

*Milica Šutova, Ph. D., Associate Professor
Faculty of Law, "Goce Delčev" University of Štip
ORCID: 0009-0009-2972-1091
Ksenija Paunović, Scientist Associate
University in Kragujevac
ORCID: 0000-0002-2064-9419*

*Review scientific paper
UDC: 347.78
DOI: 10.46793/XXMAJSKO1.1915*

FUNDAMENTAL CRITERIA FOR DETERMINING THE RISK OF CONFUSION REGARDING THE PRODUCT ORIGIN IN TRADEMARK LAW

Summary

The risk of confusion regarding the product's origin is one of the fundamental concepts of trademark law because marking the origin is the original function of the trademark. "To ascertain this substitution, the criteria outlined in Article 10 of Directive No. 89/104 are employed, which then were developed in court practice.

By looking at all the criteria and their mutual relationship, we can conclude that there is a danger of confusion regarding the origin. At the same time, the lower intensity of one can be compensated by the higher intensity of the other. Thus, a low degree of similarity of marks can be compensated by a high degree of similarity of products and vice versa.

***Key words:** likelihood of confusion, protection, distinctive character, the similarity of signs and products.*

1. Introduction

When two trademarks are similar, they are more likely to be confused with each other and injury may occur. Determining whether there is a likelihood of confusion between two marks involves comparing the marks. The degree of similarity between trademarks is tested on four levels: appearance, sound, connotation, and commercial impression. It should be borne in mind that the lower the degree of similarity between two trademarks, the higher the degree of similarity of the products should be for there to be a danger of substitution in terms of origin and vice versa.

When talking about the similarity of trademarks it is crucial to understand that the purpose is to protect consumers from confusion. In other words, does the consumer believe that the rights holders of the two trademarks are related or that the products or services come from the same source. According to established case law, the risk that the public will believe that the product or services in question come from the same undertaking or not, as the case may be, from economically related undertakings, constitutes a likelihood of confusion.

A central issue is the risk of confusion as to the origin of the product. Mutual similarity of signs is one of the most important criteria used to determine this confusion.

More precisely, delusion (confusion) can be expressed in several ways. In the trademark context, the test for the basic type of confusion is to determine whether the similar sign is so similar to the protected trademark as to confuse a large number of average consumers.

The EUTMR does not define the term "likelihood of confusion", so the precise meaning of "likelihood of confusion" has been the subject of discussion by many authors and cases for years. Today, the EUIPO accepts the jurisprudence of the European Court of Justice and follows the trend according to which "likelihood of confusion" fundamentally refers to two specific situations in which: the public is confused about two trademarks, b) they are connected and assumed that the products and services are of the same origin.

2. Similarity of signs

Per section 43(a) of the US Lanham Act, 'fallacy' pertains to a resemblance that induces confusion. This stipulation prohibits any person from utilizing any word, term, name, symbol, phrase, or any amalgamation thereof, which is likely to create confusion regarding the source, sponsorship, or endorsement of their products."¹ We can talk about competition between products when they are interchangeable with the same or similar products. In other words, in addition to the same and similar purpose, they target the same consumers. Complementary products and services are those which are closely related to each other in the sense that a particular product or service is essential to the use of another, so that the relevant public may assume that they originate from the same producer.²

¹ The Sabel vs Puma case, decided back in 1997, has proved to be crucial in helping parties understand how 'likelihood of confusion' is examined, as it established several fundamental propositions which helped in understanding what 'identical marks' are, and how to assess, in a number of stages, the notion of 'likelihood of confusion'.

² See: <http://www.bitlaw.com/source/15usc/1125.html>

The case of *Sabel v. Puma*³ decided back in 1997, proved to be crucial in helping parties understand how "likelihood of confusion" is tested, as it established several fundamental propositions that helped to understand what are "identical marks" and how to assess, in several stages, the notion of "likelihood of confusion". In general, the assessment of "likelihood of confusion" involves several factors, the most important of which are:

- *Similarity between products or services*
- *Similarity between tags*
- *the dominant character of the marks.*
- *the distinctiveness of the mark*
- *the relevant public.*

The fact that no specific criteria are spelled out in the EUTMR, nor are any specified by the EUIPO, the EUIPO itself bases its conflicting decisions on factors created through case law. To apply Article 8(1) (b) of Regulation No. 207/2009, the likelihood of confusion presupposes that the sign for which registration is sought and the previous trademark are identical or similar and that the products or services covered by the application for registration are identical or similar to those in respect of which the previous mark was registered. Those conditions should be met cumulatively.⁴

