

Alicante, 03/10/2016

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**Notification of a decision to the applicant**

<i>Your reference:</i>	<b>L14-3921EM</b>
<i>Invalidity number:</i>	<b>000012097 C</b>
<i>Contested trade mark:</i>	<b>012877106</b>
	<b>MASTER MS AUTOMOTIVE</b>

Please find attached the decision terminating the proceedings referred to above. The decision was delivered on **03/10/2016**.

**Please note that decisions of the Cancellation Division are not signed by the responsible officials but only indicate their full name and bear a printed seal of the Office in accordance with Rule 55(1) EUTMIR.**

**Marianna KONDAS**



Enclosures (excluding the cover letter): 06 pages

**CANCELLATION No 12 097 C (INVALIDITY)**

**Renault S.A.S.**, 13/15, quai Alphonse le Gallo, 92100 Boulogne-Billancourt, France (applicant) represented by **Casalonga Alicante S.L.**, Avenida Maissonave, 41-6C, Alicante, Spain (professional representative).

a g a i n s t

**Al Aswar Auto Spare Parts Trading Co. (L.L.C)**, 102 Al Ansari Building, Port Saeed Road Deira, Dubai, United Arab Emirates (EUTM proprietor), represented by **Isern Patentes y Marcas, S.L.**, Avenida Diagonal, 463 bis, 2º piso., Barcelona, Spain (professional representative)

On 03/10/2016, the Cancellation Division takes the following

**DECISION**

1. The application for a declaration of invalidity is partially upheld.
2. European Union trade mark No 12 877 106 is declared invalid for some of the contested goods, namely:  
*Class 12: Vehicles; apparatus for locomotion by land.*
3. The European Union trade mark remains registered for all the remaining goods, namely:  
*Class 12: Apparatus for locomotion by air or water.*
4. Each party bears its own costs.

**REASONS**

The applicant filed an application for a declaration of invalidity against all the goods of European Union trade mark No 12 877 106. The application is based on French trade mark registration No 1 551 948. The applicant invoked Article 53(1)(a) EUTMR in connection with Article 8(1)(b) EUTMR.

**SUMMARY OF THE PARTIES' ARGUMENTS**

The applicant argues that the conflicting signs are visually and aurally highly similar, the earlier mark being entirely contained in the challenged EUTM. The coinciding element is the most striking part of the contested mark. The differing element "AUTOMOTIVE" is descriptive in connection with vehicles and the addition of a figurative element is not sufficient to eliminate the risk of confusion between the marks involved. Moreover, the goods covered by the contested mark in Class 12 are either

identical or similar to the goods covered by the earlier mark. According to the applicant the earlier mark is intrinsically distinctive, in addition to which it also enjoys an enhanced distinctive character in France by virtue of the use that has been made of it. Therefore, there is a likelihood of confusion and the contested mark has to be deleted in respect of all the goods in class 12.

The EUTM proprietor did not submit any observations in reply.

#### **LIKELIHOOD OF CONFUSION — ARTICLE 53(1)(a) EUTMR IN CONNECTION WITH ARTICLE 8(1)(b) EUTMR**

A likelihood of confusion exists if there is a risk that the public might believe that the goods or services in question, under the assumption that they bear the marks in question, come from the same undertaking or, as the case may be, from economically linked undertakings. Whether a likelihood of confusion exists depends on the appreciation in a global assessment of several factors, which are interdependent. These factors include the similarity of the signs, the similarity of the goods and services, the distinctiveness of the earlier mark, the distinctive and dominant elements of the conflicting signs and the relevant public.

##### **a) The goods**

The relevant factors relating to the comparison of the goods or services include, inter alia, the nature and purpose of the goods or services, the distribution channels, the sales outlets, the producers, the method of use and whether they are in competition with each other or complementary to each other.

The goods on which the application is based are the following:

*Class 12: Motor vehicles; vehicles for locomotion by land, their spare parts or replacement parts not included in other classes.*

The contested goods are the following:

*Class 12: Vehicles; apparatus for locomotion by land, air or water.*

##### **Contested goods in Class 12**

The contested *vehicles* and *apparatus for locomotion by land* include, as a broader category, the applicant's *motor vehicles*. It is impossible for the Cancellation Division to filter these goods from the abovementioned category. Since the Cancellation Division cannot dissect ex officio the broad category of the EUTM proprietor's goods, they are considered identical to the applicant's goods.

