

OPPOSITION GUIDELINES

PART 2

CHAPTER 2

**B. SIMILARITY OF GOODS AND
SERVICES**

Draft, DIPP

Status: July 2006

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CHAPTER 2: LIKELIHOOD OF CONFUSION

B. SIMILARITY OF GOODS AND SERVICES

I. PRINCIPLES OF THE COURT AND THEIR APPLICATION IN PRACTICE

1. The relation between similarity of goods and services and likelihood of confusion

1.1. Similarity of goods/services is a necessary condition of likelihood of confusion

In the absence of identity of the conflicting goods and services, their similarity is a necessary condition for a finding of likelihood of confusion under Article 8(1)(b) CTMR. The similarity of the goods and services covered by the conflicting signs has been addressed in the case-law of the Court.

In Canon the Court stated that the similarity of goods and services is a necessary condition for the application of Article 8(1)(b):

... even where a mark is identical to another with a highly distinctive character, it is still necessary to adduce evidence of similarity between the goods or services covered ... the likelihood of confusion presupposes that the goods or services covered are identical or similar (Canon, paragraph 22).

In *Sabèl* already, restating part of the 7th recital to the CTMR, the Court had said:

... The appreciation of the likelihood of confusion depends on numerous elements and, in particular, ... on the degree of similarity between the signs and the goods or services ... (*Sabèl*, paragraph 22)

It follows from these statements that the degree of the similarity between the goods and services has to be assessed in each case. Together with the degree of similarity of the signs, the degree of distinctiveness of the earlier mark (see *Sabèl*, paragraph 24), the level of sophistication and attention of the average consumer of the goods or services in question (see *Lloyd*, paragraph 26), and any other factor relevant to the case, the degree of similarity of the goods and services constitutes the basis for determining whether confusion is likely to occur.

1.2. Similarity of goods/services to be interpreted in relation to likelihood of confusion

The 7th recital to the CTMR also indicates how similarity of goods and services should be interpreted:

“An interpretation should be given of the concept of similarity in relation to the likelihood of confusion“.

And the Court has defined likelihood of confusion 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, constitutes a likelihood of confusion ...

... there can be no such likelihood [of confusion] where it does not appear that the public could believe that the goods or services come from the same undertaking or, as the case may be, from economically-linked undertakings. (Canon paragraphs 29 & 30)

The importance of common origin (in the broad sense) for the scope of confusion reveals the kind of similarity required as regards the goods and/or services in comparison:

The connections between the goods/services must be capable of suggesting that they come from the same or economically linked undertakings.

See CFI in cases T-85/02 CASTILLO / EL CASTILLO, paras. 33 et seq.; T-99/01 MYSTERY (fig) / Mixery, para. 41, and T-110/01 HUBERT (fig) / SAINT-HUBERT 41, para. 46 (case pending before the Court of Justice).

1.3. Similarity of goods/services independent of similarity of signs or distinctiveness of earlier mark

The similarity of the goods and services in question must be assessed *without* taking into account the degree of similarity of the conflicting signs in the concrete case or the distinctiveness of the earlier mark. This follows from the Court's statements in paragraphs 22 (quoted above) and 24 of *Canon*:

... the distinctive character of the earlier trade mark, and in particular its reputation, must be taken into account when determining whether the similarity between the goods or services covered by the two trade marks is sufficient to give rise to the likelihood of confusion (paragraph 24).

Any doubts about the proper interpretation of paragraphs 22 and 24 of *Canon* should have been removed by the CFI's statement in HUBERT (paragraph 65). Referring to reputation as “a factor” in the likelihood-of-confusion analysis, the Court clearly confirmed the view that similarity of goods and services does *not* depend on the distinctiveness of the earlier mark:

According to the case-law of the Court of Justice, the likelihood of confusion presupposes that the signs as well as the goods and services covered are identical or similar, and the reputation of a mark is a factor which must be taken into account when determining whether the similarity between the signs

or between the goods and services is sufficient to give rise to a likelihood of confusion (see, to that effect, *Canon*, paragraphs 22 and 24).

1.4. An “absolute” outer limit of similarity exists

An “absolute” borderline must be drawn between goods/services that are similar and those that are dissimilar. This means that one and the same pair of goods and services always are either within or outside that borderline.

A definition of the outer limit is required for several reasons:

First, there is a need for legal certainty.

Second, where the products are dissimilar, the earlier mark can be a basis for refusal of the CTM application only under the conditions set out in Art. 8(5). Those conditions confer enhanced protection on marks with reputation. It is often difficult to establish that the conditions, which include an unfair advantage or a detriment to the distinctive character or the repute of the earlier mark, are met.

Third, it is desirable that the assessment of goods and services by the Office and by the relevant authorities of the Member States run in parallel. For Member States’ trade mark authorities it will become indispensable to define an “absolute” outer limit in the following two situations, which makes the need for the Office to make this definition as well obvious:

Where the Member State does not provide enhanced protection for marks with reputation. Art. 4(4)(a) of the TM Directive leaves it up to the discretion of the Member States to do so.

Furthermore, a Member State may choose to provide such enhanced protection only for cancellation and infringement but not for opposition proceedings. (Germany, *e.g.*, has done so.)

The definition of the borderline between (remotely) similar and dissimilar products must be based on the following test:

The goods and services are similar if, supposing identical marks, the public could believe that they come from the same or economically-linked undertakings.

This test is in line with a similar statement of the Court in its *Ideal Standard* judgment (under paragraph 16). The definition follows from the interpretation of the 7th recital to the CTMR made above, under section 1. A narrower approach, assuming that the signs are merely similar, would leave gaps in protection. Conversely, a broader approach, assuming in addition to identical signs a maximum degree of distinctiveness of the earlier mark, would blur the borderline with Art. 8(5). Where the earlier mark enjoys a reputation, the public will hold the belief that nearly all products come from the same or, at least, economically-linked undertakings.

2. Assessment of the degree of similarity of the goods and services in practice

2.1. *How to make the assessment of similarity of goods and services*

Marketplace realities must be determined

It is necessary to base the findings on the realities of the marketplace, i.e. established customs in the relevant field of industry or commerce. These customs, especially trade practices, are dynamic and constantly changing.

The examiner may know the customs from the facts and evidence submitted by the parties. Furthermore, there may be relevant facts that are “notorious” and therefore do not need proof. What does not follow from evidence or is not notorious cannot be taken into account (cf. Article 74(1)).

It is important that the examiner refrains from any speculation concerning the realities of the marketplace regarding, for example, machines or IT goods or business services. Phrases like: “It may well be that certain manufacturers of goods 1 are also engaged in the manufacture of goods 2” or words like “perhaps” may not be used.

2.2. *Express and consistent answers required*

A finding of likelihood of confusion requires an *express* answer in the decision to the question of similarity of the goods/services concerned. This follows from both Article 8(1)(b) and Article 8(5). If the goods/services are found to be similar, the respective answer must also indicate the degree of similarity.

The answer as to whether or not the goods/services are similar (and, if so, to what degree) is generally given in the “similarity of goods/services” part of the decision. In borderline cases, the answer need not be given in that part but may be given in the final part “conclusion” only (see below, under 4.2.2.d.).

Furthermore, the assessment regarding similarity of goods/services must be consistent. This means that no divergent results must be reached in different decisions as regards the same compared goods/services.

In borderline cases (remote similarity v dissimilarity), the answer as to whether or not the goods/services are similar (and, if so, to what degree) may be left open in the similarity analysis and may be given in the “conclusion” part of the decision only.

In such cases, the various relevant factors concerning the similarity of goods/services in dispute must be discussed in the similarity part of the decision. The question is whether, from a commercial perspective, there is a link between the goods/services. In the example *clothing* (cl. 25) v *perfumery* (cl. 3), it should be identified, for example, that these goods may be sold together and may be manufactured under the responsibility of one single undertaking.

It will then be for the likelihood-of-confusion analysis to determine whether the link between these goods is sufficient, in the light of the similarity of the signs, the distinctiveness (intrinsic or acquired through use) of the earlier mark and any other relevant factor, to justify a finding of likelihood of confusion. As a precondition for a finding of likelihood of confusion it must, at this stage, also be expressly stated that the goods and services have been found to be similar, and to what degree.

3. The Nice Classification and the similarity of goods/services

The fact that the respective goods or services are listed in the same class of the Nice Classification is not, by itself, an indication of similarity. According to Rule 2(4) IR, the Nice Classification serves purely administrative purposes and as such does not provide in itself a basis for drawing conclusions as to the similarity of goods and services. Thus, the argument in one case that *scientific instruments* are similar to *switches, sensors and controllers* because they are all in class 9 was not considered valid.

371/1999 TAMRON (cl.9) / AMRON (cl.9) (EN).

Notwithstanding Rule 2(4) IR, it is however important to note that, to some extent, the classification of goods and services follows the same principles as the analysis of similarity of goods/services. In such cases, goods or services in the same class may indeed be similar.

Jessie N. Marshall writes in her treatise “Guide to the Nice Agreement concerning the international classification of goods and services” (published in 2000, see p. 25):

As far as the class headings are concerned, their structure is not uniform. Some headings may encompass others and cover all the goods of the class. All the goods included in class 5, for instance, flow from the first phrase “pharmaceutical, veterinary and sanitary preparations”.

Furthermore, the line between some class headings may blur. This is the case, for instance, with the paper goods (*paper, cardboard and goods made from these materials, not included in other classes*) and printed matter in class 16. See Marshall, p. 89.

In this context it is also appropriate to note that the classes of the Nice Classification are structured according to factors that may indeed be relevant for the similarity analysis. This is illustrated by the following examples quoted from Marshall’s textbook.

Class 1: function [i.e. one facet of “nature”]

... goods are properly included in Class 1 if their functions are based on their chemical properties rather than any specific application to which the goods may be put.
(pp. 1 et seq.)

Class 3: purpose of the use

All items relating to cosmetics, personal hygiene (when not for medical purposes) and general cleaning or polishing are classified in Class 3. ... There are many items that can be classified in Class 3 and another class depending on whether the use of the item is for cosmetic or toiletry purposes as opposed to some other very specific purpose. (p. 14)

Class 18: nature, purpose of the use

Most items that are made of leather are classified in Class 18 unless they serve a purpose that is more suitably classified in another class. (p. 101)

Classes 20 and 21: Miscellaneous goods – no indication of similarity

These classes are often confused with each other since both are sometimes referred to as the 'catch-all' or miscellaneous goods classes. ... each class only includes miscellaneous goods of specified material compositions. (p.108)

Class 32: competitive goods

... the classification of beer in this class is based on its characterisation as a soft drink alternative. (p. 159)

II. THE RELEVANT TERRITORY

The territory where the earlier mark has been registered will also determine the geographical extent of the comparison. This is important to the degree that *national consumer habits or trade customs* may have an impact on the way that goods are manufactured, distributed or consumed (method of use) in the relevant territory.

R 0208/2000-3 BOWMAN'S / BOWMORE (EN),
R 0331/2001-3 (fig) / (fig) (EN),
R 0536/2001-3 & 674/2001-3 NEGRA MODELO / MODELO (EN).

According to OD practice, differences between national markets should be taken into account in the comparison of goods and services as a matter of fact. They may lead to differing outcomes as to the similarity of certain goods in different territories.

This approach does not run counter to the notion of one single European consumer. According to the Court of Justice the average consumer is deemed to be *reasonably well informed and reasonably observant and circumspect* (*Lloyd*, paragraph 26), irrespective of nationality or residence.

Taking into account national consumption habits, such as those relating to beverages (e.g. the habit of mixing water and wine in Germany), does not

impinge on the “reasonably well informed and reasonably observant and circumspect” standard. If the consumption habits were not taken into account by the Office in a case where the earlier right is a national trade mark, the Office could not properly assess likelihood of confusion in the Member State concerned. By basing its decision on an artificial consumption practice, there would be a risk that the Office would decide differently from authorities in the Member States (trade mark offices and/or courts) that will take into account the national consumption habits. Such a practice would contravene the goal of having non-contradictory decisions concerning one and the same territory, no matter whether national or Community authorities take them.

National habits may also have an impact on the consumer’s perception of the goods and services and thus affect his attention, an issue usually dealt with in the overall assessment of likelihood of confusion.