Moreover, in the *Canon vs MGM*⁵ judgment, the court went a step further by emphasizing that all criteria relating to the products or services themselves must be taken into account. With the "*CANON*"⁶ judgment, new criteria were established for determining the similarity of products and services. Namely, when determining the similarity between the products and services marked by the older well-known mark *Canon*⁷ and the younger mark *CANON*⁸, the Federal Supreme Court of Germany stopped the dispute and referred the question to the European Court of Justice: "Can, in determining the similarity of the products and the services, according to art. 4, paragraph 1, (b) Directive 89/104/EEC, to take into account the distinctiveness and familiarity of the old trademark, while

³ Case C-251/95 *Sabel vs Puma* [11/11/1997] European Court of Justice.

⁴ Case C-106/03 *Vedial vs OHIM* [12/10/2004] European Court of Justice, para.23

⁵ Judgment of the European Court of Justice, dated 29.9.1998, *Canon Kabushiki Kaisha and Metro - Goldwyn-Mayer Inc.C - 39/97*, European Court Reports 1998, p. 5507.

⁶ *Ibid.*

⁷ Japan's *Canon Kabushiki Kaisha* is the holder of the well-known *Canon* trademark for cameras and projectors, television recording and recording equipment, and television station reception, transmission, and playback services, including cassettes, discs, and video recorders. The above judgment, point no. 2.

⁸ On June 29, 1986, the American company *Metro-Goldwyn-Mayer* filed an application for the registration of the *CANON* trademark for the designation of films recorded on video cassettes, production, distribution, and projection of films for cinemas and television stations. The above judgment, point no. 3

at the same time, the danger of substitution must be confirmed? The European Court of Justice in its preliminary decision points out that the answer to this question should be interpreted following Directive 89/104/EEC, i.e. point 10.⁹ The protection based on point 10 of Directive 89/104 refers to cases of similarity of marks and trademarks and similarity of products and services. It is therefore necessary to interpret the concept of similarities concerning the danger of substitution, which is a specific requirement for protection. Namely, the danger of substitution should be applied comprehensively. At the same time, it means that when evaluating the similarity of certain products and services, all criteria that reflect the mutual relationship between the products and services being compared are considered. These criteria are, among others:

- a) the nature and type of products and services.*
- b) the purpose of the products and services.*
- c) way of using products and services;*
- g) mutual relationship of competition between comparative products and services;*
- d) complementarity of products and services.*¹⁰

The term "inter alia" indicates that the enumeration of the mentioned criteria by the European Court of Justice is only indicative. The similarity of the products or services cannot depend on a fixed number and limited criteria that can generally be determined in advance, with a single effect in all cases. The nature and type of the product are determined by the composition, the physical condition in which it is located, as well as the principle of operation. However, in determining their mutual similarities, in addition to specific properties, a significant role is also attributed to the impression that occurs during the perception of the product in the relevant public. How the products and services are used occurs from their direct nature or purpose. For example: the way of using newspapers and books is the same, because both products are intended for

⁹ "In point 10, the rationale states: The primary aim of the protection afforded by a registered trademark is to ensure the trademark's function of indicating origin. This protection is unconditional in cases of complete identity between the trademark and the mark, as well as between the product and the service. The notion of similarity should be construed in terms of the risk of substitution." The threat of substitution is a specific presumption of protection, and whether it exists depends on several circumstances, particularly the familiarity of the trademark in the market, the association that the later trademark evokes with the well-known trademark, as well as the degree of similarity between the trademark and the sign and between products and services marked with them. See: Vlašković, B., *Concept of similar products in the decisions of the European Court of Justice and in the practice of German federal courts*, Pravni život, no. 11/2012, p. 724 - 725.

¹⁰ Referred judgment, point no. 23. See also: Fezer, K-H., *Markenfunktionale Wechselwirkung zwischen Markenbekanntheit und Produktähnlichkeit*, Wettbewerb in Recht und Praxis, no. 12/1998, p. 1123

reading. Their similarity is confirmed by the same way of use because they are printed products (same nature) that serve to entertain or inform consumers about something (same purpose).

Although the EUIPO and the courts rely heavily on the above criteria ("criteria set out in the CANON judgment"), the EUIPO considered three additional factors in its guidelines¹¹:

- If the goods or services in question use the same distribution channel, consumers are more likely to "assume" that the goods or services in question come from the same market.

