

Alicante, 27/07/2018

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**Notification of a decision to the applicant**

<i>Your reference:</i>	<b>L/11514</b>
<i>Invalidity number:</i>	<b>000014268 C</b>
<i>Contested trade mark:</i>	<b>014048169</b>
	<b>1Power-one Racing oil</b>

Please find attached the decision terminating the proceedings referred to above. The decision was delivered on **27/07/2018**.

**Please note that decisions of the Cancellation Division are not signed by the officials responsible but only indicate their full names and bear a printed seal of the Office in accordance with Article 94(2) EUTMR.**



**Liliya YORDANOVA**

Enclosures (excluding the cover letter): 09 pages

## CANCELLATION No 14 268 C (INVALIDITY)

**Creco Holding B.V.**, Einsteinstraat 90-92, 1446 VG Purmerend, the Netherlands (applicant), represented by **Markfellows B.V.**, Papaverweg 34, 1032 KJ Amsterdam, the Netherlands (professional representative)

a g a i n s t

**Francisco Díaz Sotillo**, C/ Jose Laguillo 29 b2 1ªA, 41010 Seville, Spain (EUTM proprietor), represented by **Álvaro Herrera Dávila**, Calle Jacometrezo 15, 4ªA-1, 28013 Madrid, Spain (professional representative).

On 27/07/2018, the Cancellation Division takes the following

### DECISION


1. The application for a declaration of invalidity is upheld.
2. European Union trade mark No 14 048 169 is declared invalid in its entirety.
3. The EUTM proprietor bears the costs, fixed at EUR 1 080.

### PRELIMINARY REMARK

As from 01/10/2017, Regulation (EC) No 207/2009 and Regulation (EC) No 2868/95 have been repealed and replaced by Regulation (EU) 2017/1001 (codification), Delegated Regulation (EU) 2017/1430 and Implementing Regulation (EU) 2017/1431, subject to certain transitional provisions. Further, as from 14/05/2018, Delegated Regulation (EU) 2017/1430 and Implementing Regulation (EU) 2017/1431 have been codified and repealed by Delegated Regulation (EU) 2018/625 and Implementing Regulation (EU) 2018/626. All the references in this decision to the EUTMR, EUTMDR and EUTMIR shall be understood as references to the Regulations currently in force, except where expressly indicated otherwise.

### REASONS

The applicant filed an application for a declaration of invalidity against all the goods of

European Union trade mark No 14 048 169  (figurative mark). The application is based on Benelux trade mark registrations No 691 294 'POWER ONE

(1)' (word mark), No 827 417  (figurative mark) and No 827 418



(figurative mark). The applicant invoked Article 60(1)(a) EUTMR in connection with Article 8(1)(a), 8(1)(b) and 8(5) EUTMR.

## **SUMMARY OF THE PARTIES' ARGUMENTS**

The applicant filed a request for invalidity on 29/12/2016.

The EUTM proprietor argues that the signs are completely different from a graphic point of view, since it is more likely that the relevant public will not only remember a mark by its name but by its characteristic graphic. The signs are also different from a phonetic point of view. The proprietor cited some 'similar' cases in order to support its statements. The conflicting signs have numerous differences on visual, phonetic and conceptual level, which allows the consumer public to be able to differentiate them without confusing them in the market. Furthermore, the EUTM proprietor argues that there are trade marks registered in the market whose names are formed by the generic term 'power' and attached a document consisting of a search in EUIPO-eSearch database in proof thereof. According to the proprietor, if these marks live peacefully, the requesting party can also live with the opposing brand.

In reply, the applicant argues that the contested trade mark registration is confusingly similar to the earlier Benelux trade marks, as there is a visual, phonetic and conceptual resemblance between the marks. The so-called similar cases cited by the EUTM proprietor have no relevance to the present case. The goods covered by the conflicting marks are identical and/or highly similar. The submitted list of trade mark containing the element 'power' is not relevant and the earlier marks are not generic or non-distinctive.

In its observation in reply, the EUTM proprietor reiterates its arguments. There is no similarity between the signs and the term 'power' is generic. The application for invalidity should be rejected.

## **LIKELIHOOD OF CONFUSION — ARTICLE 60(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.

The application is based on more than one earlier trade mark. The Cancellation Division finds it appropriate to first examine the application in relation to the applicant's Benelux trade mark registration No 691 294 'POWER ONE (1)'.

**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 1: *Coolants.*

Class 4: *Industrial oils.*

Class 12: *Parts for vehicles (included in this class).*

The contested goods are the following:

Class 1: *Chemical products.*

Class 2: *Lubricants, greases and fuels.*

As a preliminary remark, according to Article 33(7) EUTMR, the Nice Classification serves purely administrative purposes. Therefore, goods or services may not be regarded as being similar or dissimilar to each other simply on the grounds that they appear in the same or different classes in the Nice Classification.

