

## JUDGMENT OF THE GENERAL COURT (Third Chamber)

5 December 2017 (\*)

(EU trade mark — Opposition proceedings — Application for EU word mark MI PAD — Earlier EU word mark IPAD — Relative ground for refusal — Article 8(1)(b) of Regulation (EC) No 207/2009 (now Article 8(1)(b) of Regulation (EU) 2017/1001) — Likelihood of confusion — Similarity of the signs — Similarity of the goods and services)

In Case T-893/16,

**Xiaomi, Inc.**, established in Beijing (China), represented by T. Raab and C. Tenkhoff, lawyers,

applicant,

v

**European Union Intellectual Property Office (EUIPO)**, represented by J. Ivanauskas, acting as Agent,

defendant,

the other party to the proceedings before the Board of Appeal of EUIPO, intervener before the General Court, being

**Apple Inc.**, established in Cupertino, California (United States), represented by J. Olsen and P. Andreottola, Solicitors, and by G. Tritton, Barrister,

ACTION brought against the decision of the First Board of Appeal of EUIPO of 22 September 2016 (Case R 363/2016-1), relating to opposition proceedings between Apple and Xiaomi,

THE GENERAL COURT (Third Chamber),

composed of S. Frimodt Nielsen, President, I.S. Forrester (Rapporteur) and E. Perillo, Judges,

Registrar: E. Coulon,

having regard to the application lodged at the Court Registry on 19 December 2016,

having regard to the response of EUIPO lodged at the Court Registry on 17 February 2017,

having regard to the response of the intervener lodged at the Court Registry on 13 March 2017,

having regard to the fact that no request for a hearing was submitted by the parties within three weeks after service of notification of the close of the written part of the procedure, and having decided to rule on the action without an oral part of the procedure, pursuant to Article 106(3) of the Rules of Procedure of the General Court,

gives the following

## Judgment

### Background to the dispute

- 1 On 10 April 2014, the applicant, Xiaomi, Inc., filed an application for registration of an EU trade mark with the European Union Intellectual Property Office (EUIPO) pursuant to Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1), as amended (replaced by Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1)).
- 2 The mark in respect of which registration was sought is the word sign MI PAD.
- 3 The goods and services in respect of which registration was sought are in Classes 9 and 38 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond, for each of those classes, to the following description:
  - Class 9: ‘Portable and handheld electronic devices for transmitting, storing, manipulating, recording, and reviewing text, images, audio, video and data, including via global computer networks, wireless networks, and electronic communications networks; tablet computers, electronic book readers, periodical readers, digital audio and video players, digital cameras, electronic personal organizers, personal digital assistants, electronic calendars, mapping and global positioning system (GPS) devices; computer peripheral devices; computer and portable and handheld electronic device accessories, namely monitors, displays, keyboards, mice, wires, cables, modems, disk drives, adapters, adapter cards, cable connectors, plug-in connectors, electrical power connectors, docking stations, charging stations, drivers, battery chargers, battery packs, memory cards and memory card readers, headphones and earphones, speakers, microphones, and headsets, cases, covers, and stands for portable and handheld electronic devices and computers; computer software for the development of content and service delivery across global computer networks, wireless networks, and electronic communications networks; downloadable audio works, visual works, audiovisual works and electronic publications featuring books, magazines, newspapers, periodicals, newsletters, journals and manuals on a variety of topics; computer software for transmitting, sharing, receiving, downloading, displaying, transferring, formatting, and converting content, text, visual works, audio works, audiovisual works, literary works, data, files, documents and electronic works via portable electronic devices and computers; computer game programs; downloadable music files; downloadable image files; video telephones; navigational instruments; screens [photoengraving]’;
  - Class 38: ‘Telecommunication access services; communication by computer; transmission of data and of information by electronic means, broadcasting or transmission of radio and television programs; provision of telecommunications connections to computer databases and the Internet; electronic transmission of streamed and downloadable audio and video files via computer and other communications networks; web casting services; delivery of messages by electronic transmission; streaming of video content, streaming and subscription audio broadcasting of spoken word, music, concerts, and radio programs, broadcasting pre-recorded videos featuring music and entertainment, television programs, motion pictures, news, sports, games, cultural events, and entertainment-related programs of all kinds, via computer and other communications networks; providing online bulletin boards for the transmission of messages among computer users concerning entertainment in the nature of music, concerts, videos, radio, television, film, news, sports, games and cultural events; communication services, namely providing users access to communication networks for the transfer of music, video and audio recordings; teleconferencing services; providing Internet chat rooms; voice mail services; transmission of digital files’.
- 4 The trade mark application was published in *Community Trade Marks Bulletin* No 2014/096 of 26 May 2014.
- 5 On 22 August 2014, the intervener, Apple Inc., filed a notice of opposition pursuant to Article 41 of Regulation No 207/2009 (now Article 46 of Regulation 2017/1001) to registration of the mark applied for in respect of all the goods and services referred to in paragraph 3 above.

