

Counteractive reflections on the conceptual counteraction theory within EU case law: much ado about nothing?

Giannis Psarakis*

I. Introduction

Trade mark law is not renowned for its predictability. Key notions in this field are extremely subjective. The notions of likelihood of confusion (LoC), together with the conditions for the infringement of a reputed trade mark, are examples in this sense. However, legal certainty should be the aim, the primary reason being the conduciveness of this parameter inter alia to aiding growth and investment.

In this context, academia and case law are constantly searching for ‘safe harbours’. Shaping principles serves this purpose. However, these general rules should not neglect other critical objectives such as the need for fair court judgments. The fundamental question in relation to the need for fair court judgments in the field of LoC rests upon the probability of any LoC occurring in the real world.

Essentially, the counteraction theory suggests that, upon fulfilment of certain conditions, conceptual dissimilarities *may* exclude any LoC.¹ In this article, we attempt to answer the fundamental questions arising from the application of this theory in European Union (EU) case law, in particular:

The author

- Giannis Psarakis (LLM III-PhD candidate, National and Kapodistrian University of Athens) is an Athens-based lawyer of counsel at Psarakis & Kefalas Law Firm and the founder of the IP Hub ‘The Trademark Hoop’.

* Email: i.parakis@psarakislegal.com

¹ This is the so-called principle of ‘neutralization’; see EUIPO’s Guidelines (2022) Available at <https://guidelines.euipo.europa.eu/1935303/1981533/trade-mark-guidelines/3-4-6-4-the-impact-of-conceptual-difference> (The impact of conceptual difference - accessed 31 January 2023). See also EUIPO Boards of Appeal, Case-law Research Report, The neutralisation principle, Consistency Circle Relative Grounds on July 2022.

Abstract

- In certain trade mark cases, the counteraction theory constitutes the primary argument against a finding of likelihood of confusion (LoC). The most characteristic example of this is the difference consisting in only one letter or a change in the sequence of only two letters (think, eg ‘marital’ and ‘martial’, designated for identical products).
- Indeed, European Union (EU) case law—as well as EU IP Office practice—too often goes as far as (seemingly) applying the counteraction theory in a way that automatically excludes any LoC *once the relevant conditions are met*. A significant question arises as to what the respective conditions actually are. Subsequently, does the counteraction automatically eradicate any LoC, and at what stage of the procedure should the theory be applied?
- One may also question whether the counteraction theory leads to an alternative conclusion when compared to the mere application of the global assessment step, especially considering the interdependence principle. By the same token, could it be submitted that the conceptual counteraction doctrine is afforded—in a considerable number of cases—greater importance compared to what was expected when it was first established? This article investigates the very premise of the counteraction theory, thereby leading to its proper application and most importantly to an almost existential question concerning its necessity.

- (a) What are the necessary conditions? When are these necessary conditions met? And more importantly, when are they *not* met (Section II)?
- (b) Does counteraction automatically lead to the negation of any LoC, regardless of the specific circumstances of each case (Section III)?