- The relevant public – the perception of the relevant public, which includes current or potential customers, is of great importance. This relevant public may consist of the public and business customers.

- The common origin of goods or services is considered an indication of close similarity when, according to the public, the goods or services have the same common origin.

In conclusion, it should be borne in mind that although the criteria in the Canon judgment were originally considered individually by the courts to determine whether there was a likelihood of confusion, this is not the case today. Thus, determining whether there is a likelihood of confusion between two marks involves a comparison of the marks as a whole. When comparing two trademarks, the signs should be analyzed in their entirety in terms of their appearance, sound, meaning, and the commercial impression of the trademarks, whether there is a likelihood of confusion regarding the origin of the products.¹²

The degree of similarity between trademarks is tested on four levels: appearance, sound, connotation and commercial impression. Deciding whether two trademarks are confusingly similar can be a difficult task that depends on many factors that vary from case to case. It should be borne in mind that the more similar the trademarks, the more related their products or services must be for a likelihood of confusion to arise. Furthermore, the more distinctive the earlier mark, the greater the likelihood of confusion (SABEL, para. 24), and therefore marks with a greater degree of distinctiveness, either by themselves or because of market familiarity, enjoy wider protection than marks with a lower

¹¹ Guidelines for Examination of European Trademarks' Part C, Opposition, Section 2.

¹² It is established case law that the global assessment of the likelihood of confusion, as regards the visual, aural, or conceptual similarity of the conflicting signs, must be based on the overall impression they give, considering, inter alia, their distinctive and dominant components. See: <https://curia.europa.eu/juris/showPdf.jsf?text=&docid=60419&pageIndex=0&doclang=en&mode=lst&dir=&occ=first&part=1&cid> (see Case T-292/01 Phillips-Van Heusen v OHIM — Pash Textilvertrieb und Engelhard (BASS) [2003] ECR II-4335, paragraph 47, and the case-law cited).

degree of distinctiveness. (see Canon, paragraph 18).¹³ Since trademark protection depends (by Article 4(1)(b) of the Directive) on the existence of a likelihood of confusion, signs with a more distinctive character, either by themselves or because of the reputation they possess on the market, enjoy wider protection against marks with a less distinctive character.

The wording of Article 4(1)(b) of Directive 89/104 — "... there is a likelihood of confusion on the part of the public..." — shows that the perception of the marks in the mind of the average consumer of the category of goods or services for in question plays a decisive role in the global understanding of the likelihood of confusion. The average consumer normally perceives the mark as a whole bearing in mind their distinctive and dominant components (see, to that effect, SABEL, paragraph 23).¹⁴

Hence, the similarity of the signs is determined from the aspect of meaning, as well as visual and phonetic.¹⁵ To determine the similarity, the general impression of the marks is relevant, which is determined based on the distinctive and dominant elements of the marks. In that sense, in the judgment "Gold Hase II", the Federal Supreme Court of Germany emphasized: "When assessing the similarity of the marks based on a comparison of the general impression, only those similarities of the signs that point to the origin are decisive."¹⁶ The meaning, which for the general impression belongs to a certain integral part of the mark, depends on its relationship with other parts of the mark. For example, when determining the general impression of a multi-part mark, the increased degree of the distinctive character of one part of the sign with the distinctive character of the other parts may come to the fore. As a rule, markings with a weaker distinctive element do not have a great impact on the

¹³ The distinctive character of the earlier mark, and particularly its reputation, must be considered when determining whether the similarity between the goods or services covered by the two marks is sufficient to give rise to a likelihood of confusion and that the more similar the goods or services covered and the more distinctive the earlier mark, the greater the likelihood of confusion. Hence, the assessment of the likelihood of confusion "depends on numerous elements, and particularly the familiarity of the trademark on the market, [on] the connection that can be made with the used or registered sign, [on] the degree of similarity between the trademark and the sign and between the goods or services identified.

¹⁴ The Court has held that the likelihood of confusion on the part of the public, in the absence of which Article 4(1)(b) of the Directive does not apply, must be appreciated globally, considering all factors relevant to the circumstances of the case (Case C-251/95 SABEL v Puma [1997] ECR I-6191, paragraph 22, 23). See: <https://curia.europa.eu/juris/document/document.jsf?docid=44983&doclang=EN>

¹⁵ Baumbach, A., Hefermehl, W., cited commentary, pp. 324-423. See more: Marić, V., *Similarity of Trademarks*, Faculty of Law, Union University, Belgrade 2009.

