

# IC what you did there

Louise Foster casts an eye over an important clarification

**Virginic LLC** (the Respondent) applied to register the mark VIRGINIC as a UK trade mark in respect of goods in class 3 on 17th January 2018. Using the fast-track opposition procedure, Virgin Enterprises Limited (the Appellant) opposed the application under s5(2)(b) of the Trade Marks Act 94 (the Act) relying on earlier EU and UK registrations for the mark VIRGIN covering identical goods in class 3.

On 20th November 2018 the opposition was dismissed on the basis of a lack of likelihood of direct and indirect confusion. The Appellant appealed the decision.

The Hearing Officer (HO) had found, and it was not in contention, that the respective goods were identical and the respective marks visually and aurally similar to a high degree. The appeal challenged the findings that the marks were only conceptually similar to a medium degree, that the earlier marks were of “normal” inherent distinctiveness and that there was no likelihood of indirect confusion.

## SPECTRUM OF DISTINCTIVENESS

The HO had assessed the earlier mark to be a common English word that was an arbitrary choice for the goods in question, with no link to them, and therefore had a “normal degree” of inherent distinctive character. It was assumed that the use of the word “normal” by the HO was intended to mean “average”. The Appellant on appeal submitted that it was not right to deprive the earlier marks of a finding of high distinctive character simply because they were not comprised of an invented word. Mr Justice Arnold accepted this argument holding that the earlier marks have a “fairly high degree of inherent distinctive character”, still seemingly reserving the very top end of the inherent distinctiveness spectrum for words of a purely invented nature.

## CONCEPTUAL IMPRESSION

The later mark was comprised of the entirety of the earlier mark with the suffix –IC. The Appellant had drawn the HO’s attention to the fact –IC is a common English adjectival ending that rendered the later mark to mean “of or pertaining to VIRGIN” and supported this with examples such as acid/acidic, atmosphere/atmospheric. It was found on appeal that the HO was wrong not to assess how the average consumer would perceive –IC in the later mark.

Rejecting the Respondent’s counterargument that the average consumer would not perceive the mark as having this meaning simply because the usual adjective derived from VIRGIN is VIRGINAL, Arnold J held that the later mark would be seen as a “newly minted adjective” and so there was a fairly high degree of conceptual similarity between the earlier and later marks.

## INDEPENDENT AND DISTINCTIVE ROLE

Considering the principle laid down in C-120/04 Medion AG v Thomson Sales Germany

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AG (THOMSON LIFE) and C-591/12 Bimbo SA v OHIM regarding the capacity for marks to retain independent and distinctive roles within later composite marks, which the Appellant had referred to in its appeal, Arnold J held that this did not apply in the present case. Although Arnold J accepted, as he had done in previous authorities, that the Medion principle can well apply to marks consisting of a single word, in the present case VIRGINIC acts as a single sign into which the earlier mark VIRGIN is subsumed to form a new whole. Nevertheless, the later mark was still found to be conceptually related to the earlier mark.

### CONFUSION ISSUES

The Appellant argued that, by finding there was no likelihood of indirect confusion because the mark VIRGIN was not “strikingly distinctive”, the HO had failed to correctly apply the guidance as set out in BL O/375/10 LA Sugar Limited v Back Beat Inc. According to the principles laid down in that decision, a mark being strikingly distinctive was a prerequisite to only one category of instances where indirect confusion could occur. Whereas, as the Appellant argued and was accepted by the judge, the present case fell into another category of indirect confusion whereby the later mark simply adds a non-distinctive element to the earlier mark, such that the consumer then perceives it to be a sub-brand or brand extension of the earlier mark.

Arnold J then proceeded to reassess the likelihood of confusion. This was based on the previous findings of identical goods, an average level of attention paid by the average consumer, and a high degree of visual and aural similarity of the marks, but now with a fairly high degree of conceptual similarity of the marks with the earlier marks being fairly highly distinctive. Arnold J found this all to point towards a likelihood of confusion, and concluded that indirect confusion was likely.

The appeal was allowed and the opposition upheld.

### IMPLICATIONS

This case appears to be the first to consider the impact of an adjectival suffix being added to the earlier mark. Arnold J’s view was that, as it was held that the consumer would perceive VIRGIN within the later mark, the HO was wrong not to consider how the consumer would perceive the -IC element. Despite not being the standard adjective formed from the word VIRGIN, the -IC element in the eyes of the consumer would still play its common grammatical role as an adjectival suffix, thereby reinforcing the conceptual connection to the term VIRGIN.

This decision also provides some further guidance on when the courts might consider the Medion principle as relevant. In the eyes of Arnold J, the Medion principle can apply to single word marks that have a “composite” structure but not those that simply comprise an earlier mark subsumed into a later one. Nevertheless, indirect confusion on the basis that the later mark might be seen as a sub-brand was still likely given the adjectival function of the -IC element.

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### KEY POINTS

- ✦ A mark that is an invented word can enjoy a fairly high degree of inherent distinctive character
- ✦ Indirect confusion can occur where a later mark adds a non-distinctive element to the earlier mark, such that the consumer then perceives it to be a sub-brand or extension, even if THOMSON LIFE principles do not apply
- ✦ This appears to be the first case in which the UK courts have considered the issue of an adjectival suffix being added to an earlier trade mark