

**BENELUX OFFICE FOR INTELLECTUAL PROPERTY**  
**OPPOSITION DECISION**  
**N° 2013012**  
**of 14 December 2018**

**Opponent:** **Kona USA, Inc., Washington corporation**  
Salashan Loop 2455  
Ferndale WA 98248  
United States of America

**Representative:** **Arnold & Siedsma**  
Postbus 18558  
2502 EN The Hague  
Netherlands

**Invoked right 1:** **Benelux registration 498125**

KONA

**Invoked right 2:** **EU trademark registration 311449**

KONA

*against*

**Defendant:** **HYUNDAI MOTOR COMPANY**  
12, Heolleung-ro, Seocho-gu  
Seoul 06797  
Republic of Korea

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

**Contested trademark:** **International application 1331235**

Kona

**I. FACTS AND PROCEEDINGS****A. Facts**

1. On 6 December 2016 the defendant filed an international application, in which inter alia the Benelux has been designated, for the wordmark Kona for goods in class 12. This application was processed under number 1331235 and was published on 16 February 2017.

2. On 13 April 2017 the opponent filed an opposition against the registration of the application. The opposition is based on the following earlier trademarks:

- Benelux registration 498125 of the wordmark KONA, filed on 4 April 1991 and registered for goods in class 12.
- EU trademark registration 311449 of the wordmark KONA, filed on 29 July 1996 and registered on 25 May 1998 for goods in class 12.

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

4. The opposition is directed against all goods of the contested application and is based on all goods of the trademarks invoked.

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

6. The language of the proceedings is English.

**B. Course of the proceedings**

7. The opposition is admissible and was notified by the Benelux Office for Intellectual Property (hereinafter: "the Office") to the parties on 14 April 2017. During the administrative phase of the proceedings both parties filed arguments. In addition, the proceedings were suspended several times at the request of the parties. 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 20 March 2018.

**II. ARGUMENTS**

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

**A. Opponent's arguments**

9. The opponent explains that he is one of the market leaders in the world of bicycles. According to the opponent, the signs do not have any specific meaning in relation to bicycles or cars. The level of distinctiveness of the trademarks invoked is therefore to be regarded as inherently strong. The opponent also argues that the trademarks invoked have acquired a well-established reputation in many countries worldwide, including the Benelux, for bicycles and goods and services in relation thereto. In order to substantiate this claim, the opponent has submitted evidence.

10. The opponent further states that the signs are identical. With regard to the comparison of the goods, the opponent argues that bicycles and automobiles are both vehicles which serve to transport people. These goods could be sold through the same distribution channels. According to the opponent, there are several car manufacturers that also produce or market bicycles. Furthermore, these goods are to a certain extent interchangeable. The opponent also argues that a bicycles is a very common possession in the Benelux. In the light of these arguments, the goods are to be considered similar.

11. With regard to the relevant public, the opponent argues that all of the goods are directed at the public at large. The opponent also states that a buyer of a car or bicycles is likely to be well-informed and their level of attention is likely to be above average. However, according to the opponent, the relevant public also includes that section of the public that sees cars and bicycles in the street. Consequently, the overall level of attention in this case is considered as average.

12. The opponent concludes that there exists a risk of confusion and requests that the Office grants the opposition.

**B. Defendant's arguments**

13. The defendant disputes the opponent's claim that the trademark KONA is a well-known trademark. According to the defendant, the evidence submitted does not substantiate this claim and also fails to show that the trademarks invoked have acquired a reputation in the Benelux. For this reason, the defendant argues that the distinctiveness should be seen as normal.

14. With regard to the comparison of the goods, the defendant argues that the goods are dissimilar. The mere argument that the goods share the same purpose is not sufficient to conclude that the goods are similar. The defendant states that the (technical) nature of the goods is different, as are the relevant public and distribution channels. Furthermore, according to the defendant, a bicycle is purchased in addition to a car, but not as an alternative.