Example:

In 1999-2001 Blû (cl. 33) / BLU (cl. 32) (EN) it was held that consumers would mix alcoholic and non-alcoholic drinks, especially in the German market where mixed beverages are very popular. The distribution channels of the two products, i.e. *alcoholic beverages (except beers)* and *“mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices”*, were also considered to be similar in Germany. Both categories of products can be found in supermarkets and grocers’ shops close to each other on the same shelves in these outlets. Furthermore, in Germany, it would be likely for producers of *“alcoholic beverages (except beers)”* to also produce the goods covered by the other mark in suit.

But see R 36/2002-3 Lindenhof/LINDERHOF (fig) (DE) where the Board found only a remote similarity between sparkling wine (“Sekt”) and, in particular, fruit juices and mineral waters in the relevant German territory. This remote similarity was held to be insufficient for a likelihood of confusion despite the marks being very similar aurally..

Confirmed in Judgment of [15 February 2005](#) in case T-296/02, para. 49 through 59

III. SIMILARITY OF GOODS: FACTORS CONSIDERED

1. General principles

As far as the criteria for establishing similarity of goods/services are concerned in greater detail, the Court held in *Canon* that:

... In assessing the similarity of the goods and services ... all the relevant factors relating to those goods or services themselves should be taken into account. Those 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 (paragraph 23).

As stated above (under B.I.3.6.1.d), the term “end users” is an incorrect translation. The correct translation is “purpose of use”.

The term “inter alia” shows that the enumeration of the above factors by the Court is only indicative. The similarity of goods and services cannot depend on any number of fixed and limited criteria that could be generally determined in advance, with a uniform effect in all cases. There may be other factors in addition to or instead of those mentioned by the Court that may be pertinent for the particular case.

Similarity of the goods/services in question must be determined on an objective basis. “Objective basis”, however, does not mean abstract or intrinsic basis. Rather, it is the commercial perspective that is of paramount importance.

The Court held in *Canon* that in assessing the similarity of goods *all* the relevant factors relating to those goods themselves should be taken into account.

The most important factors are set out below and will be treated in that order in the subsequent text:

[*Canon* factors:]

nature (composition, functioning principle, appearance, value *et al.*)

purpose (intended use): same or similar uses

method of use

complementary goods/services

competitive / interchangeable goods/services: satisfaction of the same or a similar demand

[possible further factors:]

channels of distribution: same or similar channels of distribution; in particular placement in the same points of sale

the relevant public

the usual origin of the goods/services: type of undertaking controlling the production of the goods; in particular the place of production and the method of manufacture.

In any given case, the examiner must determine the relevant factors and the corresponding features that *characterise* the *relationship* between the goods and services compared, and the weight to be attributed to each of these relevant factors.

Example:

The factors relating to “water”, in the abstract, have multi-faceted features. Yet, only parts of these features are relevant, depending on the good that water is compared with:

Factor	features
nature:	transparent, freely available liquid (sea, lakes, rain, ground)
purposes of use:	thirst quenching, cleaning, cooling (engine) etc.
methods of use:	swallowing (drinking), washing machine, sponge etc.

For instance, as far as the factor “purpose” is concerned, the relevant features are as follows:

- if water is compared with wine, it is thirst quenching;
- if water is compared with chemicals used in a laundry, it is cleaning.

The principal aim of the comparison of the goods /services is *not* to identify all features of the goods or services in question in an abstract manner. What rather matters is the overlap of the factors, such as nature, purpose and method of use etc., that characterizes the specific pair of goods and services in question. Thus, the relevant factors and features characterizing good A or service B may be different depending on the goods and services they have to be compared against.

It must be noted that in many cases there will be overlaps between the factors in the sense that where one is fulfilled another one will usually be met as well. This question is discussed at the end of the discussion of each factor and summarised at the end of the similarity-of-goods and services part, under “predominant factors”.

To safeguard consistency and transparency of decisions, examiners are instructed to use the wording of the factors above, i.e. nature, purpose etc., and not equivalent wordings, unless they identify this equivalence clearly. For instance, instead of purpose of use, one could also say “destination” or (consumers’) “needs served”. But using these terms could only lead to confusion as to what is meant by the factor. Furthermore, using the same concept in accumulation might suggest the presence of a higher degree of similarity because a greater number of factors would coincide: “The purpose, destination and needs served are the same”. This sentence, however, simply includes a repetition of one and the same concept, and that repetition, obviously, should have no bearing whatsoever on the outcome of the case.

2. The specific similarity factors applied to the comparison between goods and goods

2.1. *Introduction: The distinction between factors may be difficult*

In the following sections an attempt is made of defining and illustrating the various factors for similarity of goods and services. However, it is

acknowledged that there are cases in which a distinction between various factors will be difficult to draw. This is particularly true as far as “nature”, “purpose” and “method of use” are concerned. See the table under section 2.5. below. Where the examiner encounters such difficulties, he/she should not make a great effort at distinguishing the factors but rather treat them jointly. In such a situation, he/she could, for instance, state that the goods compared have the same nature and the same purpose indicating the specific facts on which this finding is based.

The final remarks on their relative importance at the end of the discussion of each factor, in addition to chapter 8 on the interrelationship of the various factors, should further help in delineating the boundaries between them.

2.2. Nature

2.2.1. General considerations

(i) The main criteria for defining “nature”

A variety of criteria of the goods/services in question may be useful for determining their nature, in particular:

- composition,
- functioning principle,
- physical condition (e.g. liquid/solid),
- appearance (design),
- value.

These criteria are analysed below, under 2.2.2.

(ii) Nature to be defined from a commercial perspective

As with all factors concerning the similarity of goods/services, the nature of one set of goods/services must be defined from a commercial perspective in relation to the other goods/services.

Examples:

CTMA good	Features of the goods		Earlier mark good
	Intrinsic	Commercial	
Ice as edible ice (“ice-cream”)	<i>Both</i> : frozen water	<i>Ice-cream</i> : foodstuff; <i>ice for cooling</i> : auxiliary good for preserving foodstuffs	Ice for cooling
Ice as edible ice (“ice-cream”)	Frozen water v preparations made from flour <i>et al</i>	<i>Both</i> goods are sweet foodstuffs	Flour confectionery, rolls, biscuits

In the first example *edible ice v ice for cooling*, there is an overlap in the composition of the goods, i.e. both consist (partly) of frozen water. From a commercial point of view, however, this is obviously irrelevant. What matters is

that one is a foodstuff while the other is not. Therefore, their nature is not similar.

In the second example as well, the composition is irrelevant. It is the fact that both are sweet foodstuffs and typical desserts that makes their nature similar from a commercial perspective. See BoA 795/1999-1 (Allegro / ALLEGRO):

"Edible ices" are to be compared with, in particular, "flour confectionery", "rolls" and "biscuits". Although ... ice cream products are frozen, they are like confectionery products, sweet foodstuffs ... [the nature]

(iii) Dictionary entries may but do not necessarily provide help

If the nature cannot already be deduced easily from the specification, additional information may be derived from dictionary entries.

955/1999 SUPERFLAM (cl.9) / EUROFLAM (cl.9, 11) (FR)

However, since only the commercially relevant factors count, the examiner should not merely rely on dictionary entries, as case R 152/2000-3 DIPPIN'DOTS / dippin'dots (fig) (EN), (paragraph 24) suggests:

The Board held that

the contested decision is inconsistent in the treatment of 'ice' and 'ices' in Class 30 in the application. Whilst it holds that 'ices' are identical to 'ice creams and edible ices' and are similar to 'frozen yoghurts; novelty frozen water beads; frozen dessert products', it holds that 'ice' is not similar to the opponent's goods because of differences in nature and purpose ... Here, the Board refers to the The New Shorter Oxford Dictionary, 1993 Edition, according to which 'ice' is the singular of 'ices' and means inter alia '(An) ice cream' or 'Icing for cakes'. It must be concluded therefore that 'ice' in the application is identical to 'ice creams and edible ices' protected by the earlier marks.

This quote clearly shows the pitfalls of relying on dictionary entries only. Given the fact that both "ices" and "ice" are mentioned in the specification, OD had correctly assumed that "ices" refers to edible ice, whereas "ice" was meant for cooling purposes. (Both types of ice are classified in class 30 of the Nice Classification.) Thus, OD had properly concluded that the goods differed in nature and purpose.

To fall under the same broad heading is not sufficient for a finding of similar nature.

The fact that the goods/services to be compared fall under the same heading does not mean that their nature is more than remotely similar if the heading is comprehensive. An example of such a broad heading is *foodstuffs for human consumption*.

See 1210/1999 COCOPOPS(cl.30) / COCO (cl.31) (EN), where the goods fresh fruit on the one hand side and coffee, flour, and bread on the other side were held to be of a different nature. Case 2339/2001 LA VIE CLAIRE (fig) / La Vie Claire (fig) (EN) provides another illustration: “*Meat, fish, poultry and game* are foodstuffs of animal origin. *Oranges, tangerines, lemons, grapes and all kind of fresh fruits, onions, green vegetables and vegetables* are also foodstuffs. This slight connection does not preclude that their nature is different.” Only where the common *heading* is *sufficiently narrow* may this weigh in favour of an identical or similar nature.

Examples:

- Milk products as a sub-category of foodstuffs: “As regards the nature of the products concerned [i.e. condensed milk and cheese], the Court ... notes that the raw material of both products is milk and as a result they must both be classed as milk products ... The relevant public ... considers ... [the products] ... to be part of the same product family” (see judgment of the CFI of 4 November 2003 in Case T-85/02, “Castillo”, at paragraph 33).
- Any kind of *distilled spirits (being alcoholic beverages)* is similar to any other kind of such spirits.

2.2.2. *The various features of goods defining their nature*

- (i) Composition (raw materials, ingredients or finished materials combined),
- (ii) Functioning principle
- (iii) Physical condition (e.g. liquid/solid),
- (iv) Appearance (design),
- (v) Value (price) of the good or service.

The relevant criteria determining the nature of goods are those that, in relation to the other goods or services, attract the attention of actual or potential customers on the marketplace. The importance varies according to the good concerned. The main relevant criterion may, for example, be

- the composition: alcohol in alcoholic beverages (the shape of the bottle is often of little importance) or, conversely,
- the appearance: toy (the composition is often unimportant).

(i) Composition (raw materials, ingredients) of goods

An identical or similar composition of the goods in question is not *per se* an indicator of the same nature. Foodstuffs, for instance, may or may not be characterised by their composition. In the case of *ice cream v flour confectionery* the goods were held to be similar despite a different composition, in particular because both are desserts.

However, in the case below this is different because one set of the goods are main dishes, the other desserts and ingredients; one is of animal origin, the other is of plant origin:

Meat, fish, poultry and game are foodstuffs of animal origin. Oranges, tangerines, lemons, grapes and all kind of fresh fruits, onions, green vegetables and vegetables are also foodstuffs. This slight connection does not preclude that their nature is different.

2339/2001 LA VIE CLAIRE (fig) / La Vie Claire (fig) (EN).

Likewise, *cooking fat* does not have the same nature as *petroleum lubricating oils and greases* even though both contain a fat base. Cooking fat is used in connection with the preparation of dishes for human consumption, whereas the oils and greases are applied in conjunction with machines.

Generally speaking, an identical or similar composition is not conclusive for an identical or similar nature if the raw materials of which the goods consist vary and can be substituted. This is different, i.e. conclusive for an identical or similar nature, where the composition *characterises* the good. Such will often be the case where the material of which the good is composed is *precious* or *rare*.

(ii) Functioning principle

The various functioning principles of a good include mechanical functioning, with or without engine/motor, optical, electrical, biological, or chemical functioning.

Example of similar nature:

Magnetic, electronic or optical carriers and semi-conductor devices (cl. 9), all incorporating digitised typefaces or printer's fonts in class 9 are similar to magnetic tapes (cl. 9). The nature is the same, as they all are carriers.
1623/2002 PRADO et al. / PRADO (EN) against 1298/2001 WAITEC (fig) / Wytek (fig) (EN), which is not followed.