6 The opposition was based on, inter alia, the earlier EU word mark IPAD, filed on 18 January 2010 and registered on 24 April 2013 under No 8817281 and covering, inter alia, goods and services in Classes 9 and 38 and corresponding, for each of those classes, to the following description:

- Class 9: ‘Computers, computer peripheral devices, computer terminals; computer hardware; computer gaming machines, monitors, displays, keyboards, cables, modems, printers, disk drives, adapters, adapter cards, connectors and drivers; blank computer storage media; magnetic data carriers; computer software and firmware, namely operating system programs, data synchronization programs, and application development tool programs for personal and handheld computers; pre-recorded computer programs for personal information management, database management software, character recognition software, telephony management software, electronic mail and messaging software, paging software, mobile telephone software; database synchronization software, computer programs for accessing, browsing and searching online databases, computer hardware and software for providing integrated telephone communication with computerized global information networks; handheld digital electronic devices for data processing, information processing, storing and displaying data, transmitting and receiving data, transmission of data between computers and software related thereto; MP3 and other digital format audio players; hand held computers, tablet computers, personal digital assistants, electronic organizers, electronic notepads; mobile digital electronic devices for data processing, information processing, storing and displaying data, transmitting and receiving data, transmission of data between computers, global positioning system (GPS) devices, telephones; handheld and mobile digital electronic devices for the sending and receiving of telephone calls, faxes, electronic mail, and other digital data; cordless telephones; mobile telephones; parts and accessories for mobile telephones; facsimile machines, answering machines, cameras, videophones, telephone-based information retrieval software and hardware; electronic handheld units for the wireless receipt, storage and/or transmission of data and messages, and electronic devices that enable the user to keep track of or manage personal information; electronic communication equipment and instruments; telecommunications apparatus and instruments; computer software for the redirection of messages, Internet e-mail, and/or other data to one or more electronic handheld devices from a data store on or associated with a personal computer or a server; computer software for the synchronization of data between a remote station or device and a fixed or remote station or device; fonts, typefaces, type designs and symbols in the form of recorded data; discs and tapes bearing or for recording computer programs and software; computer and electronic games; computer equipment for use with any of the aforesaid goods; electronic apparatus with multimedia functions for use with any of the aforesaid goods; electronic apparatus with interactive functions for use with any of the aforesaid goods; accessories, parts, fittings, and testing apparatus for all the aforementioned goods; user manuals in electronically readable, machine readable or computer readable form for use with, and sold as a unit with, all the aforementioned goods; apparatus for data storage; hard drives; miniature hard disk drive storage units; pre-recorded vinyl records, audio tapes, audio-video tapes, audio video cassettes, audio video discs; audio tapes; CD-ROMs; digital versatile discs; mouse pads; batteries; rechargeable batteries; chargers; chargers for electric batteries; headphones; stereo headphones; in-ear headphones; stereo speakers; audio speakers; audio speakers for home; monitor speakers; speakers for computers; personal stereo speaker apparatus; radio receivers, amplifiers, sound recording and reproducing apparatus, electric phonographs, record players, high fidelity stereo apparatus, tape recorders and reproducing apparatus, loudspeakers, multiple speaker units, microphones; digital audio and video devices; audio cassette recorders and players, video cassette recorders and players, compact disc players, digital versatile disc recorders and players, digital audio tape recorders and players; digital music and/or video players; radios; video cameras; audio, video, and digital mixers; radio transmitters; car audio apparatus; parts and fittings for all the aforesaid goods; bags and cases adapted or shaped to contain cameras and/or video cameras; mobile telephone covers; mobile telephone cases; mobile telephone cases made of leather or imitations of leather; mobile telephone covers made of cloth or textile materials; bags and cases adapted or shaped to contain MP3 players, hand held computers, tablet computers, personal digital assistants, global positioning system (GPS) devices, electronic organizers

and electronic notepads; all of the aforesaid excluding integrated circuits and software for integrated circuits’;

