

O/464/21

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION
NO. 3508473 BY
PREMIUMKEY LIMITED
TO REGISTER:**



AS A TRADE MARK IN CLASS 9

AND

**OPPOSITION THERETO
UNDER NO. 421543 BY
PRIMEKEY SOLUTIONS AB**

Background & Pleadings

1. Premiumkey Limited (“the applicant”), applied to register the (figurative) trade mark shown on the front page of this decision in the United Kingdom on 6 July 2020. It was accepted and published in the Trade Marks Journal on 31 July 2020 in respect of the following goods:

Class 9: Computer softwares.

2. PrimeKey Solutions AB (“the opponent”) opposes the application on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opponent is the proprietor of EUTM registration number 014735245¹ for the following word mark:

PRIMEKEY

3. The mark was filed on 26 October 2015 and registered on 17 February 2016 for various goods and services in Classes 9, 42, and 45. However, for the purpose of this opposition, the opponent only relies on goods as covered by its Class 9 registration.
4. 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.
5. The opponent, in its notice of opposition, claims that the contested mark is highly similar to the earlier mark and the goods listed in the applicant’s

¹ Although the UK has left the EU and the EUTMs relied upon by the opponent now enjoy protection in the UK as comparable trade marks, the EUTMs remain the relevant rights in these proceedings. That is because the opposition was filed before the end of the Transition Period and, under the transitional provisions of the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019, I am obliged to decide the opposition on the basis of the law as it existed before the end of the Transition Period.

specification in Class 9 are identical to the opponent's goods. Therefore, registration of the contested mark should be refused under Section 5(2)(b) of the Act.

6. The applicant filed a defence and counterstatement, highlighting points of similarities and differences between the respective marks and their goods. The applicant states that “[...] PremiumKey and PrimeKey have a similar part of their name (Key) and the [sic] have the same class. However, it is easy to realize the differences from their full name, designs and colors and main products.”
7. During the evidence rounds, the applicant filed evidence and the opponent written submissions. Also, the opponent filed submissions in reply. Neither party requested a hearing. Thus, this decision has been taken following a careful consideration of the papers.
8. In these proceedings, the opponent is represented by Keltie LLP and the applicant is a litigant in person.
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.

Evidence

Applicant's Evidence

10. The applicant's evidence consists of a witness statement, dated 8 March 2021, in the name of Vo Tan Phat, who is the director of the applicant company, holding this position since 2019. Vo Tan Phat explains that:

“2. My company has been using its trademark since September 2019 for our business in the UK.

3. Our key product is digital code. We are the official authorized reseller, bring to you the simplest & fastest way to upgrade your account via PayPal, Visa, MasterCard, BitCoin, AltCoin, WebMoney, PaySera System... We are also a File-hosting Reseller, delivering fantastic service and good price.

4. Turnover: 4000£/ monthly

5. We use our trademark on our website <https://premiumkey.co>

Our promotional activity is mostly through Google Ads. Our trademark and information can be searched easily with the keyword “Premium Key”. That’s mean our trademark is distinct and can be recognized easily.” (sic)

11. Further, two undated screenshots are provided with the witness statement: one presumably taken from the applicant’s website showing the use of the applicant’s mark; and the other shows the applicant’s company details in the Google results when using the word “PREMIUMKEY” as a search entry.
12. That concludes my summary of the evidence filed insofar as I consider it necessary.

Decision

Section 5(2)(b)

13. Section 5(2)(b) of the Act states:

“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”.

14. 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

15. The General Court confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, 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 fur Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

16. Although the opponent indicated that it relies on all goods covered by its Class 9 registration, it focusses in its submissions, as I will do, on the mark’s term below. The competing goods to be compared are shown in the following table:

Opponent’s Goods	Applicant’s Goods
<u>Class 9:</u> Computer software	<u>Class 9:</u> Computer softwares

17. In the notice of opposition, the opponent claims that “the Opposed application covers identical goods to those covered by the Opponent’s earlier trade mark.”
18. In response the applicant, in its counterstatement, states that:

“Two trademarks have the same class (class 9) but their business activities are different as details below:

PremiumKey provides computers softwares, the main business activity is File-hosting Reseller. The name PremiumKey with the meaning premium activation code, also presents their main product.