Examples of different nature:

Machines and machine tools (cl. 7) – hand operated tools (cl. 8)
1797-2000 EGA (fig) / EGA MASTER (fig) (EN),
572-2001 ROVEMA / RAVEMIA (EN)
(but opposite conclusions as to similarity)

Printing plate benders (cl. 7) and assembly machines of cardboard boxes or like products (cl. 7).
R0610/2000-4 PROFORM / PLAFORM (EN)

Washing machines using washing powder (chemical) and new washing machines using magnetic waves for cleaning

(iii) Physical condition (e.g. liquid or solid)

The physical condition may be, but is not necessarily an important sub-factor of “nature”. The marketplace reality is decisive.

Yoghurt, for instance, is marketed both as food and drink (liquid yoghurt). These goods, therefore, share the same nature.

(iv) Appearance

There are goods where the appearance and not the composition, the functioning principles or the physical state is of paramount importance.

Example:

For certain toys it may be of secondary importance whether they are of plush, cardboard, wood, metal, or other materials (save where the certain safety standards must be met for young children). What might be of importance for the customers is an attractive shape.

2628/2001 JAKO-O (fig.) / JOCKO (DE) reversed on other grounds by the BoA

(v) Value (price) of the good or service

Jewellery made of gold – fashion jewellery.

From a commercial point of view, golden or plastic earrings, for example, will be considered different because of their divergent value.

But similarity may be found under other criteria. Therefore, caution should be exercised in distinguishing between luxury and everyday goods because the maker of one might well also offer the other.

2.2.3. Relation to other factors

“Nature” may overlap with “purpose” and “method of use”. The method of use is often defined directly by nature and purpose.

2.3. Purpose

2.3.1. Purpose defined

Purpose means the intended use of the goods or services and not any accidental use. The term purpose is tantamount to the (economic) function of the goods/services. It shows the need satisfied (consumers) or problem solved (business customers). Purpose is a synonym for “destination” but that latter term is not often used by native English speakers in this context (in French the term destination covers both “purpose of use” and “customers”).

2.3.2. Determining the proper level of abstraction

It is sometimes difficult to determine the proper level of abstraction for determining the purpose.

Foodstuffs, for instance, are defined as “any substance containing nutrients, such as carbohydrates, proteins, and fats, that can be ingested by a living organism and metabolised into energy and body tissue” (see Collin’s e-dictionary).

The fact that foodstuffs are “metabolised into energy and body tissue” by a living organism constitutes a basic-level purpose (just as ingestion is a basic-level method of use). Since the factors “nature” and “purpose of use” (as well as “method of use”) were enumerated in Canon one-by-one, without any hierarchy between them, they must be considered as independent of each other. This being so, it follows from pure logic that facts used for determining “nature” cannot once again be the basis of the analysis of the factor “purpose” (or “method of use”). Where a basic purpose (and a basic method of use) is part of the definition of the nature of a good, “purpose” (and “method of use”) within the meaning of the Canon decision must therefore be assessed on a higher level of abstraction in order not make these factors become redundant.

In the case of vinegar, e.g., the purpose of use should not be defined as “human consumption” (which is part of the nature) but by “everyday seasoning”. Cf. the table below, under section 2.5.

It appears that the CFI expressed the same view in case T-85/02, “Castillo”. Regarding the nature of the goods condensed milk and cheese, the Court considered these goods to belong to the same product family (para. 33). On the other hand, the Court found little similarity between these goods as regards their purpose (translated as “end use”) and/or the way in which they are used. It said that the “fact that both products may be used as cooking ingredients is a characteristic which they share with virtually all foodstuffs” (para. 34). Thus, the CFI confirmed that facts pertaining to the nature of a good, such as foodstuffs, cannot be the basis for the assessment of the purpose of that good as well.

2.3.3. Consequences of different purposes on the decision on similarity

If one of the two goods has a very specific purpose there may be a strong indication of dissimilarity, as in the case of specialised software integrated in a haemodialysis machine and multimedia software.

713/1999 ALTRA LINK (cl.9) / ULTRALINK (cl.9, 38) (EN)

2.3.4. The relation between nature and purpose in particular

Where the nature is different but the purpose is the same, similarity is frequently found, as the following three examples show.

Example 1: Goods used in the kitchen in cl. 21 / cutlery (cl. 8)

The goods in class 21, certain *goods used in the kitchen*, are similar to the goods in class 8, namely *cutlery*, "... although they have a different nature and perhaps different use. In fact they are all implements that are normally used to carry out tasks related to household purposes and, in particular, cooking or they are used in combination with, and at the same time as cutlery ... They are manufactured by the same enterprises and sold through the same trade channels, targeted to the same circle of customers".

R 0478/2001-3 CUCINA & Co (fig.) / LA CUCINA (fig.)

Example 2: Footwear / clothing

Despite a different nature, in particular because of the same purpose, the goods are similar:

Footwear, shoes and boots serve the *same purpose*, in principle, as the items of clothing listed: they are *intended* for wear by humans, both as protection from the elements and as articles of fashion.

R 634/2001-1 "a" (fig.) / "a" (fig.) (CFI case)

Example 3: Pharmaceutical substances / plasters

The goods of the application *pharmaceutical and sanitary substances; medicines; pills* are drugs or substances used for treating, preventing, or alleviating the symptoms of diseases or injuries due to accidents. *Plasters* are adhesive strips of material, usually medicated, for dressing different kinds of wounds. *Materials for bandaging* are therapeutic or protective materials used for dressing wounds or for binding a broken limb. Although all of these goods are of a different nature from the opponent's goods, they share a similar purpose, i.e. the cure of diseases, disabilities or injuries. 2940/2000 APEX/APEX (EN)

2.3.5. Relation to other factors

Purpose is an important factor. Since it defines the intended use of the good or service, it is the easiest way for a customer to identify such good/service. Based on the purpose, it is also possible to determine who the actual and potential customers, i.e. the relevant public, are.

When the purpose is similar and the goods/services are in the same (properly calculated) price range, the goods/services will usually be in competition and have a substantial overlap in the relevant public, i.e. the actual and potential customers.

Furthermore, the method of use usually depends on the nature and purpose of the goods.

2.4. *Method of use*

2.4.1. *Method of use defined*

The method of use determines how the good is used to achieve its purpose. It can usually be inferred from

- the functioning principle of a good, i.e. the nature, and
- from the function that the goods or services fulfil in the marketplace (need satisfied or problem solved), i.e. purpose of its use.

Method of use, therefore, often follows directly from the nature and purpose of use and then has no or little significance of its own in the similarity analysis.

Example:

An iron is an electrical appliance (nature) for creating an even, wrinkle-less surface of shirts etc. (purpose). From the nature it follows that certain buttons must be pushed to make electrical current flow within the iron. From the purpose one can deduce that the method of use requires the user to strike over the surface of a shirt etc.

2.4.2. *Determining the proper level of abstraction*

Just as the factor nature may be defined by a basic purpose (see above, under section 2.3.2.), a basic method of use may also co-determine the factor nature. In the example already discussed under “purpose” above, the nature of foodstuffs is defined, inter alia, as any substance containing nutrients (composition) that can be ingested by a living organism (basic method of use). It should be obvious that this basic method of use cannot define the separate factor “method of use” because otherwise that factor would have no significance independent of the factor nature.

In the case of vinegar, e.g., the method of use can therefore be defined by the way vinegar is used to season foodstuffs Cf. the table below, under section 2.5.

2.4.3. *Where “method of use” can be an important factor*

Notwithstanding the explanation above, under section 2.4.1., the method of use may be important, independent of nature and purpose, where it characterises the goods:

In favour of similarity:

“Pharmaceutical preparations for treating medical conditions of the skin or of the hair can take the form of creams or lotions. Both sets of goods have the same method of use as cosmetics, which also include creams and lotions.”

1981/2002 VITANOV / NOVA VITA (fig) (EN)

However, even where the method of use characterises the goods under comparison and where it is identical for both goods, this fact alone will not be sufficient to establish similarity.

Against similarity:

Rubbing – pouring down

Whilst “*polish*” is in principle intended to be rubbed on metallic objects to make them shine, and thus has a partially aesthetic purpose, the goods to which the application for registration relates (“preparations for cleaning waste pipes for the metal-working industry, except textile auxiliary agents and auxiliary agents”) are essentially intended to be poured into waste pipes to dissolve metallic deposits in order to clean and unblock waste from the metal-working industry, which shows that they have a utilitarian purpose.

T-126/03– ALADIN/ ALADDIN, para. 85

Relation to other factors:

Method of use often follows directly from the nature and purpose of use and thus is usually not a very important factor.

2.5. *How to properly distinguish the factors nature – purpose – method of use*

As stated in the two previous sections on “purpose” and “method of use”, it is sometimes difficult to determine the proper level of abstraction for these two factors in order to avoid applying the same facts as for the assessment of the factor “nature”. The table below summarises the discussion above.

The CFI’s *Hubert* case (case T-110/01) is used as an example. The goods are: “edible fats” (graisses alimentaires) v. “vinegar, sauces” (vinaigre, sauces)

Factor	Suggested definition of factor	Suggested application of definition of factor	Application by the CFI
Nature	The type of good (including a basic purpose and a basic method of use)	Ancillary foodstuffs Definition of foodstuff: any material, substance, etc., that can be used as food Definition of food: any substance containing nutrients, such as carbohydrates, proteins, and fats, that can be ingested by a living organism [basic-level method of use] and metabolised into energy and	Foodstuffs

		body tissue [basic-level purpose] (definitions from Collin's e-dictionary)	
Purpose	What the good is intended to be used for	Everyday seasoning (upper-level purpose)	"Human consumption", i.e. the basic purpose and basic method of use (part of "nature")
Method of use	How the good is used to achieve its purpose	Moving a bottle to and fro or moving a spoon to and fro	Everyday seasoning of foodstuffs, i.e. upper-level purpose

2.6. Complementary Goods

2.6.1. Principles

Goods (or services) are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other and is not merely auxiliary or ancillary. If these conditions are fulfilled, this weighs in favour of similarity. Customers may think that the responsibility for the production of both goods is the same. This impression is even more likely if the goods are also offered together.

Example: *Smokers' articles v filter cigarettes*. They are of a different nature.

... However, there are various features which the respective goods have in common: the goods concerned not only have common end users, the smokers of cigarettes, but are, in particular, complementary to each other since they are both used for the purpose of consuming nicotine. This complementary character is quite strong since the use of filter cigarettes even requires complementary articles which can be used to light cigarettes. Therefore, the goods concerned are often bought by the consumers at the very same moment and in connection to each other. Furthermore, they are sold by the same retailers and, to some extent, distributed through the same trade channels. Nowadays, some manufacturers of filter cigarettes put lighters and matches on the market under their cigarette brand.

500/2000 BOSS (fig) / Baldessarini HUGO BOSS (fig) (EN).

The fact that there are undertakings, which market complementary goods, such as smokers' articles and filter cigarettes, under the same trade mark shows that it may be justified to infer a common origin from the complementary nature of goods.

It further follows that the mere fact that goods are complementary may suffice to establish similarity of the goods, even a high degree of similarity. This factor is of importance, where the nature (in the example above, *lighter – cigarettes*), the purpose (lighting – smoking), the method of use (pressing a button –

inhaling) are different and the goods are not in competition (one cannot smoke a lighter).

If the goods are complementary, the distribution channels and customers will often be the same.

The OD practice concerning complementary character can also be illustrated by decision 1051/2002 DODIPETTO / dodie (fig) (EN):

The fact that the broad wording of the earlier marks includes goods for babies [general cl. 3 goods, not restricted to babies, as well as “babies’ bottles, babies’ bottle teats”], and that both the latter and clothing for babies can, at least sometimes, be found in the same selling points is not enough to justify the conclusion that they are complementary and similar.

2.6.2. General examples

Complementary goods

Handbags –were considered complementary to *clothing, footwear* based on the following reasoning:

The goods handbags in class 18 are closely related to articles of clothing; footwear in class 25, in the sense that they are likely to be considered by the consumers as accessories to articles of outer clothing and even to footwear (for example women’s handbags). Even if it is not usual for clothing manufacturers to directly produce and market handbags, it is reasonable that a significant part of the public considers such goods to be “complementary accessories”, because they are closely co-ordinated with outer clothing and footwear and they may well be distributed by the same or linked manufacturers. Moreover, these goods can be found in the same shops.