- Class 38: ““Telecommunications”; communication and telecommunication services; telecommunication access services; communications by computer; communication between computers; electronic sending of data and documentation via the Internet or other databases; supply of data and news by electronic transmission; providing telecommunication access to websites and electronic news services online allowing the download of information and data; providing telecommunication access to websites on the Internet; delivery of digital music by telecommunications; providing wireless telecommunications via electronic communications networks; wireless digital messaging, paging services, and electronic mail services, including services that enable a user to send and/or receive messages through a wireless data network; one-way and two-way paging services; communication by computer, computer intercommunication; telex, telegram and telephone services; broadcasting or transmission of radio and television programmes; time sharing services for communication apparatus; provision of telecommunications access and links to computer databases and the Internet; electronic transmission of streamed and downloadable audio and video files via computer and other communications networks; webcasting services (transmission); delivery of messages by electronic transmission; provision of connectivity services and access to electronic communications networks, for transmission or reception of audio, video or multimedia content; provision of telecommunications connections to electronic communication networks, for transmission or reception of audio, video or multimedia content; providing telecommunication access to digital music websites on the Internet; providing telecommunication access to MP3 websites on the Internet; delivery of digital music by telecommunications; provision of telecommunications connections to the Internet or computer databases; electronic mail services; telecommunication of information (including web pages); video broadcasting, broadcasting pre-recorded videos featuring music and entertainment, television programs, motion pictures, news, sports, games, cultural events, and entertainment-related programs of all kinds, via a global computer network; streaming of video content via a global computer network; subscription audio broadcasting via a global computer network; audio broadcasting; audio broadcasting of spoken word, music, concerts, and radio programmes, broadcasting pre-recorded videos featuring music and entertainment, television programmes, motion pictures, news, sports, games, cultural events, and entertainment-related programmes of all kinds, via computer and other communications networks; streaming of audio content via a global computer network; electronic transmission of audio and video files via communications networks; communication services, namely matching users for the transfer of music, video and audio recordings via communication networks; providing online bulletin boards for the transmission of messages among computer users concerning entertainment, music, concerts, videos, radio, television, film, news, sports, games and cultural events; rental and hire of communication apparatus and electronic mail-boxes; electronic news services; electronic communications consultancy; facsimile, message collection and transmission services; transmission of data and of information by electronic means, computer, cable, radio, teleprinter, teleletter, electronic mail, telecopier, television, microwave, laser beam, communications satellite or electronic communication means; transmission of data by audio-visual apparatus controlled by data processing apparatus or computers; information, advisory and consultancy services relating to all the aforesaid; provision of telecommunication access time to websites featuring multimedia materials; providing telecommunication access to databases and directories via communications networks for obtaining data in the fields of music, video, film, books, television, games and sports; providing users with telecommunication access time to electronic communications networks with means of identifying, locating, grouping, distributing, and managing data and links to third-party computer servers, computer processors and computer users; providing temporary Internet access to use online non-downloadable software to enable users to program audio, video, text and other multimedia content, including music, concerts, videos, radio, television, news, sports, games, cultural events, and entertainment-related programs; providing user access to the Internet (service providers)’.

- 7 The grounds relied on in support of the opposition were those set out in Article 8(1)(b), (4) and (5) of Regulation No 207/2009 (now Article 8(1)(b), (4) and (5) of Regulation 2017/1001).
- 8 On 16 December 2015, the Opposition Division upheld the opposition on the basis of Article 8(1)(b) of Regulation No 207/2009 and rejected the application for registration in respect of all the goods and services covered.
- 9 On 16 February 2016, the applicant filed a notice of appeal with EUIPO, pursuant to Articles 58 to 64 of Regulation No 207/2009 (now Articles 66 to 71 of Regulation 2017/1001), against the Opposition Division's decision.
- 10 By decision of 22 September 2016 ('the contested decision'), the First Board of Appeal of EUIPO dismissed the appeal. In particular, first, it considered that the marks at issue were highly visually and phonetically similar. Conceptually, it considered that the marks at issue were very similar in the English-speaking part of the European Union due to the element 'pad' — common to both marks — and that the conceptual comparison was neutral in the other parts of the European Union. Second, it considered that the marks at issue were both weakly distinctive, at least for the English-speaking public, in so far as the element 'i' of the earlier trade mark could be understood as indicating a relationship with the Internet and the element 'mi' of the mark applied for could be understood as the possessive pronoun 'my' in English. Consequently, taking into account the identity or the similarity of the goods and services covered by the marks at issue, the Board of Appeal concluded that the differences between those marks were not sufficient to rule out the existence of a likelihood of confusion and that the relevant public would think that the mark applied for was a variation on the earlier trade mark.

### **Forms of order sought**

- 11 The applicant claims that the Court should:
- annul the contested decision;
  - order EUIPO and the intervener to pay the costs.
- 12 EUIPO contends that the Court should:
- dismiss the action in its entirety;
  - order the applicant to pay the costs.
- 13 The intervener contends that the Court should dismiss the action in its entirety.

### **Law**

- 14 In support of its action, the applicant raises a single plea in law, alleging infringement of Article 8(1)(b) of Regulation No 207/2009.
- 15 The applicant claims, in essence, that the marks at issue are not sufficiently similar to establish the existence of a likelihood of confusion, because of the high level of attention of the relevant public, the lack of distinctiveness of the common element 'pad', the differences between the distinctive elements of the marks at issue, and the weak distinctive character of the earlier trade mark.
- 16 EUIPO and the intervener dispute those arguments.
- 17 Article 8(1)(b) of Regulation No 207/2009 provides that, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for must not be registered if because of its identity with, or similarity to,

an earlier trade mark and the identity or similarity of the goods or services covered by the trade marks, there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected. The likelihood of confusion includes the likelihood of association with the earlier trade mark.

18 According to settled case-law, the risk that the public may believe that the goods or services in question come from the same undertaking or from economically-linked undertakings constitutes a likelihood of confusion. According to the same case-law, the likelihood of confusion must be assessed globally, according to the relevant public's perception of the signs and goods or services in question and taking into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the signs and that of the goods or services covered (see judgment of 9 July 2003, *Laboratorios RTB v OHIM — Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)*, T-162/01, EU:T:2003:199, paragraphs 30 to 33 and the case-law cited).

19 For the purposes of applying Article 8(1)(b) of Regulation No 207/2009, a likelihood of confusion presupposes both that the marks at issue are identical or similar and that the goods or services which they cover are identical or similar. Those conditions are cumulative (see judgment of 22 January 2009, *Commercy v OHIM — easyGroup IP Licensing (easyHotel)*, T-316/07, EU:T:2009:14, paragraph 42 and the case-law cited).

