

ECJ confirms that there is no likelihood of confusion between KRISPY KREME DOUGHNUTS and DONUT/DONUTS
European Union - Casalonga

**Cancellation
International procedures**

March 22 2017

In *Panrico SA v European Union Intellectual Property Office* (EUIPO) (Case C-655/15 P, March 2 2017), the Court of Justice of the European Union (ECJ) has confirmed the General Court's decision of October 7 2015 (Case T-534/13) holding that there was no similarity between the signs at issue and, therefore, no likelihood of confusion.

After the dismissal of its opposition by the Opposition Division of the EUIPO, which was confirmed by the Board of Appeal, Panrico SA filed a cancellation action against the (now registered) figurative trademark KRISPY KREME DOUGHNUTS:



The action was based on the following prior marks:

- DOGHNUTS
- DONUT



The prior figurative mark DONUTS CREAM and prior word mark DOGHNUTS were disregarded, however, as they were considered to be invalid for lack of renewal and lack of use, respectively.

The General Court confirmed the Board of Appeal's decision that the signs at issue could not be compared conceptually and were not visually similar, notably in light of the central and dominant position of the terms 'Krispy Kreme' in the contested sign.

The court further pointed out that, in the case of Class 30 goods, the visual aspect was more important than the phonetic aspect since the acquisition of this type of products would primarily depend on their visual impression.

As regards the low degree of phonetic similarity, the court considered that:

1. it was "highly probable" that the relevant public would pronounce only the elements 'krispy' and 'kreme'; and
2. insofar as certain combinations of letters contained in the term 'doughnuts' are foreign or unusual in the vocabulary of the Spanish and Portuguese languages, at least some of the relevant public would pronounce the term 'doughnuts' differently from 'donut' and 'donuts'.

The court thus confirmed that there was no likelihood of confusion between the signs in conflict, even if it were to be accepted that the earlier marks were highly distinctive or highly renowned.

The ECJ dismissed Panrico's appeal, confirming the General Court's decision. It found that some of the arguments put forward did not only seek a new assessment of the evidence but also raised a question of law, which could be subject to the court's review. With respect to the other arguments raised, it considered that they were based on a misinterpretation of the General Court's decision.

This decision is in contrast with the previous case of *Bimbo SA v OHIM* (Case C-591/12 P, May 8 2014), in which the ECJ upheld the General Court's analysis that there was a likelihood of confusion between Panrico's earlier marks, including the Spanish registration for DOGHNUTS, and the contested sign BIMBO

DOUGHNUTS. In this decision, the General Court considered that the term 'doughnuts' was devoid of any meaning for the relevant public (ie, the Spanish public) and that this term had a distinctive autonomous position within the contested mark, being therefore equally distinctive as the initial term 'bimbo'.

The difference in outcomes may depend partially on the different marks relied upon, namely DOGHNUTS versus the word mark DONUT and the figurative mark DONUTS. However, it is likely that the dominance of the element 'Krispy Kreme' in the figurative trademark KRISPY KREME, compared to that of 'Bimbo' in the opposed sign BIMBO DOUGHNUTS, played a more important role.

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