More details of their business can be found at premiumkey.co/about_us

PrimeKey provides a wide range of services, as example: apparatus for recording, transmission or reproduction of sound or images; Magnetic data carries; Computers;" (sic)

19. The opponent, in its submissions in reply, states that:

"In its submissions, the Applicant appears to be attempting to differentiate the respective goods; however, the fact of the matter is that they are identical."

20. Whilst the applicant states that the goods which the parties actually trade are different, this has no bearing on my decision. This is because I must consider the matter notionally based on the terms that the parties have registered or seek to register. From that perspective, the competing terms relating to the goods (computer software/computer softwares) in Class 9 are identical on the basis that they are identically worded, save for the pluralisation. For completeness, I add that even if the applicant were to have limited its computer software to the field in which it says it operates, this will not have assisted. This is because the opponent's registration, which is not subject to proof of use, covers all forms of computer software and, thus, the goods would still be identical in accordance with the *Meric* case above.

Average Consumer and the Purchasing Act

21. 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 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 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.”


22. The average consumer of the identical goods at issue will be a member of the general public or professionals and businesses. Typically, for such goods, prior research is conducted before purchase. Therefore, the average consumer is likely to pay a reasonable (but not high) level of attention to selecting the goods based on the importance, cost, suitability, and compatibility of the software.
23. Such goods can be selected from stores, online, brochures and catalogues. In retail premises, the goods will be displayed on shelves, where they will be viewed and self-selected by consumers. Although I consider this purchasing act to be primarily visual, aural considerations will not be ignored in the assessment.

Comparison of Trade Marks

24. 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 Court of Justice of the European Union (“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.”

25. 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.
26. The marks to be compared are:

Earlier mark	Contested mark
PRIMEKEY	

Overall Impression

27. The earlier mark consists of the combined word “PRIMEKEY” in capital letters and a standard font. Registration of a word mark protects the word(s) itself presented in any normal font and irrespective of capitalisation.² The overall impression of the mark lies in the words PRIME KEY conjoined, with neither word dominating the other.
28. The contested mark consists of the word(s) element “PREMIUMKEY”, which appears in yellow and white font, title case, and underlined against a green background. The letter ‘P’ appears stylised and bigger in size incorporating a key shape device. The word elements (again with neither

² See *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17, paragraph 16.

word dominating the other) have the greatest relative weight in the overall impression, while the figurative and stylisation elements will all play a lesser, but not negligible, role.

Visual Comparison

29. The first two, the fourth and the last three characters of the word elements of the two trade marks are identical (PRIMEKEY and PREMIUMKEY). However, I bear in mind that the beginnings of words tend to have more impact than the ends.³ The contested mark differs in stylisation from the earlier mark, featuring a device in the letter 'P' and coloured font and background. Taking all the factors into account, including the overall impression, the respective marks are similar to a low to medium degree.

Aural Comparison

30. The earlier mark is two syllables long and will be pronounced as "PRAHYM-KEE", whereas the contested mark is four syllables long and will be pronounced as "PREE-MEE-UM-KEE". The latter syllable in both marks is identical, while the rest syllables of the competing marks will be articulated in very different ways. I do not consider that the average consumer will attempt to articulate the figurative and device elements in the contested mark. Taking into account the above factors, I find that the marks are aurally similar to a low to medium degree.

Conceptual Comparison

31. Even though the word elements of both marks, "PREMIUMKEY" and "PRIMEKEY", are conjoined words, they (PREMIUM/PRIME KEY) are dictionary and well-known words to the average consumer in the UK and the marks will be perceived as such, with the average consumer recognising them as PRIME KEY/PREMIUM KEY conjoined. Conceptually, the marks will be perceived as having the same meaning. This is because both marks will have a laudatory connotation (prime and

³ See *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02.

premium both evoking a meaning of quality) with that word then qualifying the KEY referred to in each mark. Therefore, I find them to be conceptually identical, or else highly similar.