20 Where the protection of the earlier trade mark extends to the entirety of the European Union, it is necessary to take into account the perception of the marks at issue by the consumer of the goods or services in question in that territory. However, it must be borne in mind that, for an EU trade mark to be refused registration, it is sufficient that a relative ground for refusal for the purposes of Article 8(1)(b) of Regulation No 207/2009 exists in part of the European Union (see, to that effect, judgment of 14 December 2006, *Mast-Jägermeister v OHIM — Licorera Zacapaneca (VENADO with frame and others)*, T-81/03, T-82/03 and T-103/03, EU:T:2006:397, paragraph 76 and the case-law cited).

### ***The relevant public***

21 According to case-law, in the global assessment of the likelihood of confusion, account should be taken of the average consumer of the category of goods concerned, who is reasonably well informed and reasonably observant and circumspect. 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 (see judgment of 13 February 2007, *Mundipharma v OHIM — Altana Pharma (RESPICUR)*, T-256/04, EU:T:2007:46, paragraph 42 and the case-law cited).

22 In the present case, in the contested decision, the Board of Appeal considered that the goods and services in Classes 9 and 38 at issue were aimed at professional consumers with specific professional knowledge and at the general public. In that regard, it considered that the average consumer of the goods and services in question was deemed to be reasonably well informed and reasonably observant and circumspect. Furthermore, it considered that the relevant territory was that of the entirety of the European Union.

23 The applicant does not dispute that the goods and services in question are aimed at both the general public and professional consumers. By contrast, it submits, in essence, that the Board of Appeal failed to take account of the fact that the relevant public's level of attention was high in respect of the goods in question, in particular in respect of the tablet computers in Class 9, in so far as the purchase price for those goods is relatively high and they are subject to a period of use spanning several years, and that the Board of Appeal also failed to correctly define the territory on which its assessment of the likelihood of confusion was based.

24 EUIPO and the intervener dispute those arguments.

25 In that regard, first, regarding the relevant public's level of attention, although the purchase price of some of the goods in Class 9 covered by the mark applied for may be relatively high and those goods may be

subject to a period of use spanning several years, it should be noted that the majority of those goods are electronics aimed at the general public which, nowadays, are relatively inexpensive, have a relatively short lifespan, and do not require any particular technical knowledge. Contrary to the applicant's assertions, that finding is valid not only in respect of goods such as, inter alia, memory cards, mouses, cables and other computer peripherals, but also in respect of tablet computers. The Opposition Division was therefore correct to conclude that, in the present case, the average consumer's level of attention ranged from average to high, depending on the complexity and the price of the goods and services concerned. That finding was not called in question by the Board of Appeal in the contested decision and must be endorsed.

26 In any event, the applicant's argument that the Board of Appeal failed to take account of the high level of attention of the relevant public must be rejected as having no factual basis, in so far as the Board of Appeal expressly considered that there was a likelihood of confusion on the part of the relevant public 'even supposing it has a higher level of attention' (paragraph 56 of the contested decision). The merits of that finding will be examined below.

27 Second, regarding the relevant territory, it must be found that the Board of Appeal considered that the relevant territory was that of the European Union as a whole. That finding is not disputed by the applicant and must be upheld.

28 Moreover, it is clear from the contested decision that the Board of Appeal considered that there was a likelihood of confusion both with regard to the English-speaking part of the European Union and with regard to the non-English-speaking part of the European Union (see, in particular, paragraph 50 of the contested decision). In so doing, the Board of Appeal considered that there was a likelihood of confusion throughout the territory of the European Union. The applicant's argument that the contested decision does not clearly indicate the territory in which there was a likelihood of confusion must therefore be rejected.

### ***Comparison of the goods and services***

29 According to settled case-law, in assessing the similarity of the goods or services in question, all the relevant factors relating to those goods or services should be taken into account (see judgment of 11 July 2007, *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)*, T-443/05, EU:T:2007:219, paragraph 37 and the case-law cited).

30 In the present case, the Board of Appeal considered that the goods and services in question were identical in part and similar in part. Those findings have not been disputed by the parties.

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

31 The global assessment of the likelihood of confusion must, so far as concerns the visual, phonetic or conceptual similarity of the signs at issue, be based on the overall impression given by the signs, bearing in mind, in particular, their distinctive and dominant elements. The perception of the marks by the average consumer of the goods or services in question plays a decisive role in the global assessment of that likelihood of confusion. In this regard, the average consumer normally perceives a mark as a whole and does not engage in an analysis of its various details (see judgment of 12 June 2007, *OHIM v Shaker*, C-334/05 P, EU:C:2007:333, paragraph 35 and the case-law cited).

32 Assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see judgment of 12 June 2007, *OHIM v Shaker*, C-334/05 P, EU:C:2007:333, paragraph 41 and the case-law cited). It is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element (judgments of 12 June 2007, *OHIM v Shaker*, C-334/05 P, EU:C:2007:333, paragraph 42, and of 20 September 2007, *Nestlé v OHIM*, C-193/06 P, not published, EU:C:2007:539, paragraph 42). That

could be the case, in particular, where that component is capable on its own of dominating the image of that mark which members of the relevant public retain, with the result that all the other components are negligible in the overall impression created by that mark (judgment of 20 September 2007, *Nestlé v OHIM*, C-193/06 P, not published, EU:C:2007:539, paragraph 43).

