

**BENELUX OFFICE FOR INTELLECTUAL PROPERTY**  
**OPPOSITION DECISION**  
**N° 2011184**  
**of 12 July 2017**

**Opponent:** **CardTec Card Processing Technologies GmbH**  
Rombacher Hütte 12A  
44795 Bochum  
Germany

**Representative:** **NLO Shieldmark B.V.**  
New Babylon City Offices Anna van Buerenplein 21A  
2595 DA Den Haag  
Netherlands

**Invoked right 1:**  (European registration 3125119)  
**Invoked right 2:** KGB (European registration 2204105)

*against*

**Defendant:** **CKL HOLDINGS N.V.**  
Kaasrui 12  
2000 Antwerp  
Belgium

**Representative:** --


**Contested trademark:** KGB (Benelux application 1313266)

## I. FACTS AND PROCEEDINGS

### A. Facts

1. On 1 July 2015 the defendant filed an application for a trademark in the Benelux for the word mark KGB for goods and services in classes 9, 25 and 38. This application was processed under number 1313266 and was published on 3 July 2015.

2. On 26 August 2015 the opponent filed an opposition against the registration of the application. The opposition is based on the following earlier trademarks:

- European registration 3125119 of the combined word/figurative trademark  filed on 8 April 2003 and registered on 14 June 2004 for goods in classes 7 and 9;
- European registration 2204105 of the word trademark KGB, filed on 3 May 2001 and registered on 11 November 2002 for goods in classes 7 and 9.

3. According to the register the opponent is the actual holder of the trademarks invoked.

4. The opposition is directed against the goods and services in classes 9 and 38 relating to the contested application. The opposition is based on all of the goods relating to the trademarks invoked.

5. The grounds for opposition are those laid down in article 2.14, 1 (a) Benelux Convention on Intellectual Property (hereinafter: "BCIP").

6. The language of the proceedings is English.

### B. Course of the proceeding

7. The opposition is admissible and was notified by the Benelux Office for Intellectual Property (hereinafter: "the Office") to the parties on 1 September 2015. During the administrative phase of the proceedings both parties filed arguments and at the request of the defendant proof of use was filed by the opponent. All of the documents submitted meet the requirements as stated in the BCIP and the Implementing Regulations (hereinafter: "IR"). The administrative phase was completed on 20 November 2016.

## II. ARGUMENTS

8. The opponent filed an opposition at the Office under article 2.14, 1 (a) BCIP, in accordance with the provisions of article 2.3 (b) BCIP: the likelihood of confusion based on the identity or similarity of the relevant marks and the identity or similarity of the goods or services concerned.

**A. Arguments of the opponent**

9. According to the opponent, there is no doubt about the confusing similarity between the signs concerned. The opponent observes that the generic element "Technology" in the second right invoked is of minor importance and therefore the signs are visually and phonetically identical or at least highly similar. The opponent points out that the element KGB is a fanciful term and therefore a conceptual comparison cannot be made.

10. The opponent thinks that all the goods mentioned in class 9 of the contested trademark can be covered by the broad description *electronic apparatus and equipment and parts thereof* of the rights invoked. Furthermore, in his opinion, the goods in class 9 of the rights invoked are complementary to the services in class 38 of the contested sign. Indeed, the first are indispensable for providing the latter. Finally, according to the opponent, the goods in class 7 of the rights invoked are similar to the goods in class 9 and to the services in class 38 of the contested sign.

11. The opponent concludes that the risk of confusion between the conflicting trademarks cannot be denied and therefore he requests that the office denies the registration of the contested sign.

**B. Arguments of the defendant**

12. The defendant states that the contested sign and the first right invoked are very different from a conceptual point of view and therefore it is unlikely that one would be taken as the other. The element "Technology" has a clear and obvious meaning ("the application of practical sciences to industry or commerce") and therefore will be much more likely to remain in the mind of the consumer than the other element, KGB, which has no clear meaning.

