounds – Likelihood of Confusion**

This document focuses on the common practice of the fifth project: CP 5. Relative Grounds – Likelihood of Confusion

2. PROJECT BACKGROUND

At the time of initiation of the project, there was a division among OHIM, BOIP and the national offices regarding the different interpretations on the assessment and consequences of dealing with non-distinctive/weak components of marks in the examination of relative grounds for refusal (likelihood of confusion).

In particular there were different practices and interpretations regarding what importance, if any, should be attached to the fact that an earlier and later mark, covering identical goods and/or services, coincide in a component that has no (or low) distinctiveness. These different practices and interpretations led to different outcomes when assessing likelihood of confusion even though the facts of the case were the same (the marks and the relevant goods and services at issue).

Such differences led to unpredictability and legal uncertainty in the examination of relative grounds. Consequently, the offices saw the need for harmonisation and considered that a common practice would be beneficial for the users and for themselves.

The aim of this project is to **converge the approach regarding the impact of non-distinctive/weak components of the marks at issue, which has to be taken into account for the assessment of likelihood of confusion.**

There are four key deliverables in this project each of which addresses a different issue:

- 1) A **common practice including a common approach** to be set out in a document and translated into all EU languages.
- 2) A common **communication strategy** for this practice.
- 3) An **action plan to implement** the common practice.
- 4) An analysis of the needs to address the **past practice**.

These project deliverables are created and agreed upon by the national offices and OHIM taking into consideration the comments of the user associations.

The present document is the first of the four deliverables

The first working group meeting took place in February 2012 in Alicante to determine the general lines of action, the project scope and the project methodology. Subsequent meetings were held in October 2012, June 2013 and October 2013 during which the objectives of the project were thoroughly discussed by the Work Package Group, and agreement on the principles for the common practice was reached. Also, several presentations on the project were given during the Liaison meeting and the ABBC meeting.

3. OBJECTIVE OF THIS DOCUMENT

This document is the reference for IP offices, user associations, applicants, opponents and representatives on the common practice as regards non-distinctive/weak components of marks for the purpose of assessing likelihood of confusion, assuming that the goods and/or services are identical. It will be made widely available and will be easily accessible, providing a **clear and comprehensive explanation of the principles on which the common practice will be based**. These principles will be generally applied, and are aimed at covering the large majority of cases. Since likelihood of confusion must be assessed on a case-by-case basis, the common principles serve as guidance in order to ensure that different offices come to a similar, predictable conclusion when the same marks and grounds are involved.

4. THE PROJECT SCOPE

The **scope** of the project reads:

*“This project will converge the practice regarding **non-distinctive/weak components of marks** for the purpose of **assessing likelihood of confusion (LOC)**, assuming that the **goods and/or services are identical**. In particular it will:*

- *Define **what marks are subject to assessment of distinctiveness**: the earlier mark (and/ or parts thereof) and/ or the later mark (and/ or parts thereof);*
- *Determine the **criteria to assess the distinctiveness** of the mark (and/ or parts thereof);*
- *Determine the impact on LOC when the **common components have a low degree of distinctiveness***
- *Determine the impact on LOC when the **common components have no distinctiveness**.”*

The eleventh recital of the Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008, to approximate the laws of the Member States relating to trade marks (the “Directive”), states that the appreciation of likelihood of confusion depends on numerous elements and, as the case-law has repeatedly asserted, it must be appreciated **globally**, taking into account all factors relevant to the circumstances of the case (e.g. see, Judgments C-251/95 ‘Sabel’ para.22 and C-342/97, ‘Lloyd Schuhfabrik Meyer’, para. 18).

In the Judgment C-251/95, ‘Sabel’, the Court states that:

“global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components.”

