

**DECISION OF THE CONTROLLER of INTELLECTUAL PROPERTY IN
PROCEEDINGS UNDER THE TRADE MARKS ACT, 1996**

In the matter of an application for registration of Trade Mark No. 262213 and in the matter of an Opposition thereto.

Optiva Canada Inc

Applicant

Consultora de Telecomunicaciones Optiva Media

Opponent

The Application


1. On 21 June 2018 Optiva Canada Inc. of 302-2233 Argentina Road, Mississauga, Ontario, L5N2X7, Canada (hereinafter “the Applicant”) made application (No. 2018/01390) under Section 37 of the Trade Marks Act, 1996 (“the Act”) to register the word “OPTIVA” as a Trade Mark in respect of various goods and services in Classes 9,35, 38 and 42.
2. The application was accepted for registration and advertised accordingly under No. 262213 in Journal No. 2404 dated 5 February, 2020
3. Notice of Opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 5 May 2020 by Mr Carlos Rivadulla, IP Attorney, on behalf of Consultora de Telecomunicaciones Optiva Media, S.L. of Calle Musgo 2, 1ºG EDIFICIO EUROPA II, E-28023 MADRID, Spain (hereinafter “the Opponent”). The Applicant, represented by FRKelly, IP Attorneys, filed a counter-statement on 18 August 2020. The counter-statement put the Opponent on notice of proof of use pursuant to Section 43A(1) of the Trade Marks Act 1996.
4. The Opponent, on 11 December 2020, filed by means of a Statutory Declaration under Rule 20(1), a response to the Applicant’s request for proof of use of their trademark, EUTM 10939767, on which their Opposition case was based. The Applicant elected not to file evidence under Rule 21.
5. The parties were asked by Official letter on 26 October 2021 to advise whether they wished to attend at hearing or file written submissions in lieu of such attendance pursuant to Rule 25(1) & (2). The Applicant elected to file written submissions and did so on 25 February

2022. As the Opponent did not elect a preference they were deemed, in accordance with Rule 25(2A), to have concluded their presentation of evidence and arguments.

6. Acting for the Controller, I decided to dismiss the opposition and to allow the application to proceed to registration. The parties were notified of my decision by letter dated 22 March 2022. I now state the grounds of my decision and the materials used in arriving thereat, in response to a request by the Applicant in that regard pursuant to Rule 27(2) of the Rules.

Grounds of the Opposition

7. In its Notice of Opposition, the Opponent refers to its proprietorship of the following European Union Trade Marks (EUTM):

Trade Mark No.	Trade Mark	Application Date	Goods and Services
10939767		5 June 2012	<ul style="list-style-type: none"> • Class 35: Business management consultancy services; business services; none of the aforesaid being services offered to third parties in connection with the supply of advertising services, marketing services or media buying and planning services. • Class 38: Telecommunications • Class 42: Scientific and technological services and research and design relating thereto; Industrial analysis and research services; Design and development of computer software; Consultancy in the design and development of computer hardware; none of the aforesaid being services offered to third parties in connection with the supply of advertising services, marketing services or media buying and planning services.

8. The Opponent raised objection to the application on the grounds that the Applicant's sign when compared globally to the Opponent's EUTM is highly similar to it from a visual, aural

and conceptual basis. Furthermore, the goods and services covered by the Applicant's mark conflict with the area of interest to the Opponent particularly in relation to business management and consultancy services in Class 35 and software development services in the field of telecommunications in Class 42. They further argued that using the well-established criteria set out in ECJ Case C-39/97, the "Canon" case, the services of both marks are highly similar if not identical. The Opponent claimed that as a consequence there existed a likely of confusion on the part of the average consumer, including a likelihood of association between the Applicant's sign and the Opponent's trademark. Therefore, registration of the Applicant's sign would be contrary to the provisions of Section 10(2)(b) of the Act.

Counter-Statement

9. In its Counter-Statement the Applicant questioned the validity and relevance of the Opponent's EUTM in relation to its opposition to the applied for mark. The Opponent was put on notice to prove use of their EUTM pursuant to Section 43A(1) of the Trade Marks Act 1996. The Applicant then went on to refute the claims made in the Opponent's Notice of Opposition.