13. Regarding the visual comparison of the signs, the defendant observes that the relevant public will place great emphasis on the element "Technology" of the first right invoked. Indeed, the figurative elements and the contrast of the colours will catch the eye of the consumer. These dominant elements of the right invoked are such that there is no possibility that the consumer could confuse it with the contested sign, which is a simple word mark with no stylization.

14. Aurally, the contested sign is clearly pronounced differently to the first right invoked. Again, the consumer is not aware of the meaning of KGB and therefore would place his focus on the recognition of the word "Technology".

15. Regarding the comparison of the goods and services, the defendant observes that the goods in class 9 of the rights invoked cover numerous precise technical items. The specification of the contested goods on the other hand, is much broader in nature. The defendant concludes that the goods he applied for in class 9 are completely dissimilar to the opponent's goods.

16. As to the complementarity of the goods in class 9 and the services in class 38, the defendant states that these goods and services clearly concern a very different market. The goods in class 9 are intended to the public which intends to transmit their own data, using their own purchased goods, whereas the services in class 38 aim at the public who wishes to receive data themselves.

17. With respect to any similarities between the goods in class 7 on the one hand and the goods and services in classes 9 and 38 on the other, the defendant calls the allegations of the opponent farfetched and ill-founded. In the defendant's opinion, it is clear that no similarity whatsoever can be drawn between these classes.

18. Furthermore, the opponent does not put forward any claims regarding the goods covered in class 25 of the contested sign. Therefore the defendant takes it for granted that there is no basis on which to oppose the contested sign under this class.

19. Finally, as the earlier marks have been registered for more than five years, the defendant requests that the opponent prove that its marks were genuinely used in commerce in the European Union at the relevant time.

20. In the light of the foregoing, the defendant requests to the Office that it rejects the opposition in its entirety as unfounded and that the contested sign be granted protection. Furthermore he requests that all costs and fees arising in connection with this proceedings be imposed on the opponent.

### **III. DECISION**

#### **A.1 Proof of use**

21. Articles 2.16, 3 (a) and 2.26, 2 (a) BCIP and rule 1.29 IR stipulate that the right invoked should be put to genuine use within a period of five years prior to the publication date of the sign against which the opposition is lodged.

22. Given the fact that the rights invoked are registered for more than five years prior to the publication date of the contested sign, the defendant's request that proof of use is submitted is legitimate.

23. The opponent submitted a number of exhibits in order to demonstrate the genuine use of the rights invoked, but the defendant did not respond to them. Therefore, the Office will not examine the proofs of use, as rule 1.29.4 IR stipulates: "*The defendant may withdraw his request to provide proof of use or deem the evidence provided as adequate*". And rule 1.25.d says: "*Facts to which the other party did not respond will be deemed as undisputed*". Now that the defendant did not respond to the proofs of use submitted by the opponent, the genuine use of the rights invoked is deemed as undisputed.

#### **A.2 Likelihood of confusion**

24. In accordance with article 2.14, 1 BCIP, the applicant or holder of a prior trademark may submit a written opposition to the Office within a period of two months to be calculated from the publication date of the application, against a trademark which in the order of priority, ranks after its own in accordance with Article 2.3 (a) and (b) BCIP.

25. Article 2.3 (a) and (b) BCIP stipulates that "In determining the order of priority for filings, account shall be taken of rights, existing at the time of filing and maintained at the time of the litigation, in: a. identical trademarks filed for identical goods or services; b. identical or similar trademarks filed for identical or similar goods or services, where there exists on the part of the public a likelihood of confusion that includes the likelihood of association with the prior trademark."

26. According to case law of the Court of Justice of the European Union (hereinafter: the “CJEU”) concerning the interpretation of Directive 2008/95/EG of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trademarks (hereinafter: “Directive”), the likelihood of confusion of the public, which is defined as the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, must be appreciated globally taking into account all factors relevant to the circumstances of the case (CJEU, Canon, C-39/97, 29 September 1998, Lloyd Schuhfabrik Meyer, C-342/97, 22 June 1999; CJBen, Brouwerij Haacht/Grandes Sources belges, A 98/3, 2 October 2000; Marca Mode/Adidas, A 98/5, 7 June 2002; Supreme Court of the Netherlands, Flügel-bottle, C02/133HR, 14 November 2003; Brussels, N-20060227-1, 27 February 2006).