Distinctive Character of the Earlier Trade Mark

32. 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).”

33. 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.

34. The opponent has not shown use of its mark and, thus, it cannot benefit from any enhanced distinctiveness; hence, I have only the inherent distinctiveness of the earlier mark to consider. As noted above, the earlier mark consists of the word element “PRIMEKEY” with the word PRIME qualifying the word KEY. The average consumer will be familiar with these ordinary words. They do not strike me, in combination, as highly distinctive, although there is no evidence (or obvious suggestive meaning in relation to the goods) before me that indicates that I should accord just a low degree of inherent distinctiveness. In this regard, the earlier mark is distinctive to an average degree, perhaps slightly less but not materially so.

Likelihood of Confusion

35. In assessing the likelihood of confusion, I must adopt the global approach set out in the case law to which I have already referred earlier in this decision. Such a global assessment is not a mechanical exercise. I must also have regard to the interdependency principle, 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.⁴ It is essential to keep in mind the distinctive character of the opponent’s trade mark since the more distinctive the trade 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.⁵
36. 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

⁴ See *Canon Kabushiki Kaisha*, paragraph 17.

⁵ See *Lloyd Schuhfabrik Meyer*, paragraph 27.

the later mark is another mark of the owner of the earlier mark or a related undertaking. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Iain Purvis Q.C., sitting as the Appointed Person, explained that:

“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.”

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (‘26 RED TESCO’ would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as ‘LITE’, ‘EXPRESS’, ‘WORLDWIDE’, ‘MINI’ etc.)

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)."

I note that the categories identified above by Mr Purvis Q.C. are not exhaustive.⁶

37. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, James Mellor Q.C., sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

38. Earlier in this decision I have concluded that:

- the respective goods are identical;
- the average consumer will be a member of the general public or professionals and businesses. The level of attention paid for the respective goods will be reasonable (but not high). The selection process is predominantly visual without discounting aural considerations;
- the competing marks are visually and aurally similar to a low to medium degree; and conceptually identical, or else highly similar;
- the earlier mark has an average degree of distinctiveness, perhaps slightly less but not materially so.

39. Taking all the above into consideration, the factors persuade me that there is likelihood confusion. I have found that the word(s) element has more impact in the overall impression of the earlier mark. Due to the doctrine of imperfect recollection, the conceptual identity of the marks, and the similar

⁶ *Thomson Hotels LLC v TUI Travel Amber E&W LLP* BL- O-440/14 at paragraph 29.

formulation of the competing marks and their common words/letters,⁷ the average consumer will mistake the applicant's mark for the opponent's in relation to the identical goods in play. The differences, including the stylisation of the applicant's mark, will be overlooked particularly when the notional and fair use of the earlier word mark is considered. I, therefore, find there to be a likelihood of direct confusion. Even if the average consumer recalled that one mark was stylised and the other not, I still consider that the marks would be indirectly confused, with PRIME/PREMIUMKEY being imperfectly recalled as each other, and with the difference in stylisation put down to the use of a brand variant.

Outcome

40. The opposition under Section 5(2)(b) of the Act is successful in its entirety. Therefore, subject to appeal, the application will be refused.

Costs

41. The opponent has been successful and is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the opponent the sum of £850 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

£100	Official opposition fee
£250	Filing a notice of opposition and considering the counterstatement
£500	Filing written submissions and considering and commenting on the other side's evidence
£850	Total

⁷ See *Bristol Global Co Ltd v EUIPO*, T-194/14, the General Court.

42. I, therefore, order Premiumkey Limited to pay PrimeKey Solutions AB the sum of £850. 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 18th day of June 2021

**Dr Stylianos Alexandridis
For the Registrar,
The Comptroller General**