**Contested goods in Class 1**

The contested *Chemical products* include, as a broader category, the applicant's *Coolants*. Since the Cancellation Division cannot dissect *ex officio* the broad category of the contested goods, they are considered identical to the applicant's goods.

**Contested goods in Class 2**

As regards the contested goods in this class, the Cancellation Division notes that these goods are normally proper to Class 4 and not Class 2 and it is highly plausible that the Office made a classification mistake at the time of examining the trade mark application. This is because the combination of these goods (*lubricants, greases and fuels*) only exists in Class 4. Furthermore, these goods have always formed part of the heading of Class 4 of the Nice Classification, including in the version of the Nice Classification at the date of filing (11/05/2015) of the contested trade mark registration. Nevertheless, at the present stage, the Office is not in a position to reopen examination and issue a classification deficiency or to revoke the trade mark registration in order to amend or clarify the classification of goods. In view of this, the Cancellation Division notes that the comparison of the goods will be based on the wording indicated in the respective list of goods and in determining their scope, their most natural and literal meaning will be taken into account.

When comparing the contested *lubricants, greases* with the applicant's *industrial oils*, the Cancellation Division finds that these are similar to a high degree. This is because these sets of goods can coincide in purpose. Furthermore, they usually coincide in producer, relevant public and distribution channels.

As regards the contested *fuels*, these goods are broad and may include solid fuels, liquid fuels, fuel gas, biofuels, etc. There is a link between the contested *fuels* and the applicant's *industrial oils*. Although they do not have the same nature and purpose, these goods can come from the same source (crude oil). They can be produced by the same undertakings and distributed through the same channels (at petrol stations or big garages or service centres for machines) to the same relevant public. Consequently, they are considered similar.

**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 goods found to be identical or similar to various degrees are directed both at the public at large and at business customers with specific professional knowledge or expertise. The degree of attention may vary from average to high, depending on the sophistication/specialised nature, or terms and conditions of the purchased goods as well as the frequency of purchase and their price.

**c) The signs**

**POWER ONE (1)**



Earlier trade mark

Contested trade mark

The relevant territory is Benelux.

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).

The earlier mark is a word mark and consists of the verbal elements 'POWER ONE', followed by the numeral (1) placed in brackets. In the case of word marks, it is the word as such that is protected and not its written form. Therefore, it is irrelevant whether the earlier mark is represented in upper or lower case characters; furthermore, for the same reasons, the mark has no element(s) that could be considered clearly more dominant (visually eye-catching) than other element(s).

The contested sign is figurative and consists of a black rectangle, wherein the hyphenated verbal elements 'Power-One' appear, written in slightly stylized red letters with a white outline and in title case. The stylization of the first letter 'P' is such that the numeral 1 can also be discerned. Below the words 'Power-One', in significantly smaller letters, are the words 'Racing oil', also written in red and white slightly stylized letters. The verbal elements 'Power-One' together with the black rectangle are the dominant elements in the contested sign, as they are the most eye-catching and clearly overshadow the words 'Racing oil' that are smaller and placed in a secondary position.

The elements 'power' (*energy that is produced or obtained in large quantities from a fuel source that is used to operate machinery, lights and heating*) and 'one' (*the*

*number one*) present in both signs are relatively common English words and will be understood by a significant part of the relevant consumers in Benelux. This is because, on the one hand, as confirmed by the Court, there is at least a basic understanding of the English language by the general public in the Netherlands, the Scandinavian countries and Finland (26/11/2008, T-435/07, *New Look*, EU:T:2008:534, § 23), and, on the other hand, because, at least the word 'one' is a very basic English word and will be commonly understood. This is also highly plausible because of the fact that both signs also contain the numeral 1. Likewise, the part of the public with some knowledge of English will also understand the phrase 'racing oil' referring to *liquid that is used as a fuel in a race* (definitions extracted from *Collins English Dictionary* online on 24/07/2018).

Therefore, bearing in mind the nature of the relevant goods (coolants and chemicals, lubricants, greases, oils and fuels) and the abovementioned definitions, it is considered, that when understood, the phrase 'racing oil' is not particularly distinctive, as it will be seen as a description or direct/indirect indication of characteristics of the goods (such as their nature or propose). Likewise, the term 'POWER', synonymous with strength and force, can describe certain (desirable) characteristics of the goods concerned. For example, for some goods such as *fuels*, it may indicate it supplies a large amount of energy. Therefore, this term is not particularly strongly distinctive, as it may be seen as an evocation or direct/indirect indication of desirable characteristics of the goods. These elements will, however, be normally distinctive for the part of the consumers who will not associate them with any meaning.