The contested *apparatus for locomotion by air or water* covers goods such as aircraft and ships. At the same time, the applicant only enjoys protection for land locomotion vehicles and motor vehicles, which are "*road vehicles powered by an internal combustion engine*" [[https://en.oxforddictionaries.com/definition/motor\\_vehicle](https://en.oxforddictionaries.com/definition/motor_vehicle)]

While the contested goods are also apparatus used for transport, they are goods made by very distinct industries focusing on the specific circumstances and characteristics in

the air or on the water, requiring fundamentally different locomotion solutions when compared to the requirements related to the construction and design of vehicles used on land. The goods have a different nature, purpose and method of use. They are not expected to be obtainable through the same distribution channels, nor to be manufactured by the same companies. They are not in competition or complementary. This reasoning also applies when comparing these contested goods to land vehicle parts: the substantial distinction between the distribution channels and targeted consumers precludes any similarity. Therefore, the contested *apparatus for locomotion by air or water* are dissimilar.

**b) Relevant public — degree of attention**

The average consumer of the category of products concerned is deemed to be reasonably well informed and reasonably observant and circumspect. It should also be borne in mind that the average consumer's degree of attention is likely to vary according to the category of goods or services in question.

In the present case, the identical goods, vehicles and land locomotion apparatus are mainly directed at the public at large. Nevertheless, since the goods at hand can be fairly expensive, the average consumer often seeks professional assistance or advice when choosing or buying such goods. In addition, in the vehicles market brand-loyalty is a factor which strongly influences purchasing decisions. The degree of attention of the relevant public would therefore be high.

**c) The signs**

MASTER



Earlier trade mark

Contested trade mark

The relevant territory is France.

The global appreciation of the visual, aural or conceptual similarity of the marks in question must be based on the overall impression, bearing in mind their distinctive and dominant components (11/11/1997, C-251/95, Sabèl, EU:C:1997:528, § 23).

While the earlier mark is a word mark, "MASTER", the contested mark is a figurative mark consisting of the verbal element "MasterMs", written in standard, upper and lower case white italic font, placed on a black oval with two swirling lines. Below this element the word "AUTOMOTIVE" is placed in somewhat smaller black capital letters.

In the contested sign, the element MasterMs, placed on the oval shape, is visually more eye-catching given its size and central position and overshadows the “AUTOMOTIVE” component.

The term “master” present in both signs will be perceived by the relevant French public as an academic qualification. A part of the relevant public will also perceive it as the equivalent of *maître*, meaning *a man who has people working for him, (especially servants or slaves), or someone who is highly skilled*. In the context of the vehicles at hand, this term might allude to the skill and expertise used for the construction of the goods at hand. However, since part of the public would not even perceive this meaning and for the other part the word “master” will sound foreign and its meaning merely allusive, the distinctiveness of this term is normal.

At the same time, the term “AUTOMOTIVE” in the contested mark will be perceived by the relevant public as a word referring to the automotive sector, “automobile” in French. Given that the goods at hand are vehicles, this term will be seen to make a reference to the kind of goods. Although the word somewhat differs from the French equivalent, on account of which it cannot be considered entirely descriptive, it will have a less than average distinctive character.

**Visually**, the signs coincide in “Master”.

The signs differ in the element “AUTOMOTIVE”, although it has limited distinctive character, and it is also overshadowed by the coinciding element “Master”.

The signs also differ as far as the element “Ms” is concerned, although due account should be given to the fact that consumers generally tend to focus on the first element of a sign when being confronted with a trade mark. This is justified by the fact that the public reads from left to right, which makes the part placed at the left of the sign (the initial part) the one that first catches the attention of the reader.

Lastly, the signs differ in the contested sign’s particular stylization, i.e. the oval and the color of the fonts. In this context it should be noted that the verbal component of the sign usually has a stronger impact on the consumer than the figurative component. (14/07/2005, T-312/03, Selenium-Ace, EU:T:2005:289, § 37; decisions of 19/12/2011, R 233/2011-4 Best Tone (fig.) / BETSTONE (fig.), § 24; 13/12/2011, R 53/2011-5, Jumbo(fig.) / DEVICE OF AN ELEPHANT (fig.), § 59).