2008/2000 WANNABE (fig) / WANNAGO (EN)

Further examples of complementary goods include *Towels* are complementary to *swimwear and beachwear* in the sense that they are normally used when going to the beach or to the swimming pool.

435/2001 LORIS / FLORIS (EN).

Belts (cl. 25) and *shoes* (cl. 25):

1481/2002 ROHDE / DANRHO (fig) (DE)

Hardware – software

554/2002 QUANTUM / QUANTUM (EN)

Computers / machine-readable data carriers

398/2002 COMCONNECT / ComConnect (DE)

Preservatives against rust – paints, varnishes, lacquers

1496/2002 CASACOLOR / CAPACOLOR (DE)

(ii) Non-complementary goods

On the other hand, if the connection is loose, the public is not likely to establish a link between the goods at issue: electric cables and software were not considered similar simply because they contribute to the operation of the same kind of machine.

922/1999 RADIFLAM (cl.9) / FLAM (cl.9, 42) (EN)

2.6.3. *Accessories*

(i) Complementary and similar

Cosmetics and soap boxes, cosmetic cases.

611/1999 VERI (cl.3, 21) / VERITÉ (cl.3) (ES)

Watch-cases are complementary to watches.

1850/2001 T (fig) / T (fig) (EN)

eyeglass lens cleaning solutions, frames, and accessories, namely eyeglass cases and chains and eyeglass lens cleaning cloths compared with contact lenses.

1475/2002 CONTINUA / CONTINUA (EN)

(ii) Not similar

Manicure cases (cl. 8) and cosmetics (cl. 3)

1479/2002 BARATTI / Mario Barutti (DE)

Containers for the storage of drinks, in particular bottles for drinks (cl. 21) and certain alcoholic and non-alcoholic drinks in cl. 32 and 33 (different origin, different customers)

50/2002 la bamba (fig) / BOMBA (fig) (DE)

2.6.4. *Complementary character defined by consumer habits*

Consumer habits that are often defined by tradition and local custom may also be important for a finding of complementary character. Thus, it was held that the local custom of drinking beer and schnaps together in certain Member States was an indication of similarity.

982/1999 GIRAF (cl.33) / GIRAF GOLD (cl.32) (EN)

2.6.5. *Auxiliary or ancillary goods*

Certain goods or services can be considered “auxiliary” or “ancillary” in relation to specific other goods or services. Such consideration will generally not suffice to support a finding of similarity of the goods or services.

Goods and services are not complementary and are not usually similar to the main goods/services. Some examples of ancillary goods in classes 9, 16 and 38 follow.

(i) Class 9, 16, and 38 goods and services

Financial services are not similar to class 9 and 16 goods in particular because these goods are only auxiliary tools and thus dependent ancillary goods to the provision of the financial services. The mere fact that *financial services* are provided by using software and data carriers does not make these goods and services similar.

188/2002 FOCUS / FOCUS TV (fig) (DE)

Insurance and financial affairs (cl. 35) are not similar to cl. 9 goods and cl. 38 services, namely data processing equipment and computers, computer programs; communication services and data transmission by computer; scientific and industrial research; computer programming. The cl. 9 and 38 products are only a working tool, the nature is different.

R 518/2000-1 EUROPAY 6000 / EUROPAY (EN),
1356/2000 atlas (fig) / ATLASREISEN (EN),
1357/2000 atlas (fig) / ATLASREISEN (EN).

(ii) In particular class 16 goods

Organisation and conducting of exhibitions are not similar to paper, printed matter and other cl. 16 goods.

1444/2001 BLUMENTAL / Blumen Worldwide (fig) (EN).

Transport; packaging and storage of goods; travel arrangement are not similar to magazines, publications, either

(cl. 16) 2515-2000 NATURA (fig) / Natura Comfort (fig) (EN).

2.6.6. *Sales promotion by manufacturers of goods or providers of services*

Merchandise given away for sales promotion purposes is not similar to the goods/services to be promoted. Rather, such sales promotion is to be considered like advertising:

Travel arranging and conducting of travel tours and leather products, clothing, games, sporting articles are not similar. For the purpose of considering goods and services similar, it *does not* suffice that it is customary for the providers of a service to hand over to clients goods as a complimentary gift, free of charge.

964/1999 THE GREY LINE (cl.39) / GREYLINE (cl.18, 25, 28) (EN) (*affirmed* R 72/2000-1 (EN))

Similar considerations apply where a manufacturer of goods or a provider of services gives away goods, such as T-shirts, CDs, wallets etc., for purposes of sales promotion.

2.6.7. *Relation to other factors*

The complementary factor plays its most important role where the goods are different in respect of nature and purpose (and following therefrom, usually also method of use) and where they are not competitive. The mere fact that goods are complementary may suffice to establish their similarity.

If a complementary relationship is found, the distribution channels will often be the same.

2.7. *Goods in competition*

The goods at issue are in competition with each other when they are offered to the same group of customers who may choose to substitute one for the other for the same purpose. In such a case, the goods are also defined as economically “interchangeable”.

For instance, *wallpaper* (cl. 24) and *wallpaper made of textiles* (cl. 27) v *paints*, are competitive and similar, whereas *woven wall decoration* (cl. 24) and *paints* are not competitive and dissimilar.

1496/2002 CASACOLOR / CAPACOLOR (DE)

Competitive goods frequently are in the same price range but not necessarily so. For instance, *jewellery made of gold* and *fashion jewellery* compared above under nature, are in competition even though their price (and value) may greatly differ.

In most cases, however, the price of goods in competition will not differ substantially if properly calculated. Paper *coffee filters* are in competition with *plastic or metallic filters*, as they have a similar size, shape and function, they cover the same needs and the difference in price is not considerable for the average consumer, being also justified by the longer durability of the plastic or metallic filters, so that, taking into account the life span of these filters, they might even be cheaper overall than the number of paper filters that would have substituted them.

44/1999 TELIA (cl.21) / Teeli (cl.21) (EN)

Goods in competition share the same actual and potential customers.

45/1999 FLORA (cl.32) / LORA DI RECOARO (cl.32, 33) (EN)

A significant part of the public will usually be familiar with both kinds of goods and will be accustomed to seeing equivalent or interchangeable goods coming from the same enterprise.

167/2000 MIXERY (cl. 32) / MYSTERY (cl.29, 30, 32) (DE) (CFI case)

Relation to other factors:

Goods are usually competitive when they have the same purpose and are in a similar price range.

2.8. Distribution channels, in particular placement in the same points of sale

2.8.1. Major categories of distribution channels

Selling directly to the customer of the product. There is no agent between the company and the customer: Selling bread in the local bakery, which produces its own bread.

Sale through independent or dependent agents directly to individual customers or companies.

Retail sale: Selling goods produced by others: Selling organically grown herbs to a local grocery store.

Wholesale: Selling a big range of goods of various companies to retailers:: Selling novelty pet accessories to wholesalers who resell to a variety of pet care stores, animal clinics and other retail outlets is an example of selling to wholesalers or agents.

Multi-level Marketing Selling both directly to customers and to other sales people.

2.8.2. The relevance of the same distribution channels in general

If the goods are made available through the same distribution channels, the consumer may be more likely to assume that the goods or services are in the same market sector and are possibly manufactured by the same entity and vice versa.

1471/1999 KALZAN (cl.5) / QANZA (cl.5) (DE),
1466/1999 FLORIDA SUN (cl.32) / FLORIDA SUN (cl.32) (EN).

2.8.3. The relevance of the same sales outlets in particular

The following quote from a WIPO document summarises the appropriate importance to be given to identical or similar sales outlets.

Not too much emphasis should be placed on this criterion as modern supermarkets, drugstores and department stores sell goods of all kinds. Therefore the point of sale is less decisive when deciding whether consumers consider that goods share a common origin merely because they are sold at the same outlet.

Nevertheless, the criterion may be valid in cases in which goods are sold exclusively or commonly in specialised shops. In that event, consumers may tend to believe the origin of the goods to be the same if they are both sold in the same specialised shops and may tend to deny that mutual origin if they are not usually sold in the same shops.

(WIPO Introduction to Trademark Law and Practice, The Basic Concepts, A WIPO Training Manual, Geneva 1993 (2d edition), 1998 reprint, Item 6.2.1.)

Conversely, different sales outlets may weigh against the similarity of goods, as in the example of *wheelchairs* and *bicycles*, 1138/2002 PANTHER (fig.) / Panther (EN):

With regard to the distribution channels of the goods in dispute, it has to be noted that the goods of the earlier mark are likely to be sold either in specialist bicycle stores or in a retail store where sporting equipment is available. On the contrary, the distribution channels of goods from the contested application are specialised distributors of medical equipment and devices supplying hospitals and specialised shops where devices for disabled or physically handicapped people are sold.

Where the sales outlets are supermarkets, department stores, shopping malls, etc., the consumer will be aware that the goods in question come from a multitude of independent undertakings. Therefore, only where the goods in question are offered in the same *section* of such shops, will this weigh in favour of where it is common to find homogeneous goods together.

76/1998 NEGRITELLE (cl.30) / LOS NEGRITOS (cl.5, 29, 30) (EN),
1117/1999 CHATELDON (cl.32) / CHATELDON (cl.33) (EN).

2.8.4. Relation to other factors

Where the distribution channels are different, the public will often be different as well.

2.9. The relevant public, i.e. the actual and potential customers

2.9.1. Notion of customers

The relevant public, i.e. the actual and potential *customers*, of the goods and services in dispute constitute another factor to be dealt with in the analysis of their similarity, even though the Court has not expressly mentioned it as a criterion as such (just as it has not mentioned *end users*; as stated, this is an incorrect translation of *Verwendungszweck*, i.e. purpose of use).

28/1999 CHEF (cl.21) / CHEF (cl.21) (EN)

The mere fact, however, that the potential customers overlap does not constitute an indication of similarity. One and the same group of customers may be in need of goods or services of the most divergent origin and nature. The fact that, for example, television sets, cars, and books are bought by the same customers, namely the public at large, has no impact on the similarity analysis. In many cases either one or both sets of goods are targeted at the public at large, but the purpose (consumers' needs covered) in each case is different. Such circumstances weigh against similarity.

Hence, *travel bags* and *cases for drawing instruments* were not found similar, since, even where they share the same public, they have a different purpose (cover different consumers' needs) and will be used in different circumstances.

1031/1999 STARTER (cl.16) / STARTER (cl.18) (EN)

While an overlap in the customers is not an indication of similarity, largely diverging customers weigh heavily against similarity. If it could be excluded that the two different groups of purchasers were ever confronted by both marks in conflict, they could not be confused. However, in practice, it will hardly ever be possible to make a finding like this. Where it is highly unlikely that the two goods (or services) will both be encountered by their potential purchasers in the usual course of events, the purchaser of the respective other good, in particular a business customer, may still have a certain knowledge of the marketplace realities in respect of both goods. Nevertheless, such a situation is a strong indication of dissimilarity of the goods/services.

713/1999 ALTRA LINK (cl.9) / ULTRALINK (cl.9, 38) (EN)

Divergences between the relevant publics can exist where the goods of both specifications are targeted only to consumers or only to business customers. Divergences may be present as well in the case where one relevant public consists of consumers and the other of business customers. It should be borne in mind, however, that even where only business customers are targeted, this public also acts as ultimate consumers. Therefore, the distinction between ultimate consumers and business customers is not absolute but there are overlaps.

The following pairs of goods are examples of widely divergent publics.

- Consumers

Contraceptives for women and prostate drugs; wheelchairs and bicycles

1138/2002 (EN) PANTHER (fig.) / Panther

- *Business customers*

Insecticides and solvents for the lacquer industry (their respective customers operate at different levels of the market).

877/1999 SOLVENON (cl.1) / SOLVENAL (cl.5) (EN),

- Consumers – business customers

Polishing agent intended for domestic use on the one hand, cleaning agent addressed to the metal working industry on the other.