As to the word 'one', albeit it can be assumed to contain certain laudatory connotations, such as being the first one in order or preference, such understanding does not affect its distinctiveness as it requires an additional mental step, which will probably not be made by the relevant consumers, as this word is not an adopted word with common application in the relevant languages (e.g., to compare, the German equivalent and commonly used word is 'eins', the Dutch equivalent is 'een', the French is 'un', etc.). Consequently, the verbal element 'one', also due to its unusual semantic appearance in the signs (preceded by 'power'), is considered to be normally distinctive in relation to the relevant goods in question. The same reasoning applies to the numeral one in brackets in the earlier sign, which in this particular context, and as presented (in brackets), will be seen just as a clarification that the word 'one' preceding it refers to the numeral 1.

Last but not least, the contested mark contains some weakly distinctive figurative elements, such as the not particularly fanciful stylisation of the letters, the colours and the black rectangle. These elements are ornamental (e.g. the colours and font of the letters) and/or commonplace (the black rectangle, the hyphen). Therefore, the word elements in the contested mark are considered more distinctive than the figurative elements. Furthermore, when signs consist of both verbal and figurative components, in principle, the verbal component of the sign usually has a stronger impact on the consumer than the figurative component. This is because the public does not tend to analyse signs and will more easily refer to the signs in question by their verbal element than by describing their figurative elements (14/07/2005, T-312/03, *Selenium-Ace*, EU:T:2005:289, § 37).

**Visually**, the signs coincide in that they both contain the word combination 'power one', which is nearly the entirety of the earlier mark and the most eye-catching verbal elements of the contested sign. The signs differ in the last element (1) of the earlier mark, which is simply a clarification of the word 'one' preceding it. Furthermore, upon more careful inspection, the numeral 1 has a counterpart in the contested sign, namely

as part of the letter 'P'. As regards the differences between the signs on account of the figurative elements of the contested sign, these elements are weakly distinctive and of less impact. The same goes for the differing elements 'racing oil', which are non-dominant and, for at least part of the public, non-distinctive as well. Therefore, their weight is also rather limited.

Taking into account the coinciding elements in the signs, but also accounting for the reduced distinctive character of the element 'power', as well as the remaining differences and their particular importance and weight, it is considered that the signs are visually similar to an average degree.

**Aurally**, the pronunciation of the signs coincides in the sound of the words 'power one', present identically in both signs. The pronunciation differs in the sound of the numeral (1) in the earlier mark and in the sound of the verbal elements 'Racing oil' of the contested sign. However, it is reasonable to assume that the majority of the public will not pronounce the numeral (1) in the earlier mark, as it is simply a repetition of the word preceding it. The same is valid for the hardly noticeable and, for a part of the public, non-distinctive, phrase 'Racing oil': it will probably not be pronounced in view of its relatively small size and secondary positioning. The hyphen in the contested sign is a graphical element and will not be referred to aurally. Consequently, the signs are aurally identical for the majority of the relevant public.

**Conceptually**, as mentioned above, the common elements in the signs POWER, ONE and 1 have the same meaning for the majority of the relevant public. The additional verbal elements 'Racing oil' in the contested sign will be understood by a part of the public but, since they are non-distinctive, their conceptual impact would be limited. Therefore, bearing in mind the coinciding concepts due to the coinciding elements of the signs, as well as the reduced distinctive character of the element 'power' for the majority of the relevant public, as well as the rather limited conceptual difference due to the weakly distinctive and non-dominant elements 'Racing oil', it is considered that the signs are conceptually similar at least to an average degree.

As the signs have been found similar in at least one aspect of the comparison, the examination of likelihood of confusion will proceed.

#### **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.

The applicant claimed that the earlier trade mark enjoys enhanced distinctiveness but did not file any evidence to prove this claim.

Consequently, 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 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, despite the presence of a less distinctive element in the mark as stated above in section c) of this decision.

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

The contested goods are partly identical and partly similar to a high or to an average degree to the applicant's goods. The relevant goods are directed both at the public at

large and at professional consumers and the degree of attention may vary from average to high.

The signs are visually similar to an average degree and aurally identical for the majority of the relevant public. The signs are conceptually similar at least to an average degree.

The similarities between the signs are on account of the common elements 'POWER', 'ONE' and, also if detected in the contested sign, the numeral '1'. The elements 'POWER ONE' will be perceived as the main identifications of origin in both marks. This is because they are nearly the entirety of the earlier mark and the dominant verbal element of the contested sign. As explained above, the remaining elements of the contested sign are either less distinctive or of limited importance and/or not dominant.