### **Comparison of the signs**

27. The wording of Article 4, 1 (b) of the Directive (cf. article 2.3, (b) BCIP) “there exists a likelihood of confusion on the part of the public” shows that the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global assessment of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (CJEU, Sabel, C-251/95, 11 November 1997).

28. Global assessment of the visual, aural or conceptual similarity of the marks in question must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components (CJEU, Sabel and Lloyd, already cited).

29. The signs to be compared are the following:

*With regard to the second right invoked (European registration 2204105):*

<b>Opposition based on:</b>	<b>Opposition directed against:</b>
KGB	KGB

30. Both signs are mere verbal trademarks, consisting of the three letters KGB and are thus identical.

### **Comparison of the goods and services**

31. In assessing the similarity of the goods and services concerned, all the relevant factors relating to these goods or services themselves should be taken into account. These factors include, inter alia, their nature, their end-users and their method of use and whether they are in competition with each other or are complementary (Canon, already cited).

32. With the comparison of the goods of the trademark invoked and the goods and services against which the opposition is filed, the goods and services are considered only on the basis of what is expressed in the register or as indicated in the trademark application.

33. The goods and services to be compared are the following:

Opposition based on:	Opposition directed against:
Class 7 Mechanical apparatus for cutting or tearing paper; mechanical apparatus for receiving and conveying paper cards or cards of plastic.	
Class 9 Electrotechnical apparatus and equipment and parts therefor, included in class 9; electronic apparatus and equipment, and parts thereof; writing and reading apparatus for magnetic cards and chip cards; data processing equipment, in particular equipment for manufacturing and processing magnetic data carriers and chip cards; parts for equipment for manufacturing and processing magnetic data carriers and chip cards, in particular thermal printing units, interface devices; control apparatus, in particular control apparatus with front-feed, eject and delivery units for equipment for manufacturing and processing magnetic data carriers and chip cards; electric and electronic equipment for recording, transmission, evaluation, recognition and reproduction of data; software for operating all the aforesaid goods; optical, magnetic and electric data carriers, in particular chip cards and magnetic cards; interfaces, namely interface devices and/or interface programs for writing and reading apparatus for magnetic cards and chip cards.	Class 9 Computer Hardware; Computer Software; Computer peripherals; Electronic data processing installations; computer network apparatus; parts and fittings for all the aforesaid goods.
	Class 38 Telecommunications and broadcast communication services; transmission and streaming of data content via computer and global information networks; operating of electronic communications networks.

#### Class 9

34. The goods *computer software* offered by the defendant are a general category that covers the goods *software for operating all the aforesaid goods* offered by the opponent. Therefore they are considered to be identical (GCEU, Metabiomax, T-281/13, 11 June 2014).

35. The goods *electronic data processing installations* offered by the defendant are the same kind of products as *data processing equipment* offered by the opponent and these goods are thus identical.

36. The goods *computer hardware, computer peripherals and computer network apparatus* offered by the defendant belong to the broader, more general categories *electrotechnical apparatus and equipment, and parts therefor, included in class 9, electronic apparatus and equipment, and parts thereof, data processing equipment and control apparatus* offered by the opponent. These goods are therefore considered to be identical or at least similar in a high degree. The fact that the description of some of opponent's goods are followed by the addition "*in particular...*" does not change this, because this addition does not limit the goods to the specification following.

37. The goods *parts and fittings for all the aforesaid goods* offered by the defendant are interwoven with the goods that already have been found to be identical to the goods of the right invoked to such an extent that these goods are equally identical or at least similar in a high degree. In addition, the description of the opponent's goods also includes "parts" of these goods.

#### *Class 38*

38. In general, goods and services are different by nature. In the case of goods it involves physical products of which the ownership can be transferred. In the case of services it concerns intangible activities that are being carried out. Inherent to these differences is that the use is also different. Goods and services can, however, be complementary. Some services are not routinely performed without the use of certain goods.

