

BENELUX OFFICE FOR INTELLECTUAL PROPERTY
CANCELLATION DECISION
N° 3000425
of 20 June 2023

Claimant: **Hotel Brands International Limited**
78 Gassiot Road, Tooting
London SW17 8LA
United Kingdom

Representative: **De Clercq & Partners**
Edgard Gevaertdreef 10a
9830 Sint-Martens-Latem
Belgium

against

Defendant: **De Ranitz B.V.**
Toetsenbordweg 55 E
1033 MZ Amsterdam
The Netherlands

Representative: **Parker Advocaten**
Willemsparkweg 84
1071 HL Amsterdam
The Netherlands

Contested trademark: Benelux registration 1417272



I. FACTS AND PROCEEDINGS

A. Facts

1. On 8 April 2022 the claimant filed an application for cancellation with the Benelux Office for Intellectual Property (hereinafter: "the Office" or "BOIP") in accordance with Article 2.30bis (1)(b) of the Benelux Convention on Intellectual Property (hereinafter: "BCIP"), invoking the relative grounds for invalidity as stated under Article 2.2ter (1)(b) BCIP, namely that there exists a likelihood of confusion on the part of the public.

2. The application for cancellation is based on the earlier EU trademark 18170096 of the following combined word/figurative mark, filed on 20 December 2019 and registered on 22 May 2020 for services in the classes 39 and 43:



3. According to the register the claimant is the actual holder of the earlier trademark invoked.

4. The application for cancellation is aimed at Benelux registration 1417272 of the combined word/figurative mark, filed on 19 May 2020 and registered on 20 August 2020 for services in the classes 35, 36 and 43:



5. The cancellation claim is directed against all the services in class 43 of the contested trademark and is based on all services of the invoked earlier trademark.

6. The language of the proceedings is English.

B. Course of the proceedings

7. The application for cancellation is admissible and was notified by the Office to the parties on 15 April 2022. During the administrative phase of the proceedings both parties filed arguments. The course of the proceedings meets the requirements as stated in the BCIP and the Implementing Regulations (hereinafter: "IR"). The administrative phase was completed on 19 September 2022.

II. ARGUMENTS

A. Claimant's arguments

8. According to the claimant, the contested services are fully identical to the services for which the earlier trademark is registered. Both relate to bar, restaurant and hotel services, as well as the rental of multifunctional facilities for meetings, conferences, exhibitions, shows, conventions, seminars, symposiums and workshops.

9. The relevant public is the public at large and thus there is no presumption of an elevated level of attention, according to the claimant.

10. The claimant describes the invoked earlier mark which consists of a black circle with the word OKU in the center in vertical position in white, which also resembles a "figurine" because of that positioning. To the left thereof the word LAIDBACK is written horizontally in white in a small font. At the right-hand side, the word LUXURY is written, also in white and in horizontal position in a small font.

11. According to the claimant the word element OKU is clearly the dominant element due to its central position and font size and the fact that it is distinctive because it has no particular meaning for the relevant public in relation to the services at hand. The word elements LAIDBACK and LUXURY are not distinctive because they describe characteristics of the services and merely serve the purpose of commercial and laudatory phrases. The figurative aspects will merely be perceived as decorative. The consumer will refer to the earlier trademark using the word OKU.

12. The disputed mark consists of the word OKU presented in geometrical shapes such as a circle and triangles. The word OKU is easily readable and the use of simple geometric shapes is rather common. Consequently, the dominant and distinctive element of the disputed trademark is fully incorporated into the earlier trademark, where it also has an independent and distinctive role. This, according to the claimant, is a very strong indication of similarity.

13. Regarding the visual comparison, the applicant notes that the trademarks are similar in the element OKU and that they differ in the figurative elements of the earlier trademark and the words LAIDBACK and LUXURY included therein. Since OKU is the distinctive and dominant element, there is a high degree of visual similarity regardless of the noted differences.

