

# Kluwer Trademark Blog

## CJEU finds reputation is irrelevant in the assessment of similarity of two signs

Julius Stobbs (Stobbs IP) and Nina Kent · Monday, October 26th, 2020

The Court of Justice has said that reputation and enhanced distinctive character are not relevant to the assessment of similarity of the signs under Article 8(1)(b) of the Regulation and should only be considered in the assessment of likelihood of confusion. This is important because if the marks are not held to be similar, there can be no likelihood of confusion.

### Background

China Construction Bank Corp. (“CCB”) applied for registration before the EUIPO of the



following trade mark: **CCB** in respect of ‘*Banking; financial evaluation (insurance, banking, real estate); financing services; credit card services; deposits of valuables; antique appraisal; brokerage; guarantees; fiduciary*’ in class 36. France’s national interbank network, Groupement des cartes bancaires (“GDCB”) filed opposition on the basis of prior rights in inter



alia, registered in the European Union for various services in class 36, including the broad terms “*financial affairs*” “*monetary affairs*” and “*banking*”, as well “*issuing of and services relating to prepayment cards, debit cards, credit cards, cash withdrawal cards..*” They relied on Article 8(1)(b) and Article 8(5) of the Regulation. The EUIPO upheld the opposition under Article 8(1)(b). This led to a series of appeals by CCB finishing up at the CJEU.

### Reputation and the Similarity Assessment

The First Board of Appeal identified the letters “CB” (leaving aside the stylisation) as the dominant element of the earlier mark because a reputation had been established in “CB” for bank cards in France. It found that the dominant element of the applicant’s mark was the letters “CCB”, the device element being incidental. This resulted in a finding that the marks were visually similar and there was more than an average degree of phonetic similarity between them. The First Board went on to conclude that a likelihood of confusion could not be ruled out.

The CJEU held that it was incorrect to assess the similarity of the marks in light of reputation in the earlier mark. Whilst the identification of a dominant element in a sign may be relevant for the purposes of comparing the signs at issue, according to the Court, it did not follow that the existence of reputation makes it possible to determine which element is dominant in the minds of the relevant

consumers.

### **Assessment of the Scope of Reputation**

The General Court found an enhanced distinctive character in the earlier mark in relation to the broad category of financial, monetary and banking services based on reputation established for bank card transactions. The CJEU held this was wrong. The General Court had not reviewed the distinctive character of the earlier mark for the broader range of services.

### **Key takeaways**

This judgement serves as a reminder that the test for refusal of a mark under Article 8(1)(b) is one that must be dealt with systematically, assessing first of all the similarity of the marks, secondly, the similarity of the goods/services, and thirdly whether there is a likelihood of confusion, taking into account the similarity of the marks and goods/services and any other surrounding factors, including an enhanced level of distinctiveness pertaining to the earlier mark.

Enhanced distinctive character and reputation acquired through use of a mark does not come into play at the first stage. On the other hand, an inherently distinctive element of a mark is likely to play an important role within the mark when assessing its similarity with the later mark because it is likely to be a characterizing element of the mark.

Even if the CJEU is right in saying that reputation is not relevant in the assessment of similarity under Article 8(1)(b), it is still a relevant factor in the assessment of likelihood of confusion under this ground and where two marks are similar only to a low degree, reputation in the earlier mark may help the opponent to get over the line in the assessment of likelihood of confusion.

However, opponents need to file evidence of their reputation in relation to each of the goods for which it is claimed, rather than rely on general reputation or reputation for a particular product or service to sustain a claim across a range of goods/services.

---

*To make sure you do not miss out on regular updates from the Kluwer Trademark Blog, please [subscribe here](#).*

### **Kluwer IP Law**

The **2022 Future Ready Lawyer survey** showed that 79% of lawyers think that the importance of legal technology will increase for next year. With Kluwer IP Law you can navigate the increasingly global practice of IP law with specialized, local and cross-border information and tools from every preferred location. Are you, as an IP professional, ready for the future?

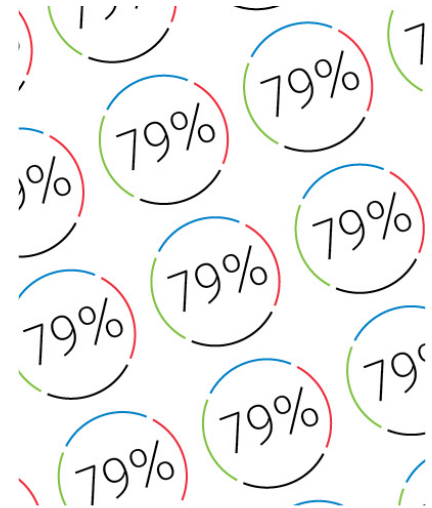
Learn how **Kluwer IP Law** can support you.

---

79% of the lawyers think that the importance of legal technology will increase for next year.

**Drive change with Kluwer IP Law.**

The master resource for Intellectual Property rights and registration.



2022 SURVEY REPORT  
The Wolters Kluwer Future Ready Lawyer  
Leading change

---

Experience how the renewed **Manual IP** enables you to work more efficiently



[Learn more →](#)



This entry was posted on Monday, October 26th, 2020 at 2:21 pm and is filed under [Trademark](#). You can follow any responses to this entry through the [Comments \(RSS\)](#) feed. You can leave a response, or [trackback](#) from your own site.