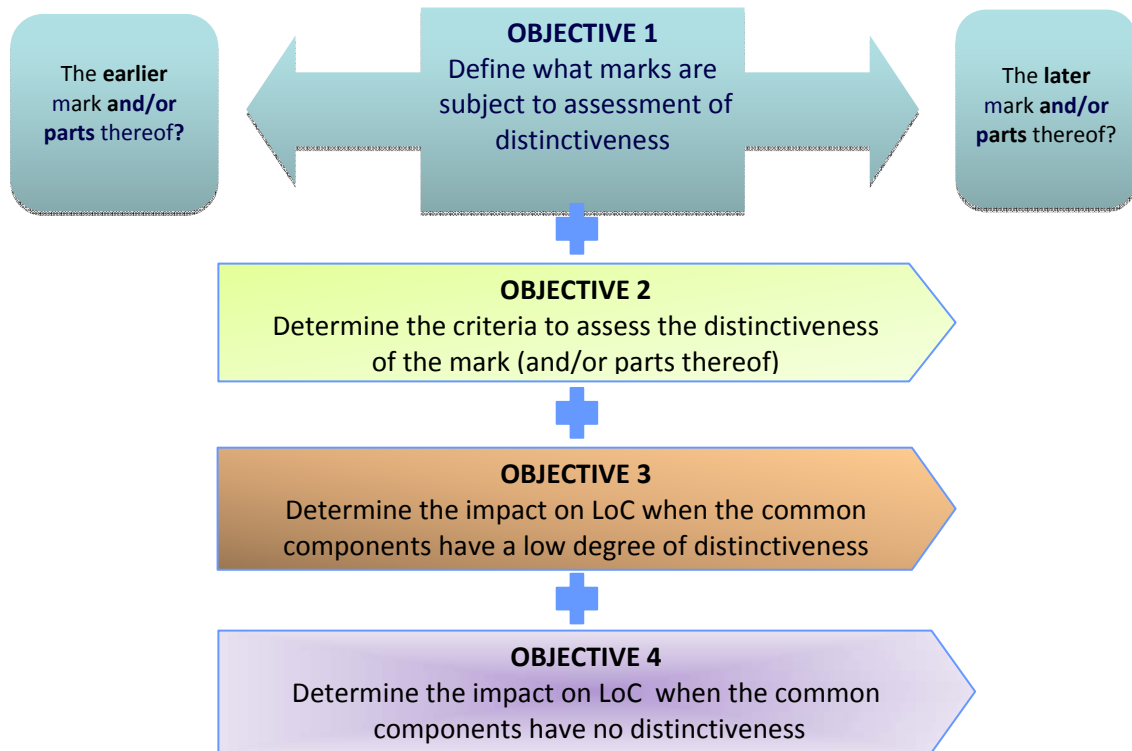
As already mentioned, the project analyses the **impact of the non-distinctive/weak components** of the marks at issue as one of the factors to be taken into account for the assessment of likelihood of confusion.

Although **there are many factors** that may have an impact in the **global appreciation of likelihood of confusion**, such as the dominant components, the degree of attention of the relevant public, coexistence, situation of the market, family of marks, etc., it is not the objective of this project to determine which are all the factors, nor the criteria for their assessment, nor the interdependency between them. Consequently, the project does not deal with the overall assessment of likelihood of confusion, but with one of its essential parts.

The following are out of the scope of the project:

- *The assessment of enhanced distinctiveness and/or acquired distinctiveness through use and/or reputation: for the purpose of this project, it is assumed that there is no evidence and/or claim and/or previous knowledge that any of the marks are reputed or have an enhanced distinctiveness acquired through use.*
- *Agreement on the factors that are considered when assessing the likelihood of confusion.*
- *Agreement on the interdependencies between the assessment of distinctiveness and all the other factors that are considered when assessing the likelihood of confusion.*
- *Language issues: It is considered for the sake of the project that marks which contain word elements with no (or low) distinctiveness in English will be considered as having no (or low) distinctiveness in all languages and are understood by the national offices.*

It is possible to identify four different objectives, as represented in the following figure:



Objectives of the project.

Several approaches are followed for the examination of likelihood of confusion, wherein the distinctiveness of the components may be assessed at different stages. Regardless of the performed approach, the practical outcome regarding the impact of the non-distinctive/weak components of the marks at issue will remain unaffected.

5. THE COMMON PRACTICE

5.1. Assessment of distinctiveness: the earlier mark and/or parts thereof, and/or the later mark and/or parts thereof (Objective 1)

When evaluating likelihood of confusion:

- The distinctiveness of the earlier mark as a whole is assessed.
- The distinctiveness of all components of the **earlier** mark and of the **later** mark is also assessed, prioritising the coinciding components.