¹⁶ Judgment of the Federal Supreme Court in Germany, I ZR 57/08 Goldhase II, dated 15. 7. 2010, item. 24, Gewerblicher Rechtsschutz und Urheberrecht 1/2011, p. 148.

general impression of some signs.¹⁷ Hence, in determining the general impression of some signs, the decisive factor is how it affects the average consumer. Because the basic rule is that the average consumer perceives the mark as a whole and does not pay attention to its parts,¹⁸ the marks must always be compared with each other as a whole, which does not exclude the possibility that a particular part or parts may be decisive for the formation of the general impression.¹⁹ This part or part of the mark is called the dominant element. This term also includes the marks themselves, which are sufficient by themselves, regardless of the other parts of the mark, to create an image of it, which remains in the memory of the average consumer.²⁰

Only in such a case, similarity can be based solely on the dominant element of certain marks.

If the existence of a dominant element is not established, similarity will not be confirmed, as, for example, in the judgment "VOLKSWAGEN/Volks.Inspektion".²¹ The similarity of the combined marks is also discussed in the "Duff Beer"²² ruling, which states: "In the case of the combined marks consisting of parts in words and parts in images, the market according to general life experience, decisively focuses on the part with words, because it is easiest for the participants in the trade to name the offered products with words. However, the parts in pictures can also have a visible meaning, if the part in the word shows only a small degree of dominance/distinctiveness. In the present case, the part in the words Duff concerning beer has no descriptive character, but on the contrary, due to its brevity and conciseness, it is particularly suited to indicate the origin. It must therefore be considered that the use of this part is particularly appropriate when ordering verbally in restaurants."²³

¹⁷ *Ibid.*

¹⁸ See more: Vlašković, K., *Protection of well-known trademarks according to directives number 89/104/EEC*, Legal Annals faculty in Belgrade, no. 1/2013, p. 270.

¹⁹ Judgment of the Federal Supreme Court in Germany, Bogner B/Barbie B - I ZR 50/11, dated 02/02/2012, Gewerblicher Rechtsschutz und Urheberrecht 9/2012, p. 930.

²⁰ Hacker, F., *Methodenlehre und Gewerblicher Rechtsschutz - dargestellt am Beispiel der markenrechtlichen Verwechslungsgefahr*, Gewerblicher Rechtsschutz und Urheberrecht, no. 7/2004, p. 549.

²¹ Judgment of the Federal Supreme Court in Germany, I ZR 214/11 VOLKSWAGEN/Volks.Inspektion: Schutzzumfang einer bereicht Marke, of 11. 4. 2013, Gewerblicher Rechtsschutz und Urheberrecht 12/2013, p. 1239.

²² Judgment of the Federal Supreme Court in Germany, Duff Beer - I ZR 135/11, dated 5. 12. 2012, Gewerblicher Rechtsschutz und Urheberrecht, no. 7/2013, p. 729.

²³ In this context see also the judgment of the Federal Supreme Court in Germany, Bit/But - of 26.4.2001, Gewerblicher Rechtsschutz und Urheberrecht 2/2002, p. 167, 169. In the same sense is the judgment "Castell/VIN CASTEL" in which the court points out: Concerning wine, the work in the word "Castell" has a weak distinctive power for marking. For that reason, the parts of the image are also important in

From here we can draw the conclusion that through the analysis of the signs it can be concluded whether the signs of the products match and what is their distinctiveness. An analysis of the earlier mark as a whole determines the scope of protection afforded by that mark, which is a separate consideration within the likelihood of confusion independent of a comparison of the trademarks.

In this context, the case of *Jägermeister and the Hungarian mark St. Joseph*,²⁴ in which Jägermeister's opposition to trademark registration was rejected. In the present case, it was considered that there is no similarity between the two marks, the necessary prerequisite for the applicability of Articles 8(1)(b) and 8(5) of Directive 2017/1001 (likelihood of confusion based on similarity and exploitation of the reputation of the earlier mark) is not fulfilled, because there is a low degree of similarity between the grades, it would be appropriate to examine the remaining requirements of the submitted objection. "After Jägermeister appealed to the Court of Appeal, it determined that there existed a certain level of similarity (albeit minimal) between the two marks, attributed to a specific visual resemblance." It finds that the marks are identical in terms of their color scheme (green, white, gold, and orange/red), their basic rectangular shape, their construction and their essential graphic elements, and their graphic layout (a circular green element with a portrait-like bar above orange/red banderola). It states that in the decision, the consumer usually perceives the mark as a whole and does not deal with the analysis of its details.²⁵