Rule 20 Evidence

10. Evidence submitted by the Opponent under Rule 20 consisted of a Statutory Declaration and fourteen supporting exhibits labelled "Exhibits 1 to Exhibits 14" dated 3 December, 2020 from Valia Merino, Chairman of the Board of Directors of the Opponent. I have examined in detail the Declaration and all the accompanying Exhibits. These included invoices to clients in relation to the services covered by Classes 35, 38 and 42, promotional brochures containing details of these services, a screenshot from Google Images showing the Opponent's mark, images from the Opponent's social media pages showing their mark in use at various conventions and business shows in Europe, a printout of a Google page showing the Opponent's mark and a similar printout from the Opponent's LinkedIn page both from November 2020, examples of commercial leaflets, e-mail footers, various examples of business presentations and a copy of an invoice to an Irish client.

Rule 21 Evidence

11. The Applicant elected not to file evidence under Rule 21.

Written Submissions

12. Both parties were asked to advise if they wished to attend at a hearing or file written submissions in lieu of attending. The Opponent did not elect to do either and so was advised that, in accordance with Rule 25(2A), the matter would be referred to the Controller for consideration and decision. The Applicant elected to file written submissions in lieu of attending at a hearing.

13. The written submissions made on behalf of the Applicant questioned the EUTM on which the Opposition was based. Following revocation proceedings taken against it at the EUIPO, a decision was issued that the Opponent's rights in Classes 35 and 38 and partly in Class 42 be revoked. The mark has a status of "Registration cancellation pending" on the EUIPO database. The Opponent filed a Notice of Appeal against the decision of the Cancellation Division. The EUIPO Board of Appeal issued a Notice of Deficiency which stated that the appeal could be considered inadmissible. Furthermore, the petitioners for cancellation of the Opponent's EUTM 10939767, who are also the Applicants in the present case, filed an appeal against the decision to allow some of the Class 42 services to remain on the Register. The Applicant requested that the decisions of the Cancellation Division and the Statement of Grounds of Appeal, copies of which were provided to the Hearing Officer, be adopted in their entirety as part of their written submission.

14. The Applicant went on to argue that the marks, when compared side by side from a visual, phonetic, and conceptual perspective are distinguishable with any degree of similarity being low.

15. The Applicant submitted that the services that are to be cancelled by the EUIPO be taken into consideration and that any decision taken by the Controller be delayed until proceedings in relation to this matter were finalised at the EUIPO. Finally, in relation to the services, the Applicant stated that there was no similarity with the goods and services included in Classes 9, 35 & 38 of the applied for mark and a low similarity with some of the Class 42 services.

16. The Applicant contended that the average consumer of the goods and services at issue would be business customers with specific knowledge or expertise.

17. The Applicant then proceeded in their submission to address the content of the Statutory Declaration filed by Mr Merino, Chairman of the Board of Directors of the Opponent. They stated that most of the evidence in question was included in the Opponent's defence of the cancellation proceedings brought against their EUTM in the EUIPO. The Applicant requested that the analysis and reasoning of the EUIPO Cancellation Division in relation to this form part of the present written submissions. This included a finding that the evidence of use was "rather scarce" and that the "probative value was lower than that of independent evidence". The Cancellation Division deemed that genuine use of the Opponent's EUTM was established only in respect of some of the Class 42 services and not at all for those in Classes 35 & 38. The Applicant contended that an examination of the evidence shows that it does not establish the place, time, extent, and nature of the use of the Opponent's EUTM for the services of which it is registered. The Applicant then went on to question the evidence of client invoices filed by the Opponent. It was held that it was not possible to infer what services the invoices refer to or whether they were provided under the Opponent's EUTM 10939767. It was further held that the four commercial offers of service that were filed did not prove that the services referenced within these were actually provided within the EU and so ought to be deemed inadmissible. The Opponent's evidence was further questioned in relation to the form in which their mark was used, the screenshot data and links to websites provided does not constitute evidence of use and reputation. The Applicant stated, in conclusion, their view that the evidence presented in Mr Merino's Statutory Declaration had no probative value. Evidence with regard to the volume of sales and turnover of services had not been provided in relation to EUTM 10939767.

18. The Applicant further stated that claims contained in the Opponent's Notice of Opposition were not substantiated within a sworn declaration. These were held by the Applicant to be frivolous and vexatious and serve no basis as valid grounds of opposition and so ought to be dismissed.

The Applicant then considered the well-established criteria and legal precedent whereby the likelihood of confusion is assessed. The Opponent's mark was stated to be in figurative form including a fanciful graphic element. It did not have an enhanced reputation through use in the EU, including Ireland, in relation to the services for which it is registered.