Nonetheless, when assessing the distinctiveness of the earlier mark as a whole, account must be taken of the fact that in accordance with the Judgment of the Court C-196/11P, *F1-LIVE*, when assessing likelihood of confusion the validity of earlier registered marks may not be called into question (para.40). Therefore, “it is necessary to **acknowledge a certain degree of distinctiveness** of an earlier national mark on which an opposition against the registration of a Community trade mark is based.” (para. 47).

5.2. Criteria to assess the distinctiveness of the mark (and/or parts thereof)(Objective 2)

In interpreting the provisions contained in both Articles 4(1)(b) and 5(1)(b) of the Directive the Court in its Judgment C-342/97, ‘Lloyd Schuhfabrik Meyer’, states 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” (para. 22).

Accordingly, and due to the lesser capacity of a weak mark to perform its essential function within the market, its scope of protection considering its non (or low) distinctive components should be narrow.

When assessing the distinctiveness of the marks in relative grounds the same criteria that are used to determine distinctiveness as in absolute grounds apply. However, in relative grounds these criteria are used not only to determine whether a minimum threshold of distinctiveness is met but also to consider the varying degrees of distinctiveness.

5.3. Impact on likelihood of confusion when the common components have a low degree of distinctiveness (Objective 3).

- When marks share an element with low distinctiveness, the assessment of LOC will focus on the impact of the non-coinciding components on the overall impression of the marks. It will take into account the similarities/differences and distinctiveness of the non-coinciding components.

- A coincidence in an element with a low degree of distinctiveness will not normally **on its own** lead to LOC.

However, there may be LOC if:

- The other components are of a lower (or equally low) degree of distinctiveness or are of insignificant visual impact and the overall impression of the marks is similar.









OR





- The overall impression of the marks is highly similar or identical.

Examples:

* For the purpose of this project, all the other factors which may be relevant for the global appreciation of likelihood of confusion are deemed not to affect the outcome. Also, it is considered that the goods and services are identical.

In all these examples the common component(s) is/are considered to possess a low degree of distinctiveness.

Earlier mark	Contested mark	Goods/services	Outcome
MORELUX	INLUX	Class 44: Beauty Treatment	NO LOC
DURALUX	VITALUX	Class 44: Beauty Treatment	NO LOC
		Class 32: Fruit juices	NO LOC
		Class 9: Credit cards	NO LOC
		Class 32: Fruit juices	NO LOC
		Class 30: Tea	NO LOC

		Class 9: Credit cards	NO LOC
COSMEGLOW	COSMESHOW	Class 3: Cosmetics	LOC
		Class 11: Refrigerators	LOC
		Class 43: Holiday accommodation services	LOC

5.4. Impact on likelihood of confusion when the common components have no distinctiveness (Objective 4).

- When marks share a component with no distinctiveness, the assessment of LOC will focus on the impact of the non-coinciding components on the overall impression of the marks. It will take into account the similarities/differences and distinctiveness of the non-coinciding components.
- A coincidence only in non-distinctive components **does not lead to LOC.**
- When marks also contain other figurative and/or word elements which are similar, **there will be LOC,** if the overall impression of the marks is highly similar or identical.

Examples:

* For the purpose of this project, all the other factors which may be relevant for the global appreciation of likelihood of confusion are deemed not to affect the outcome. Also, it is considered that the goods and services are identical.

In all these examples the common component(s) is/are considered to possess no distinctiveness.

Earlier mark	Contested mark	Goods/services	Outcome
GREENGRO	GREENFLUX	Class 19: Building materials Class 37: Construction services	NO LOC

BUILDGRO	BUILDFLUX	Class 19: Building Materials Class 37: Construction Services	NO LOC
	SMARTPHONES.NET	Class 9: Mobile phones	NO LOC
		Class 36: Financial Services	NO LOC
		Class 29: Fish	NO LOC
CRE-ART	PRE-ART	Class 41: Art gallery services	LOC
TRADENERGY	TRACENERGY	Class 9: Solar energy collectors for electricity generation	LOC
		Class 9: Solar energy collectors for electricity generation	LOC



www.tmdn.org

Convergence



Office for Harmonization in the Internal Market
Avenida de Europa 4,
E-03008 Alicante, Spain
Tel +34 96 513 9100
Fax +34 96 513 1344
information@oami.europa.eu
www.oami.europa.eu