456/2002 ALADDIN / ALADIN (EN)

Containers for contact lenses and surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth; orthopaedic articles; suture materials in class 10: “*Containers for contact lenses* are small objects used for storing and protecting contact lenses. The end users of these goods are the average consumers whereas all the opponent’s goods [*surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth; orthopaedic articles; suture materials* in class 10] are targeted at surgical, medical, dental or veterinary practitioners. The applicant’s goods are usually sold at opticians. The applicant’s goods are not similar to any of the opponent’s goods.”

2940/2000 APEX / APEX (EN)

Different price ranges are an important factor if they show that the goods/services are chosen by entirely different groups of customers. In that case, the goods/services would be marketed through different distribution channels. However, buyers of the low-priced goods/services may have heard of the expensive products and think that the manufacturer or provider has expanded its product line. Also, buyers of high-priced goods may also buy low-priced goods. Depending on the case, therefore, different price ranges may or may not weigh against similarity.

2.9.2. *Relation to other factors*

Where the distribution channels are different, as in the case of different levels of the market (e.g. raw materials – finished goods), the overlap between the customers will be small.

2.10. *Usual origin of the goods/services*

2.10.1. *Usual origin of goods and services*

Usual origin is the same: goods/services may be similar

2.10.1.1. Principle

WIPO has suggested the following test of similarity of goods and services:

As a general rule goods are similar if, when offered for sale under an identical mark, the consuming public would be likely to believe that they came from the same source. All the circumstances of the case must be taken into account, including the nature of the goods, the purpose for which they are used and the trade channels through which they are marketed, but especially the usual origin of the goods, and the usual point of sale.

(WIPO, Introduction to Trademark Law & Practice, Item 6.2.1.)

While it is true that the Court has not mentioned the usual origin of the goods (or services) in conflict as one of the relevant factors for similarity, it should follow from the 7th recital to the CTMR and the Court's definition of likelihood of confusion that the usual origin of the goods or services is of particular importance for the similarity analysis.

As stated above, under B II 4.1., according to the 7th recital to the CTMR “an interpretation should be given of the concept of similarity in relation to the likelihood of confusion”. The Court has defined likelihood of confusion 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, constitutes a likelihood of confusion” (Canon, paragraph 29). It follows that the connections between the goods and services must be capable of suggesting that they come from the same or economically linked undertakings.

From the Court of Justice's definition of likelihood of confusion it follows that, where the compared goods and services, in the mind of the public, usually have the same origin, i.e. come from the same type of undertaking or from economically-linked undertakings, this is a strong indication of similarity.

1195/1999 DELI / DELI CHEF (EN)

However, two provisos apply to this conclusion:

It is not sufficient for the criterion “usual origin” that the goods or services in question are manufactured or offered by a limited number of undertakings, such as big groups of companies that are responsible for a wide range of goods or services in divergent business sectors. What matters, rather, is the usual offering of the goods/services in the relevant business sector since only such usual offering can influence the public's perception. The fact that a group of companies produces pharmaceuticals, coffee and chocolate does not make all these goods similar due to a common origin, because the goods may be produced by different companies belonging to that group and their affiliation to the group might not even be known to the customer. However, if the company of the group produces coffee and chocolate under the same business identifier the common origin may be an element, because this might indicate that a

common origin indeed is common for those products, regardless of that company being part of a group of companies. As stated, the public's perception will be discussed in the final global-assessment analysis.

Nor is it the criterion "usual origin" of relevance for *marques de commerce*. Such marks are frequently used to label goods that are not similar among each other and are not manufactured by the same or economically-linked undertakings.

The Court of First Instance has recognised that the usual origin may be of relevance for the similarity of goods.

In ELS/ILS (case T-388/00) the Court held:

It must be observed that, in order to supply services involving the 'development and running of correspondence courses', it is both helpful and usual to make use of 'educational textbooks and printed materials namely student workbooks, catalogues, teaching manuals, printed instruction materials and charts and booklets designed for students seeking to learn English as a second language'. *Thus, undertakings offering any kind of course often hand out those products to pupils as support learning materials* (paragraph 55).

Similarly, the Court said in MYSTERY/Mixery (case T-99/01):

The Board of Appeal ... found that beers and other beverages could come, in particular in the bottling and marketing stages, *from the same undertakings*, could be sold side by side and had the same destination ... The Board of Appeal therefore rightly concluded that the goods concerned in Class 32 were similar (paragraph 40, emphases added.)

Considering the same usual origin as a factor in the analysis of the similarity of goods/services should not be misinterpreted as turning the examination of likelihood of confusion and similarity upside down: by anticipating the outcome of an analysis, which is supposed to be based on a number of factors (nature, purpose etc.), which should determine the perception of usual origin in the mind of the relevant public. Rather, the factor "usual origin" is of relevance mainly where it can be safely established that the public considers the usual origin of the goods/services to be the same or to be different.

Example 1: *Clothing and footwear*

"Many manufacturers and designers will design and produce both. This is especially true of retail outlet chains or chain stores, which will often provide footwear and clothes under the same trade mark.

R 634/2001-1 "a" (fig.) / "a" (fig) (EN),
2001/2002 PANAMA JOE'S GRILL-CANTINA-BAR / PANAMA JACK (EN).

Example 2: *IT, telecoms and video*

A prime example for the same undertakings in control of goods and services are the IT (information technology), telecommunications and video industries that have been converging since the early 90s. The same applies to the IT and electrical engineering industries in general, especially in the area of consumer electronics. These goods and services are therefore similar.

507/2002 T Flexitel / FLEXITEL (DE) (*IT - telecoms*),
192-2002 Delta Access (fig.) / DELTA (DE) (*consumer electronics*),
398/2002C ComConnect/comconnect (DE) (*electrical engineering*).

Example 3: Entertainment industry

There are manifold interrelations in the entertainment industry. They make it possible to assume that manufacturers of recorded videocassettes are economically linked with undertakings that rent such cassettes.

1355-2001 Prinz Dracula / Dracula (DE)

2.10.1.2. Established trade custom of business extension is required

The need for an established trade custom is of particular importance where manufacturers expand their businesses to adjacent markets, e.g. from clothing to cosmetics. In such situations it is necessary to determine whether such expansion is common in the industry or, conversely, whether it may occur in exceptional cases only.

Example where extension has become customary:

The trend in the brewing industry to expand its line to alcohol-free beer.

45/1999 FLORA (cl.32) / LORA DI RECOARO (cl.32, 33) (EN),
167/2000 MIXERY (cl. 32) / MYSTERY (cl.29, 30, 32) (DE)

shoes – handbags

2008/2000 (EN) TJ's (shoes) / TJ Collection (handbags),
1440/2000 (EN) Giorgio (shoes) / Giorgio (handbags).

Examples where extension is not (yet) common:

Internet services – content

The presence of interrelations between Internet service providers and content providers (such as vertical integration, as in the case of AOL Time Warner or Vivendi Universal) would make it possible to hold content, such as motion pictures, to be similar to telecommunications services if these interrelations were an established commercial custom. However, it is not yet clear whether or not this trend will stabilise. This is an example of changing business customs.

Therefore, the OD, for the time being holds telecommunication services and the content sent through the telecommunications network to be dissimilar. This is illustrated by the following case:

Production of audio-visual work for television, cinema and radio (cl. 41) v *telecommunications* (cl. 38). Telecommunication providers will release these performances; however, this does not make the services similar. Their different nature and purpose (to communicate versus to inform or entertain) make these services different.

1305-2001 TELENOR CTMA / TNE TELENORDEST (EN)

Jewellery - hotel services

The example of Bulgari in Italy which provides both goods and services does not in itself establish a trade custom.

Finally, it is sufficient if a substantial part of the goods/services are made or provided by the same or economically-linked enterprises. This may be the case, e.g., if the usual origin of the goods in question is identical only in the upscale market segment, such as in the case of clothing and cosmetics. In such cases, however, the similarity of the goods or services may only be very remote if many other similarity factors are different, as is the case in the example of clothing and cosmetics

1642/2002 EVOLUTION (fig) / Evolution the World of Sacred Device (EN)

2.10.1.3. Marketplace reality, not theory, is decisive

Overlaps of origin must always be clearly established from the marketplace reality and cannot be assumed on a theoretical basis. For instance, *financial services* are not similar to *automatic vending machines*. Financial establishments, or companies that are economically-linked with them, do not usually manufacture automatic vending machines.

Decision R 518/2000-1 EUROPA 6000 / EUROPAY is therefore not followed in this respect. The OD practice is set out in case 507/2002 T Flexitel / FLEXITEL (DE).

It is also not possible to take theories derived from market research as a basis for the conclusion that the goods/services in question are usually offered under the responsibility of the same undertaking.

Research has identified the following two factors as suggesting extension of a trade mark owner's business activities to different fields:

Strength of the mark

"Level of abstraction" of the trade mark position

Example:

The trade mark “Virgin” in the U.K. is linked to “rebellion against the establishment”. Thus, the mark can be used for many different goods/services. The mark was initially used for mail order of records, now it serves, *inter alia*, for an airline and a financial service company.

Since no concrete business habits have been established in the sense that the services record mail order, airlines, and financial services are usually provided by the same or economically-linked undertakings, these goods and services are not similar. Even if such business habits were established, that alone would not make the goods and services similar, given their divergences in respect of other similarity criteria, such as nature, purpose etc.

(bb) Usual origin is different: goods/services may be dissimilar

Conversely, if it can be clearly established from the public’s perception of the reality of the marketplace that the goods in question are made by different kinds of undertakings, this weighs strongly against similarity.

304/1999 DELI-BIMBO (cl.30) / DELI CHEF (cl.30, 42) (ES)

For instance, cars and bicycles are usually made by different undertakings. The fact that some companies, such as Peugeot, manufacture both is not decisive because it is not an established trade custom. Similarly, wine and coffee were held to be dissimilar because these goods originate from different manufacturers.

3041/2001 CANALETTO (fig.) / CANALETTO (EN)

2.10.2. Same or similar production places and/or methods of manufacture

If it cannot be clearly established that the public will think that the goods in question come from the same or economically linked undertakings, it may still infer such common origin if the place or geographical zone of production of the goods, or the time or method of manufacture are the same.

It should be noted that in *Canon* the Court specifically referred to the place of production and held that, in order to demonstrate that there is no likelihood of confusion, it is not sufficient to simply show that there is no likelihood of the public being confused as to the place of production of the goods (*Canon*, paragraph 29). This statement, however, should not be interpreted in the opposite sense, namely that the fact that the place of production cannot be a strong indicator that the goods/services in question come from the same source.

It may be that despite different places of manufacture the goods can still be similar. For instance, *books* and *electronic media* (goods in competition, e-media substituting books) are both goods of a publishing house, as is the equivalent content provided online.

Examples regarding manufacturing sites:

Same sites

All kinds of chemicals: *varnishes, lacquers, colorants and mordants* are normally produced in the same production enterprises, normally specialised chemical companies,

Rentolin/RENOLIN, R 0837/2001-3 (EN)

Different sites

Video film cassettes, production of films for cinemas and television organisations et al. v motion picture cameras, television filming and recording devices (relevant goods and services in the Canon judgment of the Court).

It should be repeated that while the same manufacturing sites suggest a common usual origin, different manufacturing sites do not exclude that the goods come from the same or economically-linked undertakings.

Examples regarding method of manufacture:

Same method

Belts (cl. 25) and *shoes* (cl. 25):

1481/2002 ROHDE / DANHO (fig) (DE)

Different method

Pharmaceutical products differ from *napkins and napkin pants for incontinence* with regard to their method of production.

R 0807/2000-3 DEMARA / DEMAR ANTIBIOTICOS, S.A. (EN)

2.10.3. Relation to other factors

The factor is of relevance mainly where the usual origin in the public's mind can safely be established independent of a detailed analysis of the other factors and where it is clear that the public is aware thereof.

3. Similarity of goods: raw materials, ingredients and parts / components / fittings

3.1. Raw materials

In most cases, the mere fact that one good is used for the manufacture of another will not be sufficient in itself to show that the goods are similar, as their nature, purpose and customers may be quite distinct. Raw material is intended for use in industry rather than for direct purchase by the final consumer. This

was held in the cases of *animal skins* and *clothing* or *precious metals* and *jewellery*.