The average consumer of the goods and services at issue would be business customers with specific professional knowledge and expertise. They would be highly discerning and pay due

care in relation to the purchase of the highly specialised goods and services in question. They would not infer a connection between the relevant marks in the normal course of use. There would not, therefore, be a likelihood of confusion as to the commercial origin of the goods and services.

19. In summary, the Applicant held that their mark was not liable to be confused with the Opponent's mark, particularly when having regard to the outcome of the decision of the Cancellation Division of the EUIPO on the application for revocation on grounds of non-use. The applied for mark complies with the relevant provisions of the Trade Marks Act 1996 and the opposition should be rejected in its entirety.

Decision

20. The relevant part of Section 10(2) of the Act, insofar as the present application is concerned, reads as follows:

(2) A trade mark shall not be registered if because –

(a)

(b) it is similar to an earlier trade mark and would 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 of the later trade mark with the earlier trade mark.

21. As is evident from the wording of Section 10(2), the four basic requirements that must be met in order for an objection under it to succeed are that, (i) there must be “an earlier trade mark”, (ii) the goods of the application must be identical with or similar to those in respect of which the earlier trade mark is protected, (iii) the mark applied for must be similar to that earlier trade mark, and, (iv) there must be a resultant likelihood of confusion on the part of the public.

22. The first of these conditions is clearly fulfilled. The Opponent's trademark, EUTM **010939767** was filed at the EUIPO on 5 June 2012 and by virtue of Section 11(1)(b) of the

Act, it is an earlier trademark as against the present application for the purposes of Section 10.

23. There is disagreement between the parties as regards whether the services covered by the respective marks are identical, similar or dissimilar. A comparison between the services must be conducted in respect of those for which the earlier mark is registered and the services specified in the disputed application. The Applicant has sought to have the Opponent's EU trade mark revoked on the grounds of non-use in respect of the Class 35, 38 & 42 services for which it is registered

24. At the relevant date the Opponent's marks were registered in respect of the following services:

- **Class 35:** Business management consultancy services; business services; none of the aforesaid being services offered to third parties in connection with the supply of advertising services, marketing services or media buying and planning services.
- **Class 38:** Telecommunications.
- **Class 42:** Scientific and technological services and research and design relating thereto; Industrial analysis and research services; Design and development of computer software; Consultancy in the design and development of computer hardware; none of the aforesaid being services offered to third parties in connection with the supply of advertising services, marketing services or media buying and planning services.

25. The respective services of the applied for mark and those contained in the Opponent's mark and are highly similar. Accordingly, the second condition has been met.

Comparison of the marks

26. Turning to the third condition – similarity between the marks, I have compared the respective marks of the parties on the criteria of visual, aural and conceptual similarity and have attempted to make an overall assessment of the extent to which they should be regarded as similar or different. This is an assessment of the overall impression the marks make on me, having put myself in the shoes of the average consumer of the goods and services for which the Applicant is seeking registration. I am mindful that the European Court of Justice has noted (*Sabel BV v Puma AG and Rudolf Dassler Sport Case C-251/95*)¹ that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various

details. For this reason, the appreciation of the visual, aural and conceptual similarity of the marks must be based on the overall impressions given by them, rather than on specific points of detail that are likely to go unnoticed by the average consumer.

27. The disputed mark consists of one word - Optiva. The Opponents earlier mark is a stylised representation with a figurative element. Viewed as a whole, the visual perception of the mark looks like two words "OPTI" and "MEDIA" with a distinctive graphic logo next to it. There are clear visual differences between the marks. The Applicant's mark is a word mark. The Opponent's mark is a combined mark containing a mixture of two verbal elements that would be perceived as OPTI MEDIA with the addition of a figurative element in green.
28. I find the degree of aural similarity between the marks is along the same lines as the visual similarity. In my opinion the disputed mark shares a very low level of aural similarity with the Opponent's mark. The figurative element does not, in my opinion, come into play when goods bearing the mark are being purchased or ordered. The mark would be pronounced as "OPTI MEDIA"
29. Conceptually, I find the green figurative element in the Opponent's mark conveys a clear message that it consists of two verbal elements "OPTI" and "MEDIA" with an additional, non-verbal element. This is in clear contrast to the Applicant's single word mark "OPTIVA". I, therefore, find the respective marks are conceptually very different.
30. Having completed a global assessment, in terms of the visual, aural and conceptual similarities I find that the Applicant's mark has a very low level of overall similarity with the Opponent's earlier mark.

