

CFA v CEFA: General Court considers similarity of acronyms

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- According to settled case law, even small differences between short signs are capable of creating a different overall impression
- Here, the court found that the average consumer would refer to CEFA CERTIFIED EUROPEAN FINANCIAL ANALYST solely by means of the acronym 'CEFA'
- The co-existence of the marks on the market might be taken into account in assessing the likelihood of confusion

Background

Throughout the years EU trademark practitioners have been used to consistent decisions on the likelihood of confusion between short trademarks. When applying these standards, even minor differences play a relevant role in making the signs distinguishable. According to settled case law, it is thus unquestionable that even insignificant differences between signs are capable of creating a different overall impression where signs are made up of short words (see, eg, [Oracle America v OHIM](#) (Case T-554/12)).

Comforted by those principles, trademark owners often use a loophole to make these differences even more startling - namely, by deploying acronyms to their full extent (adding letters and digits), thus making the jurisprudence on short marks significantly relevant. That was the case in [European Federation of Financial Analysts' Societies \(EFFAS\) v European Union Intellectual Property Office](#) (EUIPO) (Case T-213/23), which involved the earlier mark CFA and the application for CEFA CERTIFIED EUROPEAN FINANCIAL ANALYST.

Decision

Unfortunately, this alleged loophole did not seem to work properly here. The General Court found that, although the mark applied for specified the field of commercial operation, the full wording 'Certified European Financial Analyst', along with the acronym 'CEFA', would systematically be perceived as 'CEFA'. Therefore, the comparison was, in essence, between CFA and CEFA. The court held as follows:

“ The average consumer will tend to omit certain word elements of a mark comprising a number of elements in order to make it easier to pronounce, in particular in order to economise on words, if those elements are easily separable (see [Case T-264/22], Paragraphs 56 and 57 and the case law cited). In the present case, although the mark applied for also contains the elements ‘Certified European Financial Analyst’, it cannot be ruled out, in the light of the length of those elements, their separability and the fact that the element ‘CEFA’ corresponds to the acronym of the terms ‘Certified European Financial Analyst’, that the average consumer will refer to the mark applied for solely by means of the element ‘CEFA’, without pronouncing the other word elements in that mark. ”

In addition, the court provided clear guidance on marks that are involved in current conflicts before the EUIPO, but have been co-existing on the market for a considerable amount of time. In fact, despite the series of applicable legal theories, the only concern was the perception on the part of the public:

“ The co-existence of two marks on a market might be taken into account since it is accepted in the case law that it may, together with other elements, contribute towards diminishing the likelihood of confusion between those marks on the part of the relevant public. The lack of a likelihood of confusion may thus be inferred from the peaceful nature of the co-existence of the marks at issue on the market concerned (see, to that effect, [Case C-498/07 P], Paragraph 82). However, the possibility that the co-existence of the marks on the market could reduce the likelihood of confusion found to exist can arise only if, at the very least, during the proceedings before the EUIPO, the party which is relying on the co-existence duly demonstrated, even if only by means of a body of consistent evidence, first, that that co-existence was based upon the lack of any likelihood of confusion on the part of the relevant public and, secondly, that the co-existence in question was based on actual use that was sufficiently longstanding for it to be able to influence the perception of the relevant consumer. Moreover, as regards the geographical scope of co-existence, where the opposition is based on an earlier EU trademark and the co-existence of the marks at issue is relied on in support of there being no likelihood of confusion, it is for the party relying on that co-existence to establish proof of it throughout the European Union (see, to that effect, [Case T-382/19], Paragraph 46 and the case law cited). ”

Comment

Trademark owners should always consider the applicable law on short marks, taking into account that the ‘acronym loophole’ is not always suitable, as well as the co-existence of the marks on the marketplace. As it often happens, the court’s approach to complex legal theories focused on the public’s perception, as confusing similarity and co-existence have more to do with the actual products sold, services provided and consumers’ daily life, and less with theories in law manuals.



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