39. In this context, it should be remembered that there is complementarity when the goods and/or services are so interconnected that one product or service is indispensable or important for the use of the other so that consumers may think that the production of both goods and services are in the hands of a single undertaking (see GCEU, *The O Store*, T-116/06, 24 September 2008).

40. According to the opponent this complementarity exists between the goods *electric and electronic equipment for transmission of data* of the right invoked and the services of the contested sign. Indeed, it may be said that the services *telecommunications and broadcast communication services, transmission and streaming of data content via computer and global information networks, operating of electronic communications networks* cannot be rendered without transmission equipment. Furthermore, transmission equipment is specifically designed for the (tele)communication services described in the contested sign. Therefore, there exists a narrow link between those goods and services, so that the public can think that the production or the supply of these goods and services are in the hands of the same undertaking or of economically linked undertakings. These goods and services should therefore be considered to be similar.

#### *Conclusion*

41. The goods and services of the contested signs are partly identical or highly similar and partly similar to the goods of the right invoked.

### **A.3 Global assessment**

42. When assessing the likelihood of confusion, in particular the level of attention of the relevant public, the similarity of the goods and services in question and the similarity of the signs are important factors.

43. The average consumer is deemed to be reasonably well-informed and reasonably observant and circumspect (case *Lloyd*, already cited). It should also be borne in mind that the average consumer's level of attention is likely to vary in accordance with the category of goods or services in question. The goods at issue are intended for the public at large with an average level of attention.

44. The global assessment of the likelihood of confusion assumes that there is a certain degree of interdependence between the factors to be taken in account, particularly between the level of similarity of the signs and of the goods or services which they cover. A lesser degree of similarity between the relevant goods or services can be offset by a greater degree of similarity between the trademarks, and vice versa (*Canon and Lloyd*, already cited). In the case at hand, the signs are identical.

45. It should also be taken into consideration here that normally, the average consumer perceives a mark as a whole and does not proceed to an analysis of its various details (Sabel and Lloyd, already cited). Furthermore, it is of importance that the average consumer only rarely has the chance to make a direct comparison between the different trademarks but must place his trust in the imperfect picture of them that he has kept in his mind.

46. The more distinctive the earlier trademark, the greater the likelihood of confusion. Marks with a highly distinctive character, either *per se* or because of the reputation they possess on the market, enjoy broader protection than marks with a less distinctive character (Canon, Sabel and Lloyd, already cited). In the present case, the trademark invoked has a normal level of distinctiveness, as it is not descriptive of the goods concerned.

47. Based on the abovementioned circumstances, the Office finds, given the interdependence between the identity of the signs and the identity or (high) similarity of the goods and services, that the relevant public might believe that these goods and services originate from the same undertaking or from economically-linked undertakings.

#### **B. Other factors**

48. According to the defendant, the opponent has not substantiated the similarity of the goods in class 25 relating to the contested sign (see paragraph 18). However, such substantiation was not necessary, since the opposition was only directed against the goods and services in the classes 9 and 38.

#### **C. Conclusion**

49. Based on the foregoing the Office concludes that there exists a likelihood of confusion.

50. Since the opposition is already justified based on the second right invoked, it is not necessary to discuss the first right invoked.

#### **IV. DECISION**

51. The opposition with number 2011184 is partly justified.

52. Benelux application with number 1313266 will not be registered for the following goods:

Class 9: all goods.

Class 38: all services.

53. Benelux application with number 1313266 will be registered for the goods against which the opposition was not directed, being the goods in class 25.

54. The defendant shall pay the opponent 1,000 euros in accordance with article 2.16, 5 BCIP in conjunction with rule 1.32, 3 Implementing Regulations, as the opposition is justified in its entirety. This decision constitutes an enforceable order pursuant to article 2.16, 5 BCIP.

The Hague, 12 July 2017

Willy Neys

Eline Schiebroek

Diter Wuytens



*(rapporteur)*

Administrative officer: Annadina Dikken