In particular, the examination of similarity between signs does not mean that only one component of a multi-component trademark should be considered and compared with another trademark. Rather, the comparison must be made by examining each of the marks concerned as a whole. However, only if all other components of the mark are negligible, *the assessment of similarity can be made solely based on the dominant element*. Despite the differences that exist, especially the differences in the most dominant word components "ST. Joseph" and "Jägermeister" and concerning the figurative elements (a human head as opposed to a deer's head), in the decision on appeal the court took the view that

determining the general impression." See more: Judgment of the Federal Supreme Court of Germany, Castell/VIN CASTEL - I ZR 112/10, dated 31/05/2012, Gewerblicher Rechtsschutz und Urheberrecht 1/2013, p. 68.

²⁴ See more: 20/06/2023, R 1952/2022-1, ST. JOSEPH (fig.)/Jägermeister (fig.)

²⁵ Finally, the decision also cites the judgment of 16.01.2018, T-398/16, COFFEE ROCKS (fig.)/STAR-BUCKS COFFEE (fig.) and others, EU: T:2018:4, pointing out that, depending on the degree of recognition of the earlier mark, even a low degree of similarity between the signs may be sufficient to presume the existence of a link within the meaning of Article 8(5) EUTMR.

the conflicting marks have a low degree of visual similarity (they are still similar) because their graphic arrangement is overall very similar.

3. Similarity of products

Neither the theory nor the judicial practice defines what should be considered a "composition" or an element of the mark (except that they point to the absolute and relative reasons for refusing an application for registration). It is easy to identify a composition when the sign is visually divided into several parts (figurative and verbal). However, the perception of the sign by the relevant public is decisive.

Although not explicitly stated in the laws or legal regulations, the specific characteristics of the products or services represent unique criteria when defining the relevant public. Depending on the nature of the products and services, the notion of the relevant public can be considered from general to the specialized scope of the public. The differences can be particularly seen when it comes to exploiting the reputation and distinctiveness of the trademark.

When it comes to products that are placed on the consumer market, the concept of the relevant public is identified with the concept of the general public, because these products, with their basic purpose, are aimed at all. In contrast, in the case of specific products, the relevant public is determined on a limited scope, because the products and services are aimed at a specialized professional public in which there is a certain level of knowledge and attention.

The similarity of the signs depends on their distinctiveness and the dominant element of the signs applied to the products. When comparing the visual, phonetic, and conceptual similarity of the signs, it must be determined whether the signs applied to the product coincide or are different elements, taking into account their distinctiveness and dominance on the one hand and whether and to what extent these elements coincide with the total impression of the sign. It depends on this that the degree of similarity in each aspect (visual, phonetic, and conceptual) of the component of the previously registered and the disputed trademark should be examined. It is important to distinguish between the distinctive element of the component of the mark and the earlier mark.

Consumers perceive products with one word regardless of whether the sign consists of several components, in particular, where one part has a clear meaning (verbal elements), while the rest is meaningless or has a different meaning. (14/07/2005, T-312/03, Selenium-Ace, EU:T:2005:289).²⁶

For example: in the case of the product SNICKERS, although the sign consists of several components, the consumer's perception is only in the word snickers. In the specific example, the verbal element is the word snickers. It has

²⁶ See: <https://euipo.europa.eu/>

the most dominant role in the recognition of the sign and makes it distinctive from other signs for similar or the same products.

The concept of distinctive power refers to the capacity of a specific mark to differentiate particular products or services. Within this framework, marks can exhibit varying degrees of distinctiveness in their ability to identify products as originating from a specific company, thereby setting them apart from the offerings of other companies. One of the important factors in determining the danger of substitution is distinctive power. Distinctive character is a matter of degree and, when analyzing distinctiveness, a sliding scale is applied by which a component of the sign may lack distinctiveness altogether and be entirely distinctive. A sign element is not distinctive if it is exclusively descriptive of the goods and services themselves or of the characteristics of those goods and services (such as their quality, value, purpose, origin, etc.) and/or if its use in commerce is common to those goods and services. An element of the sign can be distinctive but of a low degree (weak) if it refers to (but is not exclusively descriptive of) the characteristics of the goods and services.