Likelihood of confusion

31. The case now rests on whether that similarity is sufficient to come within the meaning of Section 10(2)(b) of the Act. The criteria against which that assessment should be made have been enunciated in a number of decisions of the European Court of Justice² in this area and they include the following:

- a. A lesser degree of similarity between the goods may be offset by a greater degree of similarity between the marks, and vice versa;
- b. The more distinctive the earlier mark, the greater will be the likelihood of confusion;
- c. In determining the distinctive character of the earlier mark, it is necessary to make an overall assessment of its capacity to identify the goods for which it is registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings;
- d. In making that assessment, account should be taken of the inherent characteristics of the mark; the market share held by it; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested in its promotion; the proportion of the relevant public which, because of the mark, identifies the goods as originating from a particular undertaking; and statements from chambers of commerce and industry and other trade and professional associations.
- e. A global appreciation of the likelihood of confusion must, as regards the visual, aural and conceptual similarity of the marks in question, be based on the overall impression created by them, and the importance to be attached to each of those elements must take account of the category of goods and the way in which they are marketed;
- f. The assessment must be made from the perspective of the average consumer who is deemed to be reasonably well-informed, observant and circumspect but who rarely has the chance to make a direct comparison of the marks and must rely on the imperfect picture that he has of them in his mind; and

- g. The likelihood of confusion must be appreciated globally, considering all of the factors relevant to the circumstances of the case.

Likelihood of confusion

32. I regard the Applicant's mark and the Opponent's mark as having a low level of overall similarity. However, the services covered by the Application closely resemble those of the earlier registration, which means a lower level of similarity between the marks could be deemed sufficient to declare a likelihood of confusion exists. Bearing this important consideration in mind I am satisfied nonetheless that the actual level of similarity between the marks falls well short of what is required in order for me to conclude that such a likelihood exists.

33. I have already found that the OPTIVA element does not dominate the Opponent's mark. I must also consider what the CJEU has to say in *LIMONCELLO*³, where in that case, in the context of considering the likelihood of confusion, and where there was one common element between two composite marks, the Court found at paragraphs 41-42 as follows:

"41. ...assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see order in Matratzen Concord v OHIM, paragraph 32; Medion, paragraph 29).

42. As the Advocate General pointed out in point 21 of her Opinion, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element."

34. The appropriate aural test concerns how the consumer processes what they see, hear and comprehend. It is whether the consumer, who is familiar with services marketed under the Opponent's earlier mark and, having seen or heard of services being marketed under the Applicant's later mark, is likely to believe the later services are associated with the proprietor of the services with which he is familiar. In making that call the consumer will be considering either purchasing the later services, believing them to be of the standard he has

come to expect of services bearing the earlier mark, or avoiding the services based on a previous bad experience of the services sold under the earlier mark.

35. In light of the foregoing factors, I am required to make an overall assessment of the likelihood of confusion that may exist between the Opponent's earlier trademark and the Applicant's mark. The confusion in question may be direct confusion, whereby the Applicant's services are mistaken for those of the Opponent, or indirect confusion, whereby the Applicant's services are associated in the mind of the consumer with that of the Opponent and a common commercial origin is inferred.
36. In my opinion, a consumer who might possibly consider that a medium level of visual and aural similarity existed between the respective marks at issue would also be struck by the complete lack of conceptual similarity. Because of the clear differences between the overall impressions given by the marks, I am not persuaded that the average person who knew of any of the Class 35, 38 or 42 services offered for sale under the Opponent's mark would be confused if s/he were to encounter similar services offered for sale under the Applicant's brand. Nor, in my opinion, would the consumer make an association between the respective services that would cause them to believe they were from the same or an economically linked undertaking.
37. I am completely satisfied that a consumer, who knows and has experience of the Opponent's mark on the services concerned and who then encounters the Applicant's mark on equivalent services would not be likely to be confused as to the origin of the two.
38. For all the reasons stated above, I have decided that the prior registration of the Opponent's trademark does not constitute grounds for refusal, under Section 10(2) of the Act of the application to register OPTIVA. Therefore, I have decided to dismiss the opposition and to allow the OPTIVA mark to proceed to registration.

John Nolan

Acting for the Controller

16th September 2022