Given that the coincidence between the signs concerns the entire earlier mark, the signs are visually highly similar.

**Aurally**, the pronunciation of the signs coincides in the sound of the letters of “MASTER” present identically in both signs. The pronunciation differs in the sound of the letters “MS” and “AUTOMOTIVE”, although the above considerations regarding the distinctive character of this latter element should be borne in mind.

Given that the coincidence between the signs concerns the entire earlier mark, the signs are aurally highly similar.

**Conceptually**, the signs will coincide in the concept of “master”. Even if the contested sign contains, in “AUTOMOTIVE”, an additional concept, it is of limited distinctiveness.

Thus the signs are conceptually highly similar.

**d) Distinctiveness of the earlier mark**

The distinctiveness of the earlier mark is one of the factors to be taken into account in the global assessment of likelihood of confusion.

According to the applicant, the earlier mark has been extensively used and enjoys an enhanced scope of protection. However, for reasons of procedural economy, the evidence filed by the applicant to prove this claim does not have to be assessed in the present case (see below in 'Global assessment').

Consequently, the assessment of the distinctiveness of the earlier mark will rest on its distinctiveness per se. In the present case, the earlier trade mark as a whole has no clear meaning for any of the goods from the perspective of the public in the relevant territory. Therefore, the distinctiveness of the earlier mark must be seen as normal.

**e) Global assessment, other arguments and conclusion**

Likelihood of confusion covers situations where the consumer directly confuses the trade marks themselves, or where the consumer makes a connection between the conflicting signs and assumes that the goods covered are from the same or economically linked undertakings.

Moreover, account is taken of the fact that average consumers rarely have the chance to make a direct comparison between different marks, but must trust in their imperfect recollection of them (22/06/1999, C-342/97, Lloyd Schuhfabrik, EU:C:1999:323, § 26).

This will apply also to highly attentive, even brand-loyal consumers if they are confronted, on identical goods, with a sign that includes the earlier sign in its entirety. This striking coincidence is placed in the beginning of the contested sign, while the contested sign's differing elements will have less of an impact on consumers given their limited distinctiveness or purely figurative nature.

It constitutes frequent practice nowadays for companies to make small variations of their trade marks, for example by altering their typeface or colour, or adding terms or elements to them, in order to name new lines of products, or to create a modernised version of the mark.

In the present case, given the identity of the goods and the fact that the earlier mark is entirely contained in the contested sign, it is likely that consumers will perceive the contested sign as a variation of the earlier mark, such as a modernised version or a mark used to designate new lines of products.

Considering all the above, the Cancellation Division finds that there is a likelihood of confusion on the part of the public and, therefore, the application is partly well founded on the basis of the applicant's French trade mark registration.

Pursuant to the above, the contested trade mark must be declared invalid for the goods found to be identical to those of the earlier trade mark.

The rest of the contested goods are dissimilar. As similarity of goods and services is a necessary condition for the application of Article 8(1) EUTMR, the application based on this article and directed at these goods cannot be successful.

This finding would still be valid even if the earlier trade mark were to be considered as enjoying a high degree of distinctiveness. Given that the dissimilarity of the goods cannot be overcome by the highly distinctive character of the earlier trade mark, the evidence submitted by the applicant in this respect does not alter the outcome reached above.

## **COSTS**

According to Article 85(1) EUTMR, the losing party in cancellation proceedings must bear the fees and costs incurred by the other party. According to Article 85(2) EUTMR, where each party succeeds on some heads and fails on others, or if reasons of equity so dictate, the Cancellation Division will decide a different apportionment of costs.

Since the cancellation is successful only for part of the contested goods, both parties have succeeded on some heads and failed on others. Consequently, each party has to bear its own costs.



### **The Cancellation Division**

Richard THEWLIS

Marianna KONDAS

Solveiga BIEZA

According to Article 59 EUTMR, any party adversely affected by this decision has a right to appeal against this decision. According to Article 60 EUTMR, notice of appeal must be filed in writing at the Office within two months of the date of notification of this decision. It must be filed in the language of the proceedings in which the decision subject to appeal was taken. Furthermore, a written statement of the grounds of appeal must be filed within four months of the same date. The notice of appeal will be deemed to be filed only when the appeal fee of EUR 720 has been paid.