To establish that there is a dominant element in a mark, the mark must have at least two recognizable components. A decision must be made to identify which of the component signs is dominant. In the evaluation of the dominant character of one or more components within a complex trademark, it is imperative to consider the intrinsic attributes of each component, in particular, the intrinsic qualities of each of those components by comparing them with those of the other components. In addition, the relative position of the various characters in the complex mark may be taken into account.²⁷ The weak distinctive character of an element of a complex mark does not necessarily mean that that element cannot represent a dominant element because, in particular, due to its position in the sign or its size, it can leave an impression on consumers and be remembered by them. Consequently, the fact that a component of the mark may or may not be considered non-distinctive (or has a low degree of distinctiveness) has no bearing on the assessment of the dominant character.²⁸

Consumers perceive products with one word regardless of whether the sign consists of several components, in particular, where one part has a clear meaning (verbal elements), while the rest is meaningless or has a different meaning.

²⁷ See more: Case R 1952/2022-1, decision of the First Board of Appeal of 20 June 2023. Here we would also mention the case of Jägermeister and the Hungarian mark St. Joseph, in which the Court of Appeal found that the marks were identical in terms of their color scheme (green, white, gold, and orange/red) and the graphic arrangement of the marks applied to the product.

²⁸ https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/law_and_practice/

For example:



The dominant element of this trademark is the word NEGRO. In practice, cases can also be encountered where trademarks are registered only in words, not in appearance. It follows that the word that is registered as a trademark is a verbal element of the product.



In this specific case, the registered trademark PROSTATOL is the holder of the right to trademark PROSTATOL in words, not in appearance. From the packaging of the product, it can be noted that a verbal element is the word "PROSTATOL" written in Latin letters. In addition to the verbal element of the product packaging, other signs are also applied, but they have a descriptive character.

From the case law it can be noted that the global assessment of the likelihood of confusion must be based on the overall impression they give, taking into account, *inter alia*, their distinctive and dominant components.²⁹ If two trademarks use the same word or term, the signs can be considered similar in appearance, and if one of the trademarks adds other letters or words to it, especially when it comes to an element of a descriptive nature of the products. There is a possibility of confusion among consumers if the verbal element of both signs is the same and is dominant in the trademark, especially if they are products of the same class.³⁰ When comparing two brands, in addition to appearance and sound, the commercial impression is also taken into account. Hence, the consumer had the opportunity to encounter the trademark in the market, observe the appearance, perhaps hear how it sounded, discern the meaning, and develop a commercial impression of the mark together with the products and services.

²⁹ See: case T-292/01 Phillips-Van Heusen v OHIM — Pash Textilvertrieb und Einzelhandel (BASS) [2003] ECR II-43350.

³⁰ See: <https://www.ny-trademark-lawyer.com/similarities-in-trademarks.html>

4. Distinctiveness

For the assessment of similarity between trademarks in words, we will stick to the conclusion of the judgment of the European Court in the first instance.³¹ In this case, the issue of similarity between the trademark in the word GANDER and the former Community trademark in the word Ganter was considered. Regarding the assessment of the similarity of the sign, the court emphasized: "(...) the principle statement is correct that in the case of short words, the parts in the middle are equally important, as the parts at the beginning or at the end of the sign." Such a finding cannot be justified by the position of the previous instance that the attention is only focused on the insignificant difference in the middle of the two marks, while the identity of the beginning and end of the mark is ignored.³² The European Court of First Instance concludes that the differences between the conflicting marks are not sufficient to negate their visual similarity and that the trademarks are also similar in an auditory sense. Considering the degree of similarity, the mark, and the identity of the product, in the specific case the risk of substitution concerning the origin is confirmed. The information about the manufacturer, which is contained in one of the signs, can be of importance for the assessment of similarity, which was the subject of the decision in the "Mustang" judgment.³³ The plaintiff in this dispute is Mustang Bekleidungswerke GmbH & Co., one of the largest manufacturers of denim clothing in Germany and the holder of the trademark rights in the word MUSTANG for clothing; trademark in the word MUSTANG for shoes; and word and image trademark MUSTANG for clothing and shoes. The shoe manufacturer in the company Mustang Inter S.L. is being sued, whose seat is in Spain, and which is the holder of the trademark right in word and image containing the logo, Sixtyseven by Mustang Inter SL Spain.³⁴ The Federal Supreme Court of Germany points out that part of the words "from Mustang Inter SL Spain" cannot be omitted when assessing the general impression of the 'sued's trademark, citing the fact that it is a clear reference to the manufacturer. However, in practice, it is still accepted that the manufacturer's data is part of the sign, the dominant meaning or even participation in determining the general impression of the trademark must not be denied.