14. Aurally, the similarity is even stronger, according to the claimant, since the figurative elements have no role to play. The consumer will refer to both marks through the short and easy to pronounce word OKU. The words LAIDBACK and LUXURY are too long and not distinctive. From an aural point of view, the trademarks are quasi-identical, according to the claimant.

15. A conceptual comparison is not possible as the word OKU has no meaning in relation to the relevant services.

16. The claimant finds the earlier trademark to be inherently distinctive and he does not consider it necessary for the outcome of the proceedings to submit evidence to demonstrate enlarged distinctiveness of the earlier trademark.

17. It cannot be ignored that both trademarks contain the word OKU. Furthermore, the level of attention of the consumer for the relevant services is not high. Consequently the consumer might be led to think that the disputed trademark is a restyling or rebranding of the older invoked trademark.

18. Based on the foregoing, the applicant concludes that there is a likelihood of confusion. The applicant requests the Office to grant the request for cancellation, thereby striking out Class 43 of the contested trademark and have the defendant bearing the costs.

B. Arguments of the defendant

19. The defendant finds that the claimant's argument is solely based on the fact that they have the word element OKU in common. However, the defendant is of the opinion that the element OKU in the earlier trademark should be considered a purely figurative element because of the consumers imperfect memory of trademarks. The defendant points out that a sign which is effectively impossible to read or decipher should be regarded as illegible and that a consumer in a purchasing situation would not carry out an analysis in order to decipher, understand or read a sign.

20. The defendant finds that the upper two parts of the figurative element give the impression of a walking figure and thereby refers to the claimant's own statement (see paragraph 10). The letter O is the head, and the letter K is the body of the figure. The letter K has been reversed in order to be seen as a body, thereby making the word illegible for the relevant public. This is reinforced by the fact that the word elements "laidback" and "luxury" are placed at the sides of the figurative element. Consumers are used to reading from left to right and so the figurative element would not be seen as part of the words, according to the defendant, who is of the opinion that the consumer will not bother to read the middle element from top to bottom, also having to tilt their head to discern the letter K.

21. The defendant finds that the characters which, according to the applicant, would be read as "O", "K" and "U" are represented in such a way that even when the figurative element is reversed, no clearly readable word is created. The impression is created of three separate symbols that have no further meaning. The recognition of the element as being the letter "K" would in any case require an investment of time and a degree of mental effort that would be difficult to reconcile with the fact that the consumer is seeking to identify easily and quickly the commercial origin of goods and services.

22. The defendant refers to the statement of the opponent that OKU has no meaning in relation to the relevant services (see paragraph 15) and concludes that it is therefore even more unlikely that the public will recognise a word in the earlier invoked trademark.

23. In short, since the figurative element of the trademark invoked is virtually undecipherable, regardless of the direction in which it is read, it clearly falls under "a sign that is effectively impossible to read", according to the defendant.

24. Visually, the figurative element in the trademark invoked consists of various lines and round or circular shapes and is visually dominant due to its size in relation to the smaller word elements and the contrasting white colour. The black circle in the background is merely decorative, according to the defendant. The contested trademark is a horizontally placed device mark consisting of three disjointed abstractly designed geometric elements consisting of shapes rendered in full black. The round, coarse shapes of the elements rendered in all-black, separated by white gaps, create a sign in geometric, round and thickly rendered shapes in an elongated horizontal shape. The defendant finds that

the trademarks visually differ in every aspect, namely a vertical shape versus a horizontal and abstract shapes versus geometric coarse shapes rendered in black. He concludes that there is no visual similarity.

25. Regarding the aural comparison, the defendant finds that the middle element in the trademark invoked is not aurally referred to. Therefore, the earlier invoked trademark will be referred to as "laidback luxury", whereas the contested (device) trademark will not be pronounced at all. The trademarks are aurally different, according to the defendant.

26. As for the conceptual comparison, the remarks that the trademark invoked will be understood as "relaxed luxury". The contested trademark is understood as a figurative element with no further meaning. The trademarks are conceptually different, concludes the defendant.

27. Given the fact that there is no similarity whatsoever it is not necessary to proceed with the comparison of the services, according to the defendant.