46/1999 OXYDO (cl.25) / OXYDO LAMBFURS (cl.18) (EN),
452/1999 ECO-PEL (cl.25) / ECOPEL (cl.18) (DE),
149/2001 Arcadia (fig) (cl 14) / Arcadia (cl14),
1190/1999 FOUR SEASONS (cl.25) / 12 SEASONS (cl.24, 25) (EN).

However, the final conclusion may depend on the specific circumstances of the case, such as the degree of transformation of the raw material, if it is the basic component of the final good, the extent to which it determines the overall price of the final good, whether the trade mark of the intermediate good used “survives” in the final good, etc. The greater the significance of the raw material for the final good, the more likely will the goods be similar.

3.2. *Ingredients of prepared food*

According to the OD practice, the mere fact that one basic ingredient is used for the manufacture of another will generally not be sufficient in itself to show that the goods are similar, as their nature, purpose and customers are generally quite distinct.

1955/2001 HAPPY / HAPI (EN) (eggs v ice cream; coffee, cocoa, sugar, honey v ice cream),
1926/2001 EARTHGRAINS (fig) / EURO GRAIN (EN) (*bread v flour*),
241/2001 CANDY CASTLE (fig) / CANDY CARL (EN) (*sugar, honey treacle v confectionery*).

However, at least a low degree of similarity can exist as long as the basic ingredient can be considered as a main ingredient of the prepared dish. OD does not go as far as some decisions of the Boards of Appeal according to which almost all foodstuffs have at least a certain degree of similarity (see already above, under 5.2.2.b. (i)).

1955/2001 HAPPY / HAPI (EN) (*milk, milk products v ice cream*).

The Third Board of Appeal considered that as soon as there is a possibility that an ingredient may be included in the preparation there is a degree of similarity between the goods. According to that logic, for example, *coffee, tea, cacao, sugar* may be considered similar to *ice cream* or *confectionery*.

R 152/2000-3 DIPPIN'S DOTS / DIPPIN'DOTS (fig) (EN),
R 253/2000-3 SELZ SODA (fig) / SELZ (EN).

The same Board has based its reasoning also on another wider criterion, which is that foodstuffs will quite often be combined. Although they are independent goods, they will be offered together either in restaurants or in supermarkets (e.g. *vinegar* and *sugar*).

The First Board seems to have taken a similar approach: In R 160/2002-1 O SOLE MIO! / Sole Mio (fig), it held *flour and preparations made from cereals, bread, pastry, salt, edible oils and fats* to be similar to *pizzas*. The goods are similar not only because they are basic food products but also because they are basic ingredients of pizzas.

The approach of these decisions of the Boards of Appeal would lead to a finding of at least some similarity between all foodstuffs. This is however, in the view of OD, not in line with the general principles established by the ECJ, and OD will continue to base its decisions on the approach described above.

3.3. *Parts, components and fittings*

The remarks made in respect of raw materials are to a certain extent also valid in the case of parts, fittings and components integrated in composite industrial goods, such as machines, installations. The mere fact that a certain good is a component of a complex good will not necessarily be conclusive for a finding of similarity, as held for example in the case of *valve actuators* and *hydraulic machine tools*.

693/1999 MAS (cl.6, 7, 8, 9) / aMAX (cl.7, 9) (EN),
865-2001 i-scan / High-Scan (DE).

However, parts and fittings are often produced and/or sold by the same undertaking that manufactures the final good and target the same purchasing public, as in the case of *spare* or *replacement* parts. Depending on the good concerned, the public may also expect the component to be produced by, or under the control of, the “original” manufacturer, which is a factor that suggests that the goods are similar.

In general, a variety of factors may be significant in each particular case. For instance, if the component is also used or sold independently, or if it is particularly important for the function of the machine, this will weigh in favour of similarity.

Regarding *motor land vehicles*– and *tyres* it was held that despite differences between the goods, the close proximity between them and the complementary nature of the goods led to a low degree of similarity. On the other hand, in 199/1999 CUPPER (cl.12) / COOPER (cl.12) (EN) the OD concluded that the goods vehicles and tyres are complementary but that the end users will distinguish the different origin of the goods and that the goods belong to different markets. The degree of similarity of *vehicles* and *tyres* is very low. For a finding of likelihood of confusion, therefore, the signs must be identical or at least very similar.

4. The comparison of services with services

In principle, the same factors as for comparing goods with goods are relevant for the comparison of services with services. However, in applying these

factors, the basic differences between goods and services, and in particular the lack of embodiment of the services, must be considered.

Below, a number of examples for the application of various similarity factors in OD practice are given.

8

4.1. Nature

The nature can be defined, in particular, as the manner in which the service is provided.

The following examples illustrate a number of specific approaches to applying the nature criterion to services.

- Services falling under the same category

Financial management has the same nature as *business management* as both are management services. On the other hand, they have a different purpose, the first being a financial purpose, the latter a business purpose.

1621/2002 EUROHYPO / EUROHYPO (EN)

- Nature defined by the “composition” of a service

The service *production of television programmes* is similar to *entertainment* because the latter service includes *television entertainment* which is the outcome of a number of distinct but complementary activities generally provided by scriptwriters, actors, cameramen, lightning technicians, directors, makeup artists, etc. The expression *production of entertainment* embraces all these services.

R 1226/2000-1 GEO TV / GEO (fig) (EN)

4.2. Complementary services

4.2.1. Complementary character (similarity) accepted

Insurance is a complementary service to *banking services* that might be offered by banks themselves or other financial institutions. Furthermore, it is not uncommon for insurance companies to also carry out bank activities and the financial market of today is seeing an integration between banks and insurance companies for instance through mergers and acquisitions. The public at large, which will normally use the services for different purposes, will associate the activities with each other since they might be offered by the same company and even in the same premises.

R 38/2000-1 ADVANTA (fig) / ADVANTAGE (fig) (EN),
2507/2001 BAMB (fig) / BAM (EN).

Travel arrangement (cl. 39) is complementary to *providing food and drink and temporary accommodation in hotels and restaurants* (cl. 42). Travelling necessarily involves accommodation and catering. Moreover, the services are commonly offered together by travel agencies in the form of package holidays.

1356-2000 atlas (fig) / ATLASREISEN, 1357-2000 atlas (fig) / ATLASREISEN (fig) (both EN)

Building services (cl. 37) and *designing hotels (and/or businesses) for entertaining and providing leisure for guests* (cl. 42) are complementary.

1469-1999 INTER HOTEL (fig) / DEUTSCHE INTERHOTEL (EN)

4.2.2. Complementary character (similarity) denied

Instruction and entertainment services and *publishing services* are not complementary since the link between them is not strong enough: The *instruction and entertainment services* may include publication of instruction or entertainment materials as part of the main services. However, this is not sufficient to render these services similar. Materials are very often published as a support for many activities.

712/2001 GRUPO TELEKOM (fig) / TELEKOM (fig) (EN)

4.3. Services in competition

Edition of digital and analogue recording carriers containing certain information v publication and edition of books, newspaper and magazine (both services in cl. 41). They are similar because publishing houses offer their texts not only in print but also in digital or analogue form.

1198/2002 MicroFocus (fig) / FOCUS (DE)

4.4. The relevant public

Because of only a small overlap of the publics concerned, *insurance and financial affairs* (cl. 36, CTMA) were held to be only very remotely similar to *the edition of multimedia chip card systems* (cl. 42), or to *chip cards, magnetic cards, bar code carriers, bar code cards* (cl. 9). The *edition of chip card systems* is directed at business customers, not at consumer customers who mainly use the *insurance and financial affairs* services. Business customers, on the other hand, will be more attentive and recognise that insurance and financial companies do not usually offer the technological card services or manufacture the cards themselves. Nevertheless, a small overlap between the relevant public does exist because business customers also act as private individuals and, thus, as ultimate consumer customers.

2066/2001 DENCARE / DentCard (fig)(DE)

4.5. Usual origin

Auto care services v packaging and storage of goods: dissimilar.

The average consumer is aware that the relevant sectors of industry are clearly different and thus he is not likely to attribute the same origin to them.

757-2000, SMART / SMARTRAIL (EN)

5. The comparison between goods and services

5.1. In general

The same principles that apply for the comparison between goods & goods and services & services apply in cases where goods are compared with services.

As a starting point, there are numerous differences between goods and services. By their *nature* goods are generally dissimilar to services. This is because goods are articles of trade, wares, merchandise, or real estate. Their sale usually entails the transfer of title in something physical, i.e. movables or real estate. Services, on the other hand, consist in the provision of intangible activities.

2607/2000 ENVIROMET, ECOMET / EnviroMed (EN)

Goods and services can, however, be *complementary* (e.g. maintenance may be complementary to the good concerned). Services can also have the same *purpose*, i.e. intended use, and thus be in *competition* with goods. For instance, car leasing, a financial service, may be considered in competition with cars.

It follows that, under certain circumstances, similarity between goods and services can be found.

Two specific categories may be distinguished: services usually provided independently of the corresponding goods or vice versa, and services where no such assumption can be made.

5.2. Services usually provided to customers without the need to purchase the corresponding goods (or vice versa)

A trade custom may be established according to which the same undertakings usually provide services to customers independent of whether or not they have purchased the corresponding goods (or vice versa). That means that the services are not merely ancillary to the goods, such as the repair or maintenance of a machine by the manufacturer of that machine. Such a trade custom strongly weighs in favour of similarity.

Examples:

- *Hygienic and beauty care v cosmetics*

1546-2001 Megadent / MENTADENT (DE)

- *Film rental v motion pictures; services of an optician v spectacles; automatic vending machines v rental of such machines*

1355-2001 Prinz Dracula (fig.) / Dracula (DE)

Goods and services that undertakings provide independently of each other: the information technology (IT) and telecommunications (telco) business, e.g. Apparatus for recording, transmission or reproduction of sound, images or data (cl. 9) are similar to telecommunications (cl. 38)

507/2002 FLEXITEL / T --- Flexitel (fig) (DE) against 1936/2002 WELCOME / WELCOME Real Time (EN) and 1642/2002 evolution (fig) / EVOLUTION The World of Sacred Device (EN), which are not followed;

But see section 8.4. where it is stated that IT/telco goods and services are not similar to any other (non IT/telco) goods/service simply because they are used in conjunction with each other.

Certain services whose object is the production of a good; example: Publishing services v books: The publishing services constitute a natural part of the goods. The book would not appear on the market without the publication. The core activity is to publish books and in reality it is more for administrative classification reasons that there is a difference between the goods and services. In the market they are clearly similar.

1252/2001 NOVIA / NOVIA (fig) (EN)

See also 507/2002 FLEXITEL / T --- Flexitel (fig) (DE): printed matter (cl. 16) v publication and edition of certain manuals, brochures for teaching purposes (cl. 41), and

1837-2001 LE MERIDIEN (fig) (cl. 16) / MERIDIANI (cl. 41) (EN) and 1252-2001 NOVA (class 16) / NOVA (fig) (cl. 41) (EN) on similarity between *printed matter* and *publication of printed matter* due to the core business of publishing companies.

- Further examples:

- *Building materials and customer service with regard to the sale of buildings and building materials: similar*

9/2001 JAM (cl. 19)(fig.) / JM (fig) (class 35)(EN)

- *Fashion design services and fashion information services and clothing:*

1522/1999 LILLYWHITES (fig.) cl.25 / LILLY (cl. 42) (EN)

See also 2374/2001 CITY DESK (cl. 42) / citi (fig) (cl. 9) (EN),

1865/2001 VORTEC (fig) (cl. 9) / VARTEC (cl. 38) (EN.)

5.3. *Services ancillary to goods, i.e. usually provided together with goods (or vice versa)*

Where services are ancillary to goods – or where goods are ancillary to services - similarity is more difficult to establish because the public might believe that the manufacturer of the goods is not a genuine service company, or vice versa. A higher degree of similarity of the signs and / or an enhanced degree of distinctiveness of the earlier mark are needed to establish a likelihood of confusion.

5.3.1. *Goods and services dissimilar*

5.3.1.1. *Usual origin of goods and services is not the same*

5.3.1.1.1. *Principle*

If the usual origin of the goods and services is not the same or that of an economically-linked enterprise, the goods and services are dissimilar.