33 It should also be borne in mind that, according to case-law, the initial part of word marks may be capable of attracting the attention of the consumer more than the following parts. However, that consideration cannot prevail in every case and cannot, in any event, call into question the principle that the assessment of the similarity of the signs must take account of the overall impression given by them (see judgment of 10 March 2016, *credentis v OHIM — Aldi Karlslunde (Curodont)*, T-53/15, not published, EU:T:2016:136, paragraph 35 and the case-law cited).

34 In the present case, regarding the comparison of the marks at issue, the Board of Appeal considered that they were highly visually similar, given that they coincided as to the letter sequence ‘ipad’ and differed only as to the presence of the letter ‘m’ at the beginning of the mark applied for. Phonetically, it considered that the marks at issue were similar, given that they coincided as to the pronunciation both of their common second syllable, ‘pad’, and of the vowel ‘i’, present in the first syllable of each of those marks. Conceptually, it considered that the marks at issue were very similar in the English-speaking part of the European Union due to the common element ‘pad’, which would be understood as meaning tablet or tablet computer by the relevant English-speaking public, whereas the conceptual comparison remained neutral in the non-English-speaking part of the European Union.

35 Regarding the distinctive and dominant nature of the constituent elements of the marks at issue, first, the Board of Appeal considered that the marks at issue contained no dominant elements. Second, it considered that the element ‘pad’, common to the signs at issue, had a weak distinctive character in the English-speaking part of the European Union, in so far as it would be understood as meaning tablet or tablet computer. It also considered that the letter ‘i’ of the earlier trade mark had a weak distinctive character, in so far as it could be understood as referring to the Internet, and that the letter group ‘mi’ of the mark applied for had an equally weak distinctive character, at least for the relevant English-speaking public, in so far as it could be understood as referring to the first person singular possessive pronoun ‘my’ in English.

36 The applicant submits, in essence, that the common element ‘pad’ must be disregarded in the comparison of the marks at issue, due to its lack of distinctiveness. Visually, the presence of the letter ‘m’ at the beginning of the mark applied for renders the marks at issue dissimilar. Phonetically, the marks at issue are also dissimilar given the presence of the consonant ‘m’ in the mark applied for and the fact that the letter ‘i’ will be pronounced differently in the earlier trade mark and in the mark applied for. Conceptually, there is no similarity between the marks at issue given that the element ‘i’ of the earlier trade mark will be understood as a reference to the Internet throughout the territory of the European Union, whereas the element ‘mi’ of the mark applied for will be understood as a fanciful term, or as a reference to the applicant’s trade mark Mi. Even assuming that the element ‘mi’ were to be understood as being the first person singular possessive pronoun in English, the applicant submits that there would be no similarity between it and the concept of the Internet, to which the element ‘i’ of the earlier trade mark refers.

37 EUIPO and the intervener dispute those arguments.

*Dominant and distinctive nature of the constituent elements of the marks at issue*

38 In this regard, it must be pointed out that the applicant has not established that the element ‘pad’, common to the marks at issue, was descriptive for all the goods and services in question and for the whole of the relevant public. It is true that the Board of Appeal considered that the common element ‘pad’ would be understood by the relevant English-speaking public of the European Union as meaning tablet or tablet computer (paragraph 30 of the contested decision) and that it was therefore only weakly distinctive for the relevant goods and services in Classes 9 and 38, which are linked to tablets and tablet computers in the parts of the European Union where English is understood (paragraph 35 of the contested decision). However, the Board of Appeal also considered that the common element ‘pad’ had a normal or highly

distinctive character in the parts of the European Union where English is not understood (paragraph 35 of the contested decision).

39 The applicant does not show that the Board of Appeal made any error of assessment whatsoever in that regard. First, contrary to the applicant's assertions, the Board of Appeal in no way confirmed in the contested decision the applicant's allegation, which moreover is in no way substantiated in the application, that the term 'pad' is an English IT term, meaning tablet computer, that is known throughout the European Union. On the contrary, it is apparent from paragraphs 30 and 35 of the contested decision that the Board of Appeal considered that the term 'pad' was not understood by the whole of the relevant public of the European Union. Second, the mere fact that tablet computers are sold in some non-English-speaking Member States under marks including the element 'pad' does not mean that the whole of the relevant public in those Member States necessarily understands its meaning. That finding is borne out by the evidence attached to the observations filed by the applicant before the Board of Appeal, from which it is apparent that the term 'pad' is not used to describe the goods in question, which are described as 'tablets'.

40 In any event, it should be noted that, according to the settled case-law recalled in paragraph 32 above, it is necessary to assess the similarity between the marks at issue by examining each of them as a whole. It is only if a mark contains a dominant element and all the other components of that mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element.

41 As it is, in the present case it must be found, as the Board of Appeal did, that the marks at issue do not contain any dominant elements and that the common element 'pad' cannot be regarded as negligible.

