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**SIPO not sold on MERCATOR opposition**

Examination/opposition

**Slovenia - ITEM d.o.o**

National procedures

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In *Poslovni Sistem Mercator dd v Tabacofina-Vander Elst NV* (Case 670-347/02-ac), the Slovenian Intellectual Property Office (SIPO) has dismissed the plaintiff's opposition to the registration of MERCATOR. The SIPO held, among other things, that although the plaintiff's own MERCATOR marks are well known, the graphical and conceptual differences between the two parties' marks eliminated the likelihood of confusion.

Tabacofina-Vander Elst NV, a Belgian company, filed an application with the SIPO to register MERCATOR as a label mark for, among other things, cigars, cigarettes and various other tobacco products in Class 34 of the **Nice Classification**. The mark comprised the word '*Mercator*' (meaning 'merchant' in Latin) on a patterned background and a small picture of a bearded man with the letters 'G' and 'M' either side of his head.

**Poslovni Sistem Mercator dd** (PSM), the company behind the Mercator chain of supermarkets in Slovenia, opposed the application based on several earlier MERCATOR registrations, particularly the trademark MERCATOR and M device for, among other things, cigarettes and tobacco products in Class 34. All PSM's marks included additional graphical elements and the majority of them featured a stylized letter M. PSM claimed that Tabacofina's mark was confusingly similar to its MERCATOR marks because the dominant part of both parties' marks was the word '*Mercator*'. It also argued that its MERCATOR marks are well known in Slovenia because the Mercator chain of stores is the largest in that country. It submitted survey evidence to back up that claim.

The SIPO refused the opposition. It noted that although phonetically the two parties' marks were almost identical, there were a number of differences between them that eliminated any likelihood of confusion. The graphical differences between the marks meant that visual confusion was unlikely. According to the SIPO, the marks differed conceptually as well. The SIPO agreed that the dominant part of both parties' marks (ie, the word '*Mercator*') was identical. However, since the Latin word '*Mercator*' means 'merchant', it is not particularly distinctive for any class of goods. Therefore, the key elements were the graphical features of the marks at issue. Of particular importance was the fact that the graphical elements in Tabacofina's mark had historical connotations, whereas PSM's mark was suggestive of modern trade practices. In addition, the SIPO reasoned that the purchasers of cigarettes and

tobacco products are very attentive to trademarks. This further minimized the likelihood of confusion.

The SIPO noted that PSM's MERCATOR marks are well known within the meaning of Article 6*bis* of the **Paris Convention for the Protection of Industrial Property** and Article 16 of the **Agreement on Trade-Related Aspects of Intellectual Property Rights**. In its view, however, the differences between those marks and Tabacofina's mark were sufficient to defeat PSM's opposition.

PSM has challenged the SIPO's decision and the case is pending before the Administrative Court.

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