28. The defendant requests the Office to reject the cancellation request and order the applicant to pay the costs of these proceedings.

III. DECISION

A.1 Likelihood of confusion

29. Pursuant to Article 2.30bis (1)(b)(i) BCIP the proprietor of an earlier trademark may file an application for invalidation with the Office against a trademark which ranks after his own in accordance with the provisions in Article 2.2ter BCIP.

30. Article 2.2ter (1) BCIP stipulates, as far as relevant in this case: "*a trademark shall, [...], if registered, be liable to be declared invalid where: (...) b. because of its identity with, or similarity to, the earlier trademark and the identity or similarity of the goods or services covered by the trademarks, there exists a likelihood of confusion on the part of the public; the likelihood of confusion includes the likelihood of association with the earlier trademark.*"¹

31. A likelihood of confusion within the meaning of this provision exists if the public may believe that the goods or services designated by that trademark and those covered by the trademark applied for come from the same undertaking or, where appropriate, from undertakings which are economically linked.²

32. According to settled case-law of the Court of Justice of the European Union (hereinafter: CJEU), the existence of a likelihood of confusion in the mind of the public must be assessed globally, considering all the relevant circumstances of the individual case, including the degree of similarity between the signs at issue and the goods or services concerned, the degree of recognition of the earlier trademark and the degree of distinctiveness – inherent or acquired through use – of the earlier trademark.³

Comparison of the services

¹ Article 2.2ter, 1 (b) BCIP implements article 5, 1 (b) Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trademarks. A similar provision can be found in article 8, 1 (b) Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trademark.

² CJEU 11 June 2020, C-115/19 P, ECLI:EU:C:2020:469, point 54 (China Construction Bank).

³ CJEU 4 March 2020, C-328/18 P, ECLI:EU:C:2020:156, point 57 (Equivalenza) and the case-law mentioned there.

33. In assessing the similarity of the goods or services concerned, all the relevant factors relating to these goods or services themselves should be considered. These factors include, inter alia, their nature, their end-users and their method of use and whether they are in competition with each other or are complementary.⁴

34. In comparing the goods or services, the goods or services shall be considered in the terms set out in the register, and not the actual or intended use.⁵

35. The services to be compared are the following:

Cancellation based on:	Cancellation directed against:
CI 39 Transport; Travel agency services, namely arranging transportation for travellers.	
CI 43 Hotel services; Hotel reservations; Resort hotel services; Booking of hotel accommodation; Providing room reservation and hotel reservation services; Restaurant services provided by hotels; Hotel accommodation services; Bar services; Hotel, restaurant and catering services; Rental of multifunctional facilities for meetings, conferences, exhibitions, shows, conventions, seminars, symposiums and workshops; Providing banquet and social function facilities for special occasions.	KI 43 Restauratie (het verstrekken van voedsel en dranken); tijdelijke huisvesting; horecadiensten; cateringdiensten; traiteursdiensten; bistro- en brasseriediensten; diensten van café-restaurants; bardiensten; bereiden van maaltijden en dranken; diensten inzake afhaalmaaltijden; restaurantreserveringen; ter beschikking stellen en verhuren van tijdelijke accommodaties, voor onder andere feesten en partijen, recepties, tentoonstellingen, evenementen, beurzen, congressen, conferenties, seminars, workshops, symposia, vergaderingen en andere dergelijke evenementen; advisering, voorlichting en informatie inzake voornoemde diensten, tevens via elektronische netwerken, zoals internet.

36. Having regard to the principle of hearing both sides, the cancellation proceedings are limited to the arguments, facts and evidence put forward by the parties.⁶ The claimant argues that the services in class 43 of the contested trademark and the services in class 43 of the earlier invoked trademark are fully identical (see paragraph 8). The defendant has chosen deliberately to not dispute the identity or similarity of the services, because he is of the opinion that the trademarks are not similar (see paragraph 27).

⁴ CJEU 29 September 1998, C-39/97, ECLI:EU:C:1998:442, point 23 (Canon).