42 First, given that the common element 'pad' will be noticed visually and pronounced in each of the marks at issue, it will have an impact on the overall impression given by those marks.

43 Second, although the common element 'pad' is weakly distinctive for the English-speaking part of the relevant public of the European Union, it must be found, as the Board of Appeal did, that the elements 'mi' of the mark applied for and 'i' of the earlier trade mark are equally weakly distinctive for that part of the relevant public. The element 'mi' of the mark applied for may be understood by the English-speaking part of the relevant public as referring to the first person singular possessive pronoun 'my' in English, while the element 'i' of the earlier trade mark could be understood as referring to the Internet.

44 Consequently, contrary to the applicant's assertions, the comparison of the marks at issue cannot be limited to taking into account only the element 'mi' of the mark applied for and comparing it with the element 'i' of the earlier trade mark, even if the element 'pad' — common to the marks at issue — were purely descriptive. The Board of Appeal was therefore fully entitled to carry out the comparison of the mark applied for, MI PAD, with the earlier trade mark, IPAD, by considering each of those marks as a whole in the contested decision.

#### *Visual, phonetic and conceptual comparison of the marks at issue*

45 In the first place, regarding the visual comparison of the marks at issue, it must be found that the earlier trade mark is entirely reproduced in the mark applied for. Moreover, the marks at issue coincide as to the letter sequence 'ipad' and differ only as to the presence of the additional letter 'm' at the beginning of the mark applied for. Contrary to the applicant's assertions, that difference is not capable of preventing the marks at issue from being visually similar overall. In that regard, it should be borne in mind that, although the initial part of word marks may be capable of attracting the attention of the consumer more than the following parts, that consideration cannot prevail in every case and cannot, in any event, call into question the principle that the assessment of the similarity of the signs must take account of the overall impression given by them (see, to that effect, judgment of 10 March 2016, *Curodont*, T-53/15, not published, EU:T:2016:136, paragraph 35 and the case-law cited). Consequently, the Board of Appeal did not err in concluding that there was a high degree of visual similarity between the marks at issue.

- 46 In the second place, regarding the phonetic comparison of the marks at issue, it must be found, as the Board of Appeal did, that they each contain two syllables, that they are pronounced with a similar intonation, and that they coincide as to the pronunciation of their common second syllable ‘pad’ and that they differ only as to their first syllables.
- 47 In that regard, it must be found that that difference is merely a result of the presence of the additional letter ‘m’ at the beginning of the mark applied for. While it is true that it is possible for the English-speaking part of the relevant public to pronounce the letter ‘i’ in the first syllable ‘mi’ of the mark applied for as [I], according to the English International Phonetic Alphabet, whereas it will pronounce that letter in the first syllable ‘i’ of the earlier trade mark as [aI], according to the English International Phonetic Alphabet, it is nonetheless possible for that letter ‘i’ to be pronounced [aI] in both cases by the English-speaking part of the relevant public, according to the English International Phonetic Alphabet. That latter pronunciation is all the more likely in the present case because the English-speaking part of the relevant public will perceive the prefix ‘mi’ of the mark applied for as referring to the first person singular possessive pronoun ‘my’ in English. Moreover, as the Board of Appeal stated in paragraph 25 of the contested decision, whatever way the non-English-speaking part of the relevant public will tend to pronounce the letter ‘i’, it will pronounce it in the same way in both of the marks at issue. The difference in pronunciation between the marks at issue resulting from the presence of the letter ‘m’ in the first syllable of the mark applied for is therefore not capable of offsetting the overall phonetic similarity between the marks at issue resulting, for the whole of the relevant public, from the similarities set out in paragraph 46 above.
- 48 Consequently, it must be concluded that the marks at issue display an average degree of phonetic similarity for the English-speaking part of the relevant public of the European Union and a high degree of phonetic similarity for the non-English-speaking part of the relevant public.
- 49 In the third place, regarding the conceptual comparison of the marks at issue, it should first of all be borne in mind that, according to settled case-law, although the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details, the fact remains that, when perceiving a verbal sign, he will break it down into elements which, for him, suggest a concrete meaning or which resemble words known to him (judgments of 13 February 2007, *RESPICUR*, T-256/04, EU:T:2007:46, paragraph 57, and of 13 February 2008, *Sanofi-Aventis v OHIM – GD Searle (ATURION)*, T-146/06, not published, EU:T:2008:33, paragraph 58).
- 50 In the present case, it is not disputed that at least a part of the relevant public will tend to break down both the mark applied for and the earlier trade mark into two elements, namely ‘mi’ and ‘pad’ and ‘i’ and ‘pad’, respectively. The comparison of the marks at issue must therefore be carried out on that basis.
- 51 Regarding the element ‘pad’, common to the marks at issue, it must be found, as the Board of Appeal did, that it will be understood as meaning tablet or tablet computer by the English-speaking part of the relevant public, whereas it will have no meaning for the non-English-speaking part of the relevant public.
- 52 Regarding the element ‘mi’ of the mark applied for, it must be found that it may be understood, at least by the English-speaking and the Spanish-speaking parts of the relevant public, as referring to the first person singular possessive pronoun. By contrast, contrary to the applicant’s assertions, it is unlikely that that element will be understood by the relevant public as a reference to the applicant’s trade mark.
- 53 Regarding the element ‘i’ of the earlier trade mark, it must be found that it may be understood, at least by the English-speaking part of the relevant public, as referring to the Internet.
- 54 Contrary to the applicant’s assertions, it is apparent from the foregoing that the marks at issue are conceptually similar for the English-speaking part of the relevant public, because of the meaning attributed to the common element ‘pad’. Indeed, although the common element ‘pad’ is weakly distinctive in respect of the goods and services in question for the English-speaking part of the relevant public, it is nonetheless not descriptive and its presence in both of the marks at issue is a sufficient basis for a finding of conceptual similarity (see, to that effect, judgment of 13 December 2007, *Xentral v OHIM – Pages jaunes*