82/2002	EN	CUBIX (cl. 16 <i>playing cards</i>)	UBIX (cl. 41 <i>entertainment</i>)
224/2002	EN	PIA (cl. 9 <i>computers</i>)	PIAS (cl. 35 <i>accounting and payroll banking services</i>)
831-2002	EN	SEAT (cl. 12 <i>automobiles</i>)	SKY-SEAT (cl. 41 <i>entertainment, sporting and cultural events</i>)

5.3.1.1.2. *Services of transport, packaging and storage of goods*

Services of *transport, packaging and storage of goods* have been considered not to be similar to goods in classes 9, 25, and 29, 32. These services are provided by specialist transport companies whose business is not the manufacture and sales of those goods.

297-2000	EN	FRUTTAVIVA et al (cl. 29,32)	FRUTA VIVA JUVER (cl. 39)
743-2000	EN	CHIP SET (cl. 39)	CHIP (fig) (cl. 9)
780-2000	EN	EAR (fig) (cl. 9)	EAR (fig) (cl. 37)
1075-2000	EN	RAINHA et al (fig.) (cl. 25)	REINA DECO (fig) (cl. 39)
2850-2000	EN	SPORT AUTHORITY (cl. 39)	THE SPORTS AUTHORITY (cl. 25)
2019-2001	EN	IKKS COMPANY et al. (cl. 25)	KKS (fig) (cl. 39)
2061-2001	EN	DE (fig) (cl. 39)	DEM (cl. 9)

However, similarity must be assumed between *services of transport, packaging and storage of goods* and, e.g., *furniture*. It is common for a

furniture store to take care of the shipping, either by a fleet of vans of its own or by an associated transport company.

5.3.1.1.3. Other cases

If the fact that the goods and services are offered together is merely incidental, as in the case of promotional material or gifts, the connection will not be strong enough. Thus, *travel bags* were found dissimilar to *travel agency services*.

R 72/2000-1 (EN) *affirming* 964/1999 THE GREY LINE (cl.39) / GREYLINE (cl.18, 25, 28) (EN)

5.3.1.2. Usual origin is the same but either good or service is not part of the core business

When considering the similarity of goods and services it is important to take into account the *core business* of the undertakings providing the respective goods and services.

For example, the core business of *advertising agencies* is to provide advertising services to other businesses. Even if the goods at issue may appear in the advertisements, this is insufficient for finding similarity, because the nature of advertising services is fundamentally different from the manufacture of goods. The same reasoning will apply in cases where the advertising services are compared with class 9 goods that can be used as a medium for disseminating advertising.

1621/2002 EUROHYPO / EUROPHYPO (EN)

Furthermore, the fact that most undertakings rely on advertising or other promotional tools to stimulate business does not make these tools similar to the goods promoted. The reason is that companies engaged in promoting their goods do not usually offer promotion services to third parties.

5.3.2. Goods and services may be (remotely) similar

Services provided in connection with goods

5.3.2.1. Installation, maintenance and repair services

In the relation between *goods* and their *installation, maintenance and repair*, similarity of goods and services could be sustainable, if it is common in the relevant market sector for the manufacturer of the goods to also provide such services.

In such cases a finding of likelihood of confusion could be justified, especially if the signs are identical or very similar and/or the earlier mark enjoys a reputation.

- class 9 goods

Data processing installations and computers, and components therefor were found similar to installation and repair of electronic apparatuses.

1629-2001 EXPRESSO (cl. 37) / XPRESSO (fig) (cl 9)

On relation between *installation services* and class 9 goods see also:

461-1999 LIS (cl. 9) / LIS (cl. 37) (EN),

780-2000 EAR (fig) (cl. 9) / EAR (fig) (cl. 37) (EN),

1095-2001 ADCO (cl. 9) / ADCON (cl. 37) (EN)),

1775-2001 NOHMI (cl. 9) / NOMI (fig.) (cl. 37) (EN),

352/2002 CALIFORNIA (cl. 12) / CALIFORNIA EXCLUSIVE (cl. 37) (EN).

1671/2002 ACOME (fig) / ocom (EN) *repair services and data processing equipment, computers*: link found.

- *Installation, maintenance and repair of water purification apparatus and installations v water treatment apparatus and installations*: similar

1800/2002 CRISTAL / CLASSIC CRYSTAL (fig)(EN);

another example for maintenance: 40/2002 CALL ONE / ALL ONE (EN).

- For the relation between *automobiles and parts thereof and motor vehicle maintenance and repair services*: similar, see S-CLASS (cl. 12) / S TYPE (cl. 37) R 969/2000-1 (EN): similar.

- *Furniture and the installation of furniture are similar* , 873/2002 space / space 2 (fig) (DE)

- *Weighing equipment; namely industrial weight display terminals for weighing scales* cl. 9:

It is common in the field of industrial equipment for it to be serviced and maintained by the manufacturer or a related company. *Installation, preservation and repair services electronic apparatus* are normally provided by the manufacturer of such very specific and delicate apparatus itself or by specialised companies which may refer to the trade mark of the producer if it is necessary to indicate the intended purpose of a service. Therefore, the goods and services are similar. See R 344/2001-3 LYNX / LYNX (fig) (EN)

5.3.2.2. Advisory services

Advisory services, consultancy and the like are a further example where similarity between goods and services can be found under conditions similar to those concerning maintenance, installation and repair.

Examples:

1800/2002 (EN): *consulting, advisory, and information services relating to installation, maintenance and repair of water purification apparatus and installations v water treatment apparatus and installations.*

1390/2001 (focus (fig.) / FOCUS) (cl. 7, 37) (FR) *advisory services relating to the installation, maintenance and repair of machines v laser cutting machine.*

(bb) Goods provided in connection with services

In some cases similarity between the goods and services can be found when goods are *essential* for the provision of the service. Then a complementary relationship exists between the goods and services. Thus, the goods *educational material* are of central importance for *education services* and their strong connection was considered an indication of similarity.

1207/1999 ILS (cl. 9, 16, 41) / ELS INTERNATIONAL (cl. 35, 41) (EN), affirmed R 75/2000-3 (EN) and, as for similarity of goods and services, affirmed by the CFI as well.

Further example:

Providing of travel information v audiotapes, videotapes, CDs, laser discs, films and motion pictures, computer software, and CD-ROM; magazines, books, newspapers, newsletters and other printed publications: "Certain degree of similarity" between these specific services and the goods which also encompass specific goods related to travel information because goods could be considered as specifically made for providing such information.

880/2001 TIME / TIM (fig) (EN)

5.3.3. *In particular restaurant services and foodstuffs*

This is an example of the impact of national consumer habits or trade customs on the (degree of) similarity of goods and services.

- There is an average degree of similarity where the foodstuffs are offered independently of restaurant services and are not merely ancillary to these services. Foodstuffs offered independently include finished meals that may be taken away ("for here or for to go?"). Depending on the Member State, foodstuffs offered independently of restaurant services may as well comprise certain processed or unprocessed types of food, such as confectionery, ice cream (processed) or meat (unprocessed) because confectioneries/bakeries, ice cream parlours and butcher's shops may also offer the consumption of their goods in an adjacent fast-food restaurant or café. Likewise, breweries, e.g. in Spain or Germany, have traditionally had their own restaurants.
- On the other hand, merely ancillary goods are only remotely similar. Such ancillary goods include semi-processed food, such as jellies, jams; preserved and cooked fruits and vegetables, as well as certain drinks, such as coffee. The question as to whether a likelihood of confusion can be found will depend on the other factors, in particular on the degree of similarity of signs and the degree of distinctiveness of the earlier mark.
- Finally, there is one category of foodstuffs that are not similar to restaurant services at all. This category includes certain basic or unprocessed kinds of food, such as eggs, flour, salt, as well as certain drinks, such as generally soft drinks. These goods are not similar to restaurant services because even if they are labelled with identical marks, the consumers will not believe that restaurants are in control of their manufacturing. However, a different conclusion may apply depending on the Member State. For instance, Spanish soft drinks such as "horchata" or "granizados" will often be made by the very

restaurant or café in which case there is an average degree of similarity between these soft drinks and restaurant services.

See decision of the Third Board of Appeal in cases R 536/2001-3 & R 674/2001-3 *NEGRA MODELO /MODELO* (EN), confirmed by the CFI (T-169/02) with regard to “*services related to bars, restaurants and night clubs*” as compared against “*syrups, beer, soft drinks and non-alcoholic drinks*”:

“33 These services are not absolutely dissimilar, as the Opposition Division has stated, but they are similar in a wide sense to ‘syrups, beer, soft drinks and non-alcoholic drinks’ in Class 32 of the earlier right. The opponent is right in saying that despite the fact that beer, in effect, can be consumed in other places besides bars, restaurants and night clubs, it will certainly be difficult to find a bar, restaurant or night club where beer is not marketed and consumed. Therefore, there could be a certain link between the services and goods to be compared because it cannot be excluded that breweries or producers of non-alcoholic drinks or soft drinks will provide their products in their own restaurants or bars, marked with the same sign or logo of their beverages.”

IV. SPECIFIC GOODS AND SERVICES COMPARED

1. IT/telco goods and services

IT and telecommunications goods and services, i.e. typically goods and services included in classes 9 or 38, such as *computers* (cl. 9) or *telecommunication services* (cl. 38), are similar between them (see above, sec. 2.9.1.1.1.).

Frequently opponents base oppositions on such goods and services arguing that they either form part of the contested goods or that the contested services are carried out using such goods or services.

When IT/telco goods and services are compared to other *services*, it is not decisive whether such other services are performed using IT or telecommunications technology. Thus, *searching services in the field of intellectual property* are not similar to IT/telco services simply because computer databases may be used to make such a search. The nature of the services and their purpose (consumer needs met) are obviously different. Therefore consumers will not expect these services to originate from the same source as the IT/telco services which may be used in this context. They are therefore dissimilar.

The mere fact that IT/telco goods or services are in some way connected to other goods or the performance of other services is not sufficient to allow for a finding of similarity.

1668/2000 T (device) (DE) (cl. 9, 16, 36, 38, 41, 42, etc.) / iti (device) (cl. 42),
2095/2001 pia (devices) (DE) (cl. 35, 41 and 42) / PIA (cl. 9, 35, 42).

When *telecommunications services* are compared with goods promoted by using these services a distinction must be made between the telecommunications media and the content disseminated using these media. The business of a telecommunications operator is to transmit content but not to manufacture and sell the goods whose promotion is the subject matter of that content (e.g. cl. 3 goods, such as perfumes, in the case of an electronic mail service). Consequently, there will be no similarity between these services and goods.

1073-2001 SECRET PLEASURES (cl. 3) / PRIVATEPLEASURES.COM (cl. 38) (EN)

Furthermore, *apparatus for the transmission or reproduction of sound or images* (cl. 9) are not similar to *education and training services*.

996/2001 TELIA / TELENIA (EN)

The detailed discussion which follows concerning the comparison of *repair, maintenance et al. of motor land vehicles* (cl. 37) and *electronic databases* (cl. 9) *et al* is in line with the above principles.

Electronic databases and technical documentation are not any more related to the vehicle industry than to any other product or service. The mere fact that the sale, rental or servicing of motor cars may involve the use of databases or the publication of catalogues or manuals cannot lead the public to believe that such goods and services have the same origin. Their nature is clearly distinct and even where goods and services are used in the sale, servicing and rental of motor vehicles, they remain ancillary to the main business activity. Moreover, operators in the vehicle industry usually commission the development of electronic tools and the publication of promotional and technical publications from companies specialised in the creative part. It follows that the goods and services are addressed to the industry itself, rather than the purchaser of the final product. Therefore, not only are the end-users thereof different, but they also operate at different levels of the market. Furthermore, it is self-evident that information technology and publishing applications are not in competition with the sale, servicing and rental of motor cars and that they are not offered through the same commercial channels. Even where the buyer of motor cars gets technical or promotional material as a complement of the main product, he is not interested in the entity that carried out the creative work, and he is not likely to confuse it with the manufacturer of the vehicle, in the same way that he is not going to confuse, for example, the publisher of a specialised car magazine with the manufacturer of the cars to which such a publication refers.