15. The defendant also refers to previous decisions rendered by other trademark offices or European courts in which it has been decided that bicycles and automobiles are not similar.

16. With regard to the relevant public, the defendant argues that in the present case the attentiveness is high for the goods concerned, because these goods cannot be considered as fast-moving consumer goods.

17. The defendant concludes that, although the signs are identical, there exists no risk of confusion because the goods are dissimilar. For this reason, the defendant requests that the Office rejects the opposition.

### III. DECISION

#### A.1 Likelihood of confusion

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

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

20. According to case law of the Court of Justice of the European Union (hereinafter: the “CJEU”) concerning the interpretation of Directive 2008/95/EG of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trademarks (hereinafter: “Directive”), the likelihood of confusion of the public, which is defined as the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, must be appreciated globally taking into account all factors relevant to the circumstances of the case (CJEU, Canon, C-39/97, 29 September 1998, ECLI:EU:C:1998:442; Lloyd Schuhfabrik Meyer, C-342/97, 22 June 1999, ECLI:EU:C:1999:323; CJBen, Brouwerij Haacht/Grandes Sources belges, A 98/3, 2 October 2000; Marca Mode/Adidas, A 98/5, 7 June 2002; Supreme Court of the Netherlands, Flügel-bottle, C02/133HR, 14 November 2003, ECLI:NL:HR:2003:AK4818; Court of Appeal Brussels, N-20060227-1, 27 February 2006).

#### **Comparison of the signs**

21. The wording of Article 4, 1 (b) of the Directive (cf. article 2.3, (b) BCIP) “there exists a likelihood of confusion on the part of the public” shows that the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global assessment of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (CJEU, Sabel, C-251/95, 11 November 1997, ECLI:EU:C:1997:528).

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

23. The signs to be compared are the following:

Opposition based on:	Opposition directed against:
KONA	Kona

24. Both signs are purely verbal signs and contain the word ‘kona’. The signs are therefore identical.

25. The fact that the trademark invoked is represented in capital letters, whereas the contested sign is represented in capital and lower-case letters, is irrelevant for the purposes of a visual comparison of these marks (see BOIP, opposition decision HY-BOND RESIGLASS, 2000572, 8 April 2008 and EGC, babilu, T-66/11, 31 January 2013, ECLI:EU:T:2013:48).

26. Furthermore, a sign is identical to a trademark when it reproduces, without any modification or addition, all the elements constituting the trademark or when, viewed as a whole, it contains differences so insignificant that they may go unnoticed by the average consumer (CJEU Arthur et Félicie, C-291/00, 20 March 2003, ECLI:EU:C:2003:169).

#### *Conclusion*

27. The signs are identical.

#### **Comparison of the goods**

28. In assessing the similarity of the goods and 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 (Canon, already cited).

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

30. The goods to be compared are the following:

Opposition based on:	Opposition directed against:
<i>BX trademark 761951</i> CI 12 Bicycles and parts and accessories for bicycles as far as not included in other classes.	CI 12 Automobiles
<i>EU trademark 311449</i> CI 12 Bicycles and parts therefor.	

31. The Office finds that the contested goods “*automobiles*” are similar to a low degree to the goods “*bicycles*” mentioned in class 12 of the trademarks invoked (reference is also made to EGC, ALLTREK, T-158/05, 16 May 2007, ECLI:EU:T:2007:143).

32. Both goods serve the same purpose, which is transportation of people, and their belongings. The Office agrees with the defendant (paragraph 14) that the technical nature and use of automobiles are significantly different from those of bicycles, in particular because of the presence of a powerful engine in the former, which allows travel over long distances and the possibility to transport several travel companions or heavy luggage and other objects.

