

European Union - Dr. Helen G. Papaconstantinou and Partners Law Firm

In Case B-2474784 before the Opposition Division, insurance and finance company Direct Line requested the rejection of Community Trademark (CTM) Application 13397229 based on, among other things, existing Trademarks 54841 and 1617794. The opposition also invoked Article 8(1)(b) and (5) of the Community Trademark Regulation (CMTR).

The first earlier mark was a figurative mark consisting of a classic red telephone on black wheels. The phone featured a white dial with push buttons. The second earlier mark was a figurative mark consisting of a red telephone on black wheels, under which a blue line and the verbal element "Direct Line" in blue letters appeared. The phone featured a white dial with push buttons.



The contested mark was a figurative mark consisting of an orange-red telephone character with blue eyes and lips which was wearing blue and orange sneakers and blue gloves. The phone featured eight push buttons depicting certain numbers.



Upon comparing the marks, the Opposition Division found that the earlier and the contested marks, which were all figurative, were similar to the extent that they contained a depiction of a telephone. However, the Opposition Division considered that, from a visual point of view, there were many differences between the figurative elements in the marks. For instance, the telephones were depicted in a different style and position, and differed in the shade of the colour used for the phone and in the numbers depicted on the dial. In addition, the second earlier mark included the additional words "Direct Line".

The Opposition Division paid particular attention to the fact that the telephone on the contested mark was humanised, with eyes, lips, legs and arms.

Upon considering the claims of the parties about the possible conceptual similarity of the compared marks, the Opposition Division began by pointing out that an image of a red telephone was present in all the marks, meaning that they could have the same semantic content. However, the red telephones were depicted in a different manner in the earlier marks from the contested sign, and with different features.

The Opposition Division further examined the distinctive character of the earlier marks and ruled that the image of a telephone indicated the characteristics of the services covered – insurance and financial services – namely, that such services were provided or sold over the phone. Thus, the image of the telephone device was considered weak for these services and the impact of this weak element was limited when assessing the likelihood of confusion between the compared marks.

The same applied to the verbal element "Direct Line" included in the second earlier mark which, according to the Opposition Division, would be understood as a direct connection or a service without an intermediary and without delay.

The opponent also invoked the enhanced distinctiveness and even the reputation of its earlier marks and submitted evidence. However, the Opposition Division held that the evidence did not show that the earlier marks, in the form as registered, had acquired a degree of distinctiveness or reputation beyond a combination of a not particularly distinctive red telephone and the weak verbal element "Direct Line".

Further, the Opposition Division found that the opponent had failed to demonstrate that consumers, when confronted with the depiction of the red telephone on the earlier marks, would recognise it as belonging to the opponent and as being something more than a mere indication regarding the characteristics of the services provided.

In light of the above, the Opposition Division ruled that the only link between the compared signs was conceptual and was due to the presence of a depiction of a red telephone in both signs. However, where the earlier mark was not especially well known to the public and consisted of an image with little imaginative content, the mere fact that the marks were conceptually similar was not sufficient to give rise to a likelihood of confusion.

It is interesting to note that, according to the Opposition Division, the association between two images in semantic terms was not enough to satisfy the requirements of Article 8(1) of the CTMR, given that, on the one hand, the marks showed clear visible differences in the graphic representation of the common element and in the additional verbal elements, and on the other hand, the earlier marks did not have enhanced distinctiveness or reputation. Regarding the second ground of the opposition, Article 8(5) of the CTMR, given that one of the conditions put forward by this article – that is, the reputation of the earlier marks – was not met, the opposition was rejected with respect to this ground also.

This decision is significant because it clearly demonstrates that not too much importance should be given to the fact that two signs comprise the same semantic content. This conceptual similarity may prove to be insufficient in the absence of any aural similarity and if there are significant visual differences between the signs.

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