⁵ General Court (EU) 16 June 2010, T-487/08, ECLI:EU:T:2010:237, point 71 (Kremezin).

⁶ Article 2.30ter (1) BCIP in conjunction with rule 1.21 IR.



Comparison of the trademarks

37. To assess the degree of similarity between the conflicting signs, their visual, phonetic and conceptual similarity should be determined. Although the comparison must be based on the overall impression that the signs leave in the memory of the relevant public, it must nevertheless be made in the light of the intrinsic qualities of the conflicting signs.⁷

38. The overall impression created in the mind of the relevant public by a complex trademark may, in certain circumstances, be dominated by one or more of its components. Regarding the assessment whether this is the case, account must be taken, in particular, of the intrinsic qualities of each of those components by comparing them with those of other components. In addition and accessorially, account may be taken of the relative position of the various components within the arrangement of the complex mark.⁸

39. The assessment of the similarity between the signs, regarding the visual, aural and conceptual similarity of the signs, must be based on the overall impression created by them, taking into account, inter alia, their distinctive and dominant components.

40. The trademarks to be compared are the following:

Earlier trademark:	Contested trademark:
	

Visual comparison

41. The trademark invoked is a combined word/figurative mark consisting of a black circle containing (word) elements in white. In the center of the circle the three-letter word OKU is visible, written vertically. The deviating placement of the letter K is strikingly visible, thereby creating the impression of a figurine in combination with the letter O on top of it. On the left-hand side, the word LAIDBACK is visible and at the right-hand side the word LUXURY is visible. Both words are depicted in a significantly smaller font.

42. The contested trademark consists of four geometric shapes, grouped in such a way that they represent three elements: first a black circle, secondly two black mirrored triangles and thirdly vertical rectangle with rounded corners at the bottom. The three elements thus formed can be read as three stylised letters, namely an -O, a -K and a -U, forming the word OKU.

43. The Office finds that in view of the positioning of the words, their identical fonts, their difference in size and combined with the descriptive character of the word elements LAIDBACK LUXURY, at least a part

⁷ CJEU 4 March 2020, C-328/18 P, ECLI:EU:C:2020:156, point 71 (Equivalenza).

⁸ General Court (EU) 23 October 2002, T-6/01, ECLI:EU:T:2002:261, points 34 en 35 (Matratzen) en 13 December 2007, T-242/06, ECLI:EU:T:2007:391, point 47 (El Charcutero Artesano).

of the relevant public will be able to visually perceive and recognize the three-letter word OKU as such. Therefore, the visual comparison of the trademarks must lead to the conclusion that they are visually similar for at least a part of the public, because of the fact that the elements in which both trademarks differ are merely descriptive and/or non-distinctive or decorative elements.

44. The trademarks are therefore visually similar to a certain degree.

Aural comparison

45. As mentioned with regards to the visual comparison, the words LAIDBACK and LUXURY in the trademark invoked are depicted in a significantly smaller font and are descriptive and/or not distinctive for the relevant services. Consequently, the Office finds that these words will probably not even be pronounced when referring to the trademark invoked. The earlier trademark will most likely be aurally referred to as OKU [o:ky], despite the slightly deviant placement of the letter -K.

46. The contested trademark will either not be pronounced or when pronounced it will be pronounced identically as the dominant element of the earlier invoked trademark, namely as OKU [o:ky].

47. Consequently, the trademarks are aurally identical for at least a part of the public.

Conceptual comparison

48. The trademark invoked consists of three words, OKU being the dominant element (see paragraphs 43 and 45). The words 'laidback luxury', taken together, are a straightforward laudatory indication as regards to the services rendered under that particular trademark. These services allegedly will provide the consumer with calm and relaxed enjoyment of pleasant and expensive non-essential things.⁹

49. The dominant and shared word OKU has no meaning in one of the relevant languages in the Benelux territory.

50. A conceptual comparison is not possible. If the descriptive and non-distinctive elements 'laidback luxury' of the trademark invoked are taken into account, the conclusion of the conceptual comparison would be that there is no similarity between both trademarks.