33. Furthermore, both products are generally produced by different manufacturers and sold through different distribution channels. Automobiles are sold through car dealerships and bicycles in bicycle shops. This separation of sales channels is well established in the minds of consumers. This finding cannot be mitigated by the fact that some automobile manufacturers also sell bicycles under their brands and through their car dealerships, as pointed out by the opponent (paragraph 10). This usually concerns expensive 'limited editions' or 'high end' types of bicycles. These exceptions are not likely to change the general view of the public that both products are currently sold through different distribution channels.

34. According to the defendant, the relevant goods are not competitive (paragraph 14). However, with regard to the consumer in the Benelux, the Office considers that to a certain extent, a(n) (electric) bicycle provides an acceptable transportation alternative to a car, especially in the Netherlands, where the roads are flat, most travelled distances are short and the infrastructure for bicycles is very well organised. Furthermore, there are many types of bicycles on the market, such as a carrier tricycle, which also allows transportation of children and belongings. Considering these circumstances, the Office finds bicycles and automobiles competitive to a certain extent.

#### *Conclusion*

35. In the light of the reasons mentioned above, the Office concludes that the goods are similar to a low degree.

### **A.2 Global assessment**

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

37. The average consumer is deemed to be reasonably well-informed and reasonably observant and circumspect (case Lloyd, already cited). It should also be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question. The relevant goods are directed at the public at large. The level of attention will be higher than average, because automobiles and bicycles are high-priced products which are not purchased on a daily basis. Consumers will generally purchase these products after careful consideration and will pay more attention when purchasing these items than for regular consumer goods. (reference is also made to EGC 22 March 2011, T-486/07, CA, ECLI:EU:T:2011:104 and 22 March 2012, T-63/09, SWIFT GTi, ECLI:EU:T:2012:137).

38. The more distinctive the earlier trademark, the greater the likelihood of confusion. Marks with a highly distinctive character, either *per se* or because of the reputation they possess on the market, enjoy broader protection than marks with a less distinctive character (Canon, Sabel and Lloyd, already cited). In the present case, the trademark invoked has a normal distinctiveness, as it is not descriptive of the goods concerned. The opponent also refers to the reputation of the trademarks invoked. However, the Office finds it unnecessary to discuss this argument, because it has no influence on the outcome of these proceedings.

39. The global assessment of the likelihood of confusion assumes that there is a certain degree of interdependence between the factors to be considered, particularly between the level of similarity of the signs and of the goods or services which they cover. A lesser degree of similarity between the relevant goods or services can be offset by a greater degree of similarity between the trademarks, and vice versa (Canon and Lloyd, already

cited). In the present case, the signs are identical and the goods are similar to a low degree. In the light of the identity of the signs, the Office finds that it cannot be excluded that the relevant public, even if informed, might believe that the goods in question come from the same undertaking or from economically-linked undertakings.

40. Notwithstanding the high level of attention of the public and the low degree of similarity of the goods concerned, the Office finds that the fact that the signs are identical, causes there to exist a likelihood of confusion.

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

41. Regarding the defendant's references to previous decisions concerning, in the defendant's view, similar oppositions (paragraph 15), the Office points out that it is obliged to render an independent decision based on regulation and case law applicable in the Benelux. The Office is not bound by decisions from other offices, whether they refer to similar cases or not (see, by analogy with, GEU, Curon, T- 353/04, 13 February 2007, ECLI:EU:T:2007:47).

#### **C. Conclusion**

42. Based on the foregoing the Office is of the opinion that there exists a likelihood of confusion.

#### **IV. DECISION**

43. The opposition with number 2013012 is justified.

44. International application with number 1331235 will not be registered.

45. The defendant shall pay the opponent 1,030 euros in accordance with article 2.16, 5 BCIP in conjunction with rule 1.32, 3 Implementing Regulations, as the opposition is justified in its entirety. This decision constitutes an enforceable order pursuant to article 2.16, 5 BCIP.

The Hague, 14 December 2018

Eline Schiebroek  
(rapporteur)

Camille Janssen

Tomas Westenbroek

Administrative officer: Rémy Kohlsaet