³¹ Judgment of the European Court of First Instance, " T-374/09 - Lorenz Shoe Group v OHMI - Fuzhou Fuan Leather.

³² See: curia.europa.eu/juris/liste.jsf?&num=T-374/0.

³³ Judgment of the Federal Supreme Court of Germany, I ZR 204/01 Mustang, dated 22 July 2004, Gewerblicher Rechtsschutz und Urheberrecht 10/2004, p. 865.

³⁴ Vlašković, K, *Development of the legal protection of well-known trademarks in German and European Union law*, Kragujevac, 2015, p. 27.

Namely, many companies mark shoes with manufacturer information, this means that manufacturer information cannot be omitted in assessing the overall impression of the defendant's trademark. Moreover, the Mustang manufacturer's mark in the defendant's trademark affects the general impression caused by this trademark. The trademark MUSTANG INTER SL is only a part of MUSTANG, while INTER is an abbreviation for INTERNATIONAL and SL is information about the legal form of the company, which means that both parts are only descriptive. The same applies to Spain, as it is geographic data. This means that of all the parts of the MUSTANG INTER SL Spain label, only the Mustang part belongs to the reference to the origin function. However, the similarity between the plaintiff's Mustang marks and the defendant's word and figurative mark taken as a whole is still too little for there to be an imminent threat of substitution in terms of origin.

5. Conclusion

Through the analysis of the judgments of the European Court of Justice, we can note that the ECJ has clarified the meaning of "likelihood of confusion" by establishing the similarity or identity of a trademark for infringement. The first judgment dealing with this issue in 1997 (*Sabel v. Puma*) established some fundamental propositions that helped to understand what "identical signs" are and how to assess, in several stages, the notion of "likelihood of confusion".

The likelihood of confusion depends on several factors: similarity between the products or services, similarity between the marks, dominant character of the marks, distinctiveness of the mark, and the relevant public. How and which of these factors will be applied depends on the case. In the case of trademarks with the usual degree of marking, it is a question of protection against the danger of substitution, and in other cases, protection of familiarity. The difference can be seen in the fact that trademarks with a common degree of marking are protected only if they are used to mark similar products and services, which means that the principle of specialty still applies to these trademarks.

The notion of similarities should be interpreted concerning the threat of substitution, which is a specific requirement for protection. Determining whether there is a likelihood of confusion between two marks involves comparing the marks as a whole. When comparing two trademarks, the signs should be analyzed in terms of appearance, sound, meaning, and commercial personality of the trademarks, whether there is a likelihood of confusion regarding the intended origin of the products. To determine the similarity, the general impression of the marks is relevant, which is determined based on the distinctive and dominant elements of the marks. The practice has shown that the degree of familiarity depends on the danger of substitution. Hence, the European Court of Justice notes in a large part of the decisions that there is

similarity between the products, i.e. association, even though the degree of similarity is lower.

Consumers perceive products with one word regardless of whether the sign consists of several components where one part has an obvious meaning (verbal elements), while the rest is meaningless or has a different meaning.

Since trademark protection depends on the existence of a likelihood of confusion, marks with a more distinctive character, either by themselves or because of the reputation they possess in the market, enjoy wider protection than marks with a less distinctive character.

*Др Милица Шутова, ванредна професорка
Правног факултета, Универзитета "Гоце Делчев" у Штипу
ORCID: 0009-0009-2972-1091
Др Ксенија Пауновић, научна сарадница
Универзитета у Крагујевцу
ORCID: 0000-0002-2064-9419*

ОСНОВНИ КРИТЕРИЈУМИ ЗА УТВРЂИВАЊЕ ОПАСНОСТИ ОД ЗАБУНЕ У ВЕЗИ С ПОРЕКЛОМ ПРОИЗВОДА У ПРАВУ ЖИГА

Резиме

Опасност забуне у вези с пореклом производа је један од темељних појмова права жига, јер је функција означавања порекла изворна функција жига. За утврђивање ове замене примењују се критеријуми који су предвиђени у чл. 10 Преамбуле Директиве 89/104, потом развијени у судској пракси. Морају постојати сви, а њихово постојање се утврђује одвојено и независно.