Conclusion

51. The marks are visually similar to a certain degree and aurally identical. Conceptually the trademarks are not similar or a conceptual comparison is not possible.

A.2 Global assessment

52. The global assessment must be made by reference to the average consumer, who is well-informed and reasonably observant and circumspect about the goods or services in question. However, account must be taken of the fact that the average consumer rarely has the opportunity to make a direct comparison between the different trademarks but relies on the imperfect impression left upon him. It must also be borne in mind that the average consumer's level of attention may vary depending on the type of goods or

⁹ <https://www.oxfordlearnersdictionaries.com/definition/english/laid-back?q=laidback> and https://www.oxfordlearnersdictionaries.com/definition/english/luxury_1?q=luxury.

services at issue.¹⁰ In the present case, the services covered are aimed at the public at large for which the level of attention is deemed to be normal.

53. The greater the degree of distinctiveness of the earlier trademark, the greater the likelihood of confusion. Trademarks with a highly distinctive character, either by their nature or because of their reputation on the market, enjoy greater protection than trademarks with a weak distinctive character.¹¹

54. The word elements LAIDBACK and LUXURY in the trademark invoked are descriptive and non-distinctive for the relevant services. Therefore, the dominant element in both trademarks is OKU. This element is identical in both trademarks. The invoked earlier trademark considered in its entirety has a normal distinctiveness for the services concerned, as it does not describe characteristics of these services.

55. The global assessment of the likelihood of confusion presupposes a certain coherence between the factors to be considered and between the similarity of the conflicting signs and the goods or services to which they relate. Thus, a low degree of similarity between the goods or services in question may be offset by a high degree of similarity between the signs, and vice versa.¹²

56. The trademarks are visually similar to a certain degree and aurally identical for at least a part of the public. A conceptual comparison is not relevant or the trademarks would still be found dissimilar in this respect. The identity of the relevant services is *in confesso*. Based on the above grounds, and given their interdependence, the Office finds that the relevant public might be led to believe that the services originate from the same undertaking or from economically linked undertakings.

B. Other factors

57. The defendant points out, in referral to the earlier invoked right, that a sign which is effectively impossible to read or decipher should be regarded as illegible and that a consumer in a purchasing situation would not carry out an analysis in order to decipher, understand or read a sign (see paragraph 19). This does however not preclude the fact that a part of the public would be able to simply read the word OKU in the earlier invoked right. In this context, the Office points out that risk of confusion with part of the public is sufficient to justify the opposition.¹³

C. Conclusion

58. Based on the abovementioned factors and considerations, the Office finds that there exists a likelihood of confusion.

IV. DECISION

59. The application for a declaration of invalidity is upheld in full.

60. Benelux registration 1417272 is cancelled for all the services against which the cancellation request was directed, namely:

- CI 43 (*all services*).

¹⁰ CJEU 22 June 1999, C-342/97, ECLI:EU:C:1999:323, point 26 (Lloyd Schuhfabrik Meyer).

¹¹ CJEU 29 September 1998, C-39/97, ECLI:EU:C:1998:442, point 18 (Canon).

¹² CJEU 4 March 2020, C-328/18 P, ECLI:EU:C:2020:156, point 59 (Equivalenza) and the case-law mentioned there.

¹³ CJEU 9 March 2005, T-33/03, ECLI:EU:T:2005:89, point 39 (Hai/Shark).

61. Benelux registration 1417272 will be upheld for the remaining services against which the cancellation was not directed, namely:

- CI 35 (*all services*).
- CI 36 (*all services*).

62. The defendant shall pay the claimant 1,420 euros in accordance with Article 2.30ter (5) BCIP in conjunction with rule 1.44 (2) IR, as the cancellation application is upheld in its entirety. This decision constitutes an enforceable order pursuant to Article 2.30ter (5) BCIP.

The Hague, 20 June 2023



Tomas Westenbroek
(*rapporteur*)

Marjolein Bronneman

Pieter Veeze

Administrative officer: Vincent Munier