(*PAGESJAUNES.COM*), T-134/06, EU:T:2007:387, paragraph 63). In addition, the conceptual differences between the marks at issue resulting from the elements ‘mi’ and ‘i’ are not such as to remove all similarity between the marks at issue for the English-speaking part of the relevant public, in so far as those elements will be perceived as prefixes qualifying the common element ‘pad’, without significantly altering its conceptual meaning.

55 Consequently, it must be concluded that the marks at issue display an average degree of conceptual similarity for the English-speaking part of the relevant public. As regards the non-English-speaking part of the relevant public, it must be concluded, as the Board of Appeal did, that the conceptual comparison of the marks at issue remains neutral. Indeed, even assuming that the element ‘mi’ of the mark applied for is understood as referring to the first person singular possessive pronoun and the element ‘i’ of the earlier trade mark is understood as referring to the Internet, those elements are only prefixes in the marks at issue, whereas the conceptual similarity of those marks must be assessed on the basis of the evocative force that may be recognised in each of them taken as a whole (see, to that effect, judgment of 17 March 2004, *El Corte Inglés v OHIM – González Cabello and Iberia Líneas Aéreas de España (MUNDICOR)*, T-183/02 and T-184/02, EU:T:2004:79, paragraph 90). In the present case, those prefixes are accompanied by the common element ‘pad’, which has no meaning for the non-English-speaking part of the relevant public, so that the marks at issue are ultimately devoid of any particular conceptual meaning for that public.

56 It is apparent from all of the foregoing that the marks at issue are highly visually and phonetically similar for the whole of the relevant public. Moreover, as regards the English-speaking part of the relevant public, the marks at issue are also conceptually similar.

### ***The likelihood of confusion***

57 A global assessment of the likelihood of confusion implies some interdependence between the factors taken into account and, in particular, between the similarity of the trade marks and that of the goods or services covered. Accordingly, a low degree of similarity between those goods or services may be offset by a high degree of similarity between the marks, and vice versa (judgments of 29 September 1998, *Canon*, C-39/97, EU:C:1998:442, paragraph 17, and of 14 December 2006, *VENADO with frame and others*, T-81/03, T-82/03 and T-103/03, EU:T:2006:397, paragraph 74).

58 In the present case, the Board of Appeal concluded that there was a likelihood of confusion between the marks at issue. In particular, in view of the identity or similarity of the goods and services covered by the marks at issue, it considered that the differences between those marks arising from the presence of the additional letter ‘m’ at the beginning of the mark applied for were not sufficient to offset the high degree of visual and phonetic similarity between the marks at issue, taken as a whole. It also considered that, even supposing that the relevant public were to display a higher level of attention, it would believe that the goods and services in question came from the same undertaking or from economically-linked undertakings and would think that the mark applied for, MI PAD, was a variation on the earlier trade mark IPAD.

59 The applicant submits, in essence, that the relevant public will be capable of making the distinction between the marks at issue, in view of the high degree of attentiveness it displays in respect of the goods and services in question. The relevant public will not perceive the common element ‘pad’ as an indicator of commercial origin, because of its purely descriptive nature, and will therefore easily perceive the differences between the distinctive elements ‘i’ and ‘mi’ of the marks at issue. Moreover, the earlier trade mark enjoys only limited protection owing to its weak distinctive character. The applicant therefore maintains that there is no likelihood of confusion.

60 EUIPO and the intervener dispute those arguments.

61 In that regard, contrary to the applicant’s assertions, first of all it must be pointed out that the visual and phonetic differences between the marks at issue resulting from the presence of the additional letter ‘m’ at the beginning of the mark applied for are not such as to rule out a likelihood of confusion between the

marks at issue as a result of their similarities and the overall impression given by those marks (see paragraphs 45 to 48 above).