Сагледавањем свих критеријума и њиховог међусобног односа закључује о постојању опасности забуне у вези с пореклом. При томе нижи интензитет једног, може бити компензиран вишим интензитетом другог. Тако низак степен сличности ознака може бити компензиран високим степеном сличности производа и обрнуто.

Кључне речи: *опасност забуне, заштите, динстинктивност, сличност ознаке и производа.*

Referecnces

- Fezer, K.-H., *Markenfunktionale Wechselwirkung zwischen Markenbekanntheit und Produktähnlichkeit*, Wettbewerb in Recht und Praxis 12/1998.
- Hacker, F., *Methodenlehre und Gewerblicher Rechtsschutz - dargestellt am Beispiel der markenrechtlichen Verwechslungsgefahr*, Gewerblicher Rechtsschutz und Urheberrecht, no. 7/2004.
- Marić, V., *Trademark similarity*, Faculty of Law, Union University, Belgrade, 2009.
- Sutova, M., *Legal protection of well-known trademarks in comparative law*, Skopje, 2016.
- Vlašковић, B., *The concept of similar products in the decisions of the European Court of Justice and in the practice of German federal courts*, Pravni život, br. 11/2012.
- Vlašковић, K., *Development of legal protection of well-known trademarks in German and European Union law*, Krajujevac, 2015.
- Vlašковић, K., *Protection of well-known trademarks according to directive number 89/104/EEC*, Annals of the Faculty of Law in Belgrade, no. 1/2013.
- Canon Kabushiki Kaisha and Metro - Goldwyn-Mayer Inc.C - 39/97, European Court Reports 1998.
- Case T-292/01 Phillips-Van Heusen v OHIM — Pash Textilvertrieb und Einzelhandel (BASS) [2003] ECR II-4335, paragraph 47, and the case-law cited)
- Case C-251/95 Sabel vs Puma [11/11/1997] European Court of Justice.
- Case C-106/03 Vedral vs OHIM [12/10/2004] European Court of Justice.
- Judgment of the European Court of First Instance, T-74/10 Flaco-Geräte v OHMI - Delgado Sánchez, Community word : curia.europa.eu/juris/liste.jsf?language...T-74/10.
- Judgment of the European Court of First Instance, " T-374/09 - Lorenz Shoe Group v OHMI - Fuzhou Fuan Leather Plastics Clothing Making (Ganeder), available at: curia.europa.eu/juris/liste.jsf?&num=T-374/09.
- Judgment of the Federal Supreme Court of Germany, I ZR 204/01 Mustang, dated 22 July 2004, Gewerblicher Rechtsschutz und Urheberrecht 10/2004.
- Judgment of the Federal Supreme Court in Germany, I ZR 57/08 Goldhase II, 15. 7. 2010, no. 24, Gewerblicher Rechtsschutz und Urheberrecht 1/2011.
- Judgment of the Federal Supreme Court in Germany, Bogner B/Barbie B - I ZR 50/11, 2. 2. 2012, Gewerblicher Rechtsschutz und Urheberrecht 9/2012.
- Judgment of the Federal Supreme Court in Germany, I ZR 214/11 VOLKSWAGEN/Volks.Inspektion: Schutzzumfang einer berühmten Marke, од 11. 4. 2013, Gewerblicher Rechtsschutz und Urheberrecht 12/2013.
- Judgment of the Federal Supreme Court in Germany, Duff Beer - I ZR 135/11, 5. 12. 2012, Gewerblicher Rechtsschutz und Urheberrecht 7/2013.
- Judgment of the Federal Supreme Court in Germany, Bit/But - од 26. 4. 2001, Gewerblicher Rechtsschutz und Urheberrecht 2/2002.
- Judgment of the Federal Supreme Court in Germany, Castell/VIN CASTEL - I ZR 112/10, од 31. 5. 2012, Gewerblicher Rechtsschutz und Urheberrecht 1/2013.
- <https://curia.europa.eu/juris/showPdf.jsf?text=&docid=60419&pageIndex=0&doclang=en&mode=lst&dir=&occ=first&part=1&cid=463137>
- <http://www.bitlaw.com/source/15usc/1125.html>
- https://euipo.europa.eu/tunnelweb/secure/webdav/guest/document_library/contentPdfs/law_and_practice/
- <https://www.ny-trademark-lawyer.com/similarities-in-trademarks.html>