469-2001 LEX et al. / LEX-COM (EN)

2. Similarity of retail services among themselves and of goods and retail services

In Communication No 03/01 of the President of the Office of 12 March 2001 there is an express indication regarding the conflict that may arise between retail store services and the goods which are sold in these department stores.

As regards conflicts between services and goods, the Office takes the view that, while a “similarity” between goods sold at retail and retail services cannot be denied in the abstract, the risk of confusion is unlikely between retail services on the one hand and particular goods on the other except in very particular circumstances, such as when the respective trade marks are identical or almost so and well-established in the market. Each case that arises will of course be dealt with on its own merits.

The communication is available at
<http://oami.eu.int/en/aspects/communications/03-01.htm> .

In view of the above, it must be evaluated whether in the concrete case the “*very particular circumstances*” are present which allow the Office to consider that there might be a likelihood of confusion in the consumers’ mind.

As regards the similarity of goods or services issue, the following principles apply:

First, retail services not limited in the specification to the sale of particular goods are similar to all goods that are capable of being sold at retail.

Second, retail services related to the sale of particular products are similar to these particular goods.

Third, retail services related to the sale of particular goods and other goods are, in principle, not similar.

Fourth, retail services not limited in the specification to the sale of particular goods are identical with or similar to retail services in general or related to the sale of specific goods

Fifth, the question whether retail services related to specific goods are similar to retail services related to other specific goods will depend on the circumstances involved.

The more general and vague a list of goods and services is, the larger the scope of protection will be. When discussing the similarity of goods and services, a non-specific wording like “retail services” thus, at least under the aspect of similarity, provides broad coverage,

It must be emphasised that a finding of similarity of the services with goods does not lead to the conclusion that there exists likelihood of confusion. This will depend on the other factors.

3. Footwear, clothing, headgear, handbags, accessories

3.1. *Footwear and clothing are similar*

The First Board of Appeal decided:

Footwear, shoes and boots serve the same purpose, in principle, as the items of clothing listed: they are intended for wear by humans, both as protection from the elements and as articles of fashion and are, as such, found often in the same departments of large departmental stores and in the same retail outlets. Consumers, when seeking to purchase clothes, will expect to find footwear in the same department or shop and vice versa. Moreover, many manufacturers and designers will design and produce both. This is especially true of retail outlet chains or chain stores, which will often provide footwear and clothes under the same trade mark.

R 634/2001-1 “a” (fig) / “a” (fig) (EN).

3.2. *Headgear and clothing are similar*

The goods “headgear” of the CTM application are of an identical or very similar nature as the goods “clothing” of the earlier mark, in particular as regards types of clothing which is supposed to give some protection against wind and rain. Furthermore, headgear is not only seen as a means for protecting the head against weather influences, but also as a fashion article which is supposed to match the outfit and, for this reason, is sometimes chosen as a complementary item to clothing. Therefore, not only the end users, but also the purpose of the respective goods are identical in this regard. Moreover, the distribution channels of the respective goods are sometimes identical, and their sales outlets and departments are often either the same or at least closely connected. Taking all these factors into account, the goods “headgear” and “clothing” are considered similar to each other.

845/2000 M. Lorenzo (fig) / (fig) (EN)

3.3. *Handbags and clothing are similar*

Handbags are likely to be considered as accessories to clothing. See above, under 5.2.5.b.

3.4. *Specific accessories to clothing*

In a case of absolute identity of the signs, goods in cl.26 such as *buttons, pressure buttons, buckles, eyelets, plates or rivets* may give rise to likelihood of confusion if the earlier trade mark protects *clothing and footwear* in cl. 25 as those goods in cl. 26 are accessories to those of the earlier trade mark, and the applicant’s trade mark may remain visible on the resulting garment or shoes. Even if the final product also bears another trade mark, there is no way of ensuring that consumers who see the final product in a shop do not attribute responsibility for the entire product to the opponent

R 267/1999-1 ZANELLA / ZANELLA (IT)

4. Pharmaceuticals

4.1. *Pharmaceuticals and pharmaceuticals*

Specific pharmaceuticals are generally considered to be similar to other pharmaceuticals.

Several, if not all, similarity criteria are usually met:

Nature: specific chemical products.

Purpose: broadly speaking, healing / curing.

Distribution channels: in particular pharmacies.

Usual origin: pharmaceutical industry manufacturing a wide variety of drugs with various therapeutic indications; consumers are aware of this.

For pharmaceuticals sold under prescription, none of the relevant factors at the stage of purchase – the patient presents a written prescription, and the pharmacist will fetch the product from a cupboard where all drugs are stored in alphabetical order – helps distinguishing products with different indications. Although there is no identity of goods, the degree of similarity is so high that this cannot reduce the likelihood of confusion.

For other pharmaceuticals, the degree of similarity is still high, if there are clear medical indications. A lesser degree of similarity should only be considered for goods that are not necessarily sold through pharmacies (e.g., vitamin preparations). Another relevant factor is whether the products are both tablets, or tablets vs. creams.

In: 2538-2001 MENT / MENTIS (FR), *contraceptive v drug to improve memory*, no likelihood of confusion was found.

4.2. *Pharmaceuticals and cosmetics*

In the OD's view, there is some similarity when comparing the general categories, but the similarity may be low. The Third Board of Appeal also considered pharmaceuticals and certain body care goods to be similar. See R 433/2002-3 TEI-FU / TAI-FUN.

'Body care products' of the application, namely perfumes, colognes, cosmetics and deodorants can be manufactured by the same or similar company which produces medicines or pharmaceuticals. Although medicated goods are usually manufactured by pharmaceutical companies, it is a matter of fact that nowadays companies whose core business is body care protection produce both medical and non-medical products. Besides, the sale outlets and the distribution channels of the goods in dispute are sometimes the same (for example pharmacies where non-medical products are also sold and perfumeries where medical goods are marketed).

In contrast, the First Board of Appeal held sanitary products and cosmetics to be dissimilar to pharmaceuticals:

Sanitary products, cosmetics and perfumes are dissimilar since both the method of use and the relevant consumers to which they are addressed are different. Additionally, most of the time they are also sold in different stores. Sanitary products, cosmetics and perfumes are available for purchase in grocery stores, supermarkets or perfumeries while pharmaceutical products are only available in pharmacies. In the case that they are sold in the same outlet, they would be placed on different shelves.

R 0984/2001-1 Gry / GRY (EN)

When comparing specific pharmaceuticals they may be entirely dissimilar with cosmetics in general or specific cosmetics. No coherent practice exists yet. In some cases, *specific* pharmaceuticals and *specific* cosmetics were found to be similar:

Pharmaceutical preparations for treating medical conditions of the skin or of the hair can take the form of creams or lotions. Both sets of goods have the same method of use as cosmetics, which also include creams and lotions.

1981/2002 VITANOV / Nova Vita (fig) (EN)

V. INTERRELATION OF FACTORS

1. Predominant Factors

The particularities of each case may also suggest that a particular factor is predominant. As stated above, there are factors that are more or less important, depending on the facts of the case.

Hence, the evaluation of the various factors in the comparison of goods and services should take account of their respective importance for the specific case. In other words, the various factors do not have a standard value for all cases, but rather their specific importance should be determined in the context of each individual case.

In general, the weight of each factor will depend on the impact it may have on the origin of the goods and services in question. Factors clearly suggesting that the goods/services come or do not come from the same undertaking or economically linked undertakings should take precedence over factors that seem to have only a secondary bearing.

R 433/2000-1 Arthur (fig.) / Arthur (fig) (EN),
R 0232/2000-4 S ORLANDO (cl 29, 30) / Orlando (cl 31)(EN),
199/2000 Three Stars / Three Stars (EN).

In assessing the similarity of goods and services *all* relevant factors characterising the relationship between them should be taken into account.

Generally strong factors are

- the *purpose*,
- the *nature* from a commercial point of view.

Conversely, factors generally less important because they do not often characterise that relationship are:

- The *method of use*: many different goods can be used in the same manner: e.g. both pharmaceuticals and food/drink are consumed orally, but they are not similar. Both baby carriages and shopping trolleys are moved in the same way, and yet they are not similar.
- The *distribution channels*: the sales outlets are a weak factor in general, unless specialised stores or the same sections of supermarkets are concerned.
- The *relevant public*: the mere fact that the customers overlap is not an indication of similarity. The same customers may be in need of goods and services of the most divergent nature and origin.

However, divergent *distribution channels* and/or a minimal overlap of the *relevant public* strongly weigh against similarity.

2. Interdependence of factors

Frequently, a factor will be useful not only for the direct impact it may have on the similarity of goods and services, but also because it may serve as an indication that another factor is important or pertinent to a greater or lesser extent.

This becomes apparent, for instance, from the CFI's CASTILLO judgment. The CFI, assessing the nature of the goods condensed milk and cheese, found these goods to belong to the same product family (para. 33). From the differences of their purpose and method of use the Court inferred that they could hardly be used as substitutes and as a consequence were not in competition (para. 35). Instead the goods are complementary since they belong to a single product family and may be regarded as components of a general range of milk products capable of having a common commercial origin (para. 36).

More generally speaking, the purpose (intended use) of the goods reveals their customers; the purpose of the goods in combination with their price may determine if such goods are in competition with each other; the place of production and method of manufacture may point in the direction of origin from the same or economically-linked undertakings etc.

R 0818/2000-1 Grand Trianon / Trianon (FR)

But there are no strict rules. As stated, if the purpose of the goods is the same and their (properly calculated) price is similar, they will often be in competition, e.g. *coffee filters made of paper* and *coffee filters made of metal*. However, this is not inevitable, as the example of *cinema* and *bowling services* shows. Therefore, the similarity factors above have been discussed separately. The examiner must assess them in their totality at the end of the similarity of goods/services analysis to determine the overall degree of similarity.

Furthermore, the value of the various factors may differ widely, depending on the case:

- In one case the nature may be similar, but the distribution may be very different. Even if the same or very similar characteristics of goods (i.e. nature) would make it easy for an undertaking to produce other goods, it might choose not to do so if it faced great difficulties in finding a way to the customers.

Example: window glass – glass for spectacles.

- Conversely, the nature, i.e. product characteristics, might be totally different, e.g. plastic – wood – glass, and require different production equipment (or economic links with other companies), but if the product design, the purpose of use and the distribution are the same, both types of goods might still be manufactured under the control of the same undertaking.

Example: For certain toys it may be of secondary importance whether they are of plush, cardboard, wood, metal, or other materials (save where certain safety standards must be met for young children). What might be important for the customers is an attractive shape. JAKO-O (fig.) / JOCKO 2628/2001 (DE) (reversed on other grounds). See above, under 5.2.b.(iv).

VI. CONCLUSION

The Court stressed in *Canon* that if it appears that the public is not of the opinion that the goods and services come from the same undertaking or from economically linked undertakings, there can be no likelihood of confusion. Therefore, if after a balanced assessment of the various factors it does not seem likely that the public will attribute the same origin to the compared goods and services, those goods and services must be considered dissimilar.

However, before such a conclusion may be reached, account must be taken of the principle that in assessing the likelihood of confusion, all factors are relevant and interrelated. Consequently, the examination may be closed due to a dissimilarity of the goods at issue only if the same conclusion would have been reached even if the signs were identical and the earlier mark was highly distinctive. This has to be expressly mentioned in the decision.

For example, *beer* was held to be sufficiently dissimilar to *electronics* for the examination to be concluded without any comparison of signs, as were *art exhibitions* to *clothing*.

353/1999 POLAR (cl.32) / POLAR (cl.9) (EN),
904/1999 BOULEVARD (cl.25) / Bvd. PEDRALBES (cl.41) (EN),
2618/2001 Diane (cl. 5) / Diana (cl. 3, 5) (EN),
1531/2001 Lloyd's (cl. 18, 25) / Euro Lloyds (cl. 36) (ES).

Conversely, if the overlap found suggests that the public may think that the goods and services concerned come from the same or economically-linked undertakings, a conclusion may be drawn as to the degree of similarity between the goods and services, and the examination continues. As stated (above, under IV.4.2.2.4.), such a conclusion *must* in any case be drawn, no matter whether at the end of the similarity-of-goods analysis or in the final likelihood-of-confusion analysis.

1999-2001 Blû (cl 33) / BLU (cl 32) (EN).