While it is indeed true that the distinctiveness of element 'POWER' is the signs is reduced, the signs coincide in a further distinctive element(s) and in their structure. Furthermore, despite the fact that the distinctiveness of the element 'POWER' of the marks is lower in relation to the goods, it has to be taken into account that the earlier mark has a normal distinctive character.

In this regard, it should be noted that although the distinctive character of the earlier mark must be taken into account when assessing the likelihood of confusion, it is only one factor among others involved in that assessment. Even in cases involving an earlier mark of weak distinctive character (which is not the case at issue), there may be a likelihood of confusion on account, in particular of similarity between the signs and between the goods and services covered (13/12/2007, T-134/06, Pagesjaunes.com, EU:T:2007:387, § 70).

In the case at hand, it should also be taken into account that the average consumer only rarely has the chance to make a direct comparison between the different marks but must trust in the imperfect picture of them that s/he has kept in his/her mind (22/06/1999, C-342/97, Lloyd Schuhfabrik, EU:C:1999:323, § 26). It is likely that the relevant public (even if displaying a higher level of attentiveness) being exposed to the use of both signs in relation to identical and similar goods and having an imperfect recollection of the earlier mark, might think that the goods on which the later mark appears are produced by the same or an economically-linked undertaking as the goods sold under the mark of which it has only an imperfect recollection.

In a global assessment of all the relevant factors and considering all the above findings, it is concluded that there is a likelihood of confusion on the part of the public.

In support of its arguments, the applicant refers to previous Office decisions. However, the Office is not bound by its previous decisions as each case has to be dealt with separately and with regard to its particularities.

This practice has been fully supported by the Court, which stated that it is settled case-law that the legality of decisions is to be assessed purely by reference to the EUTMR, and not Office practice in earlier decisions (30/06/2004, T-281/02, Mehr für Ihr Geld, EU:T:2004:198).

Furthermore, in the present case, the previous cases referred to by the applicant are not relevant to the present proceedings. This is because the signs are absolutely not the same or even comparable. Secondly, the apart from quoting names of the trade marks involved and parts of the texts of these decisions, the applicant did not mention

the number of the trade marks involved or the number of the cases. Therefore, these arguments cannot be taken into account and are irrelevant.

In its observations, the applicant argues that the term 'POWER' included in the signs is generic since many registered trade marks include the element 'POWER'. In support of its argument the applicant refers to several EU trade mark registrations.

In this regard it should be pointed out that the existence of several trade mark registrations is not per se particularly conclusive, as it does not necessarily reflect the situation in the market. In other words, it cannot be assumed on the basis of registry data only that all such trade marks have been effectively used. Consequently, the evidence does not demonstrate that consumers have been exposed to widespread use of, and have become accustomed to, trade marks which include the element 'POWER'. Nevertheless, as already pointed out above by the Cancellation Division, in view of its semantic connotations, the term 'POWER' is considered to have a reduced inherent distinctive character in relation to the goods. However, it is not devoid of distinctiveness or generic in relation to the goods. Moreover, as seen above, it is not the only coinciding element between the marks and the earlier mark has a normal distinctive character. Under these circumstances, the applicant's claims must be set aside.

Consequently, there is a likelihood of confusion on the part of the public and the application is well founded on the basis of the applicant's Benelux trade mark registration No 691 294. It follows that the contested trade mark must be declared invalid for all the contested goods.

As the earlier Benelux trade mark No 691 294 leads to the success of the application and the cancellation of the contested trade mark for all the goods against which the application was directed, there is no need to examine the other earlier rights invoked by the applicant (16/09/2004, T-342/02, Moser Grupo Media, S.L., EU:T:2004:268).

Since the application is fully successful on the grounds of Article 8(1)(b) EUTMR, there is no need to further examine the other grounds of the application, namely Article 8(1)(a) and Article 8(5) EUTMR in conjunction with Article 60(1)(a) EUTMR.

## **COSTS**

According to Article 109(1) EUTMR, the losing party in cancellation proceedings must bear the fees and costs incurred by the other party.

Since the EUTM proprietor is the losing party, it must bear the cancellation fee as well as the costs incurred by the applicant in the course of these proceedings.

According to Article 109(1) and (7) EUTMR and Article 18(1)(c)(ii) EUTMIR, the costs to be paid to the applicant are the cancellation fee and the representation costs, which are to be fixed on the basis of the maximum rate set therein.

**The Cancellation Division**

Judit NEMETH

Liliya YORDANOVA

Plamen IVANOV

According to Article 67 EUTMR, any party adversely affected by this decision has a right to appeal against this decision. According to Article 68 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.