62 Similarly, the conceptual differences between the marks at issue resulting from the elements ‘mi’ of the mark applied for and ‘i’ of the earlier trade mark are also not such as to offset their visual and phonetic similarities. It is true that case-law shows that the global assessment of the likelihood of confusion implies that conceptual differences between two signs may counteract phonetic and visual similarities between them, provided that at least one of those signs has, from the point of view of the relevant public, a clear and specific meaning, so that the public is capable of grasping it immediately (judgments of 18 December 2008, *Les Éditions Albert René v OHIM*, C-16/06 P, EU:C:2008:739, paragraph 98, and of 14 October 2003, *Phillips-Van Heusen v OHIM – Pash Textilvertrieb und Einzelhandel (BASS)*, T-292/01, EU:T:2003:264, paragraph 54). However, that is not the situation in the present case. First, as has been explained in paragraph 55 above, neither of the two marks at issue has any meaning for the non-English-speaking part of the relevant public, so that the result of the conceptual comparison of the marks at issue remains neutral. Second, for the English-speaking part of the relevant public, the conceptual differences resulting from the prefixes ‘mi’ of the mark applied for and ‘i’ of the earlier trade mark are not sufficient to remove the likelihood of confusion between the marks at issue resulting from both the conceptual similarity created by the common element ‘pad’ and the visual and phonetic similarities noted in paragraphs 45 to 48 above.

63 This is all the more the case given that the goods and services in question are identical in part and similar in part (see paragraph 30 above). According to the settled case-law recalled in paragraph 57 above, a global assessment of the likelihood of confusion implies some interdependence between the factors taken into account and, in particular, between the similarity of the trade marks and that of the goods or services covered. Thus, even assuming that the marks at issue display only a low degree of similarity because of their conceptual differences, this would be offset by the high degree of similarity between the goods and services covered by those marks.

64 Furthermore, it should be borne in mind that, according to established case-law, where, as in the present case, the earlier mark on which the opposition is founded is an EU trade mark, it is not a requirement of Article 8(1)(b) of Regulation No 207/2009 that, for the mark applied for to be refused registration, the likelihood of confusion must exist in all the Member States and in all the linguistic regions of the European Union. The unitary character of the EU trade mark means that an earlier EU trade mark can be relied on in opposition proceedings against any application for registration of an EU trade mark which would adversely affect the protection of the first mark, even if only in relation to the perception of consumers in part of the European Union (see judgment of 18 September 2012, *Scandic Distilleries v OHIM – Bürgerbräu, Röhm & Söhne (BÜRGER)*, T-460/11, not published, EU:T:2012:432, paragraph 52 and the case-law cited).

65 Accordingly, as the relevant territory is, as is apparent from paragraph 27 above, that of the European Union, the existence of a likelihood of confusion for the non-English-speaking part of the relevant public, because of the high degree of visual and phonetic similarity between the marks at issue and the identity or the similarity of the goods and services in question, is sufficient to prevent the registration of the mark applied for.

66 The other arguments put forward by the applicant are not capable of calling in question the existence of a likelihood of confusion in the present case.

67 Thus, first, contrary to the applicant’s assertions, the level of attention that will be displayed by the relevant public is not high for all the goods and services in question, but ranges from average to high, depending on the complexity and the price of the goods and services in question (see paragraph 25 above). Moreover, given the degree of similarity found between the marks and the identical or similar nature of the goods and services concerned, the fact that the level of attention of the relevant public would be above average for some of the goods and services in question is not sufficient to exclude the possibility that that public might believe that the goods in question come from the same undertaking or, as the case may be, from economically-linked undertakings (see, to that effect, judgment of 16 December 2010, *Longevity*

*Health Products v OHIM – Gruppo Lepetit (RESVEROL)*, T-363/09, not published, EU:T:2010:538, paragraph 33 and the case-law cited).

68 Second, contrary to the applicant's assertions, the weak distinctive character of the earlier trade mark does not remove the likelihood of confusion between the marks at issue. Indeed, according to established case-law, the finding of a weak distinctive character for the earlier trade mark does not prevent a finding that there is a likelihood of confusion in the present case. Although the distinctive character of the earlier mark must be taken into account when assessing the likelihood of confusion, it is only one factor among others involved in that assessment. Thus, even in a case involving an earlier mark of weak distinctive character, there may be a likelihood of confusion on account, in particular, of a similarity between the signs and between the goods or services covered (see judgments of 16 March 2005, *L'Oréal v OHIM – Revlon (FLEXI AIR)*, T-112/03, EU:T:2005:102, paragraph 61 and the case-law cited, and of 13 December 2007, *PAGESJAUNES.COM*, T-134/06, EU:T:2007:387, paragraph 70 and the case-law cited). This is the situation in the present case, in view of the degree of similarity between the marks at issue and the goods and services in question, for the reasons set out in paragraphs 61 to 63 above.

69 In the light of all of the foregoing, it must therefore be found that the applicant has not shown that the Board of Appeal erred in any way whatsoever by considering that there was a likelihood of confusion between the marks at issue. Consequently, the applicant's single plea in law must be rejected and the action must accordingly be dismissed in its entirety.

### Costs

70 Under Article 134(1) of the Rules of Procedure of the General Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings.

71 Since the applicant has been unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by EUIPO.

On those grounds,

THE GENERAL COURT (Third Chamber)

hereby:

- 1. Dismisses the action;**
- 2. Orders Xiaomi, Inc. to pay the costs.**

Frimodt Nielsen

Forrester

Perillo

Delivered in open court in Luxembourg on 5 December 2017.

E. Coulon

S. Frimodt Nielsen

Registrar

President

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\* Language of the case: English