

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2116737 BY
SWIFTCALL (CYPRUS) LIMITED TO REGISTER A MARK
IN CLASS 38**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER NO. 48308
BY SOCIETY FOR WORLD BANK INTERBANK FINANCIAL
TELECOMMUNICATIONS CO-OPERATIVE SOCIETY**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No 2116737 by
Swiftcall (Cyprus) Limited to register a mark in Class 38**

and

**IN THE MATTER OF Opposition thereto under
No 48308 by Society for World Bank Interbank
Financial Telecommunications Co-operative Society**

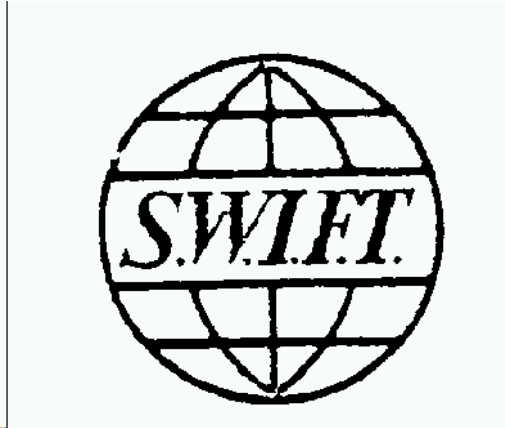
BACKGROUND

1. On 25 November 1996, Swiftcall (Cyprus) Limited of P Lordos Centre, PO Box 3110, Vyronos Avenue, Limassol, Cyprus applied to register the trade mark **SWIFTCALL** in Class 38.
2. The application was accepted and published on the basis of distinctiveness acquired through use, and honest concurrent use, for a specification of services which read:

“Telecommunication services and interactive television services”.
3. On 10 March 1998, Society for World Bank Interbank Financial Telecommunications Co-operative Society of La Hulpe, Belgium, filed notice of opposition. The grounds of opposition though more extensive at the time have now been narrowed down to the following:
 - (a) under section 3(1)(b) and (c) of the Act, because the trade mark applied for is devoid of distinctive character and/or consists exclusively of signs or indications which may serve in the trade to designate the kind, quality or other characteristics of the services
 - (b) under section 5(2) of the Act on the basis of registration No’s: 1285201 in Class 38 and 1213193 in Class 16 in respect of the trade mark S.W.I.F.T. and device which are owned by the opponents. Details below

No 1213193

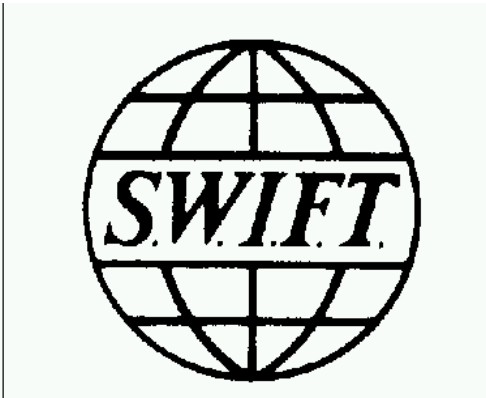
Mark:



Handbooks and directories; but not including handbooks or directories, all relating to birds.

No 1285201

Mark:



Telecommunication services between financial institutions, included in Class 38.

- (c) under section 5(4) of the Act in view of the opponents' use of the trade mark S.W.I.F.T. in the United Kingdom since at least as early as 1973. The opponents say that they have an established reputation for telecommunications services and that use of the application in suit would constitute, inter alia, passing off.

4. The applicant filed a counterstatement in which the grounds of opposition were denied. At the Hearing, and with the consent of the opponents the applicants amended this counterstatement by adding their reliance upon the proviso to section 3(1) of the Act in support of the application.

5. Both sides ask for an award of costs in their favour. Both sides filed evidence. The matter came to be heard on 16 February 2001, when the applicants were represented by Mr James Mellor of Counsel instructed by Bristows and the opponents were represented by Mr Thomas Hinchcliffe of Counsel instructed by Marks & Clerk.

OPPONENTS' EVIDENCE

6. This consists of a statutory declaration dated 15 March 1999 by Ebba Schucht. Ms Schucht explains that she is Board Secretary of Society for World Interbank Financial Telecommunications (the opponents). She has been connected with the company for over twenty five years and the information in her declaration is either from her own knowledge or from the records of her company to which she has full access.

7. The main facts emerging from Ms Schucht's declaration are as follows:

- the opponents' were established in 1973 to provide international automated message processing and transmission services between banks and financial institutions
- the opponents' operate a computerised telecommunications network which connects over 6000 destinations in 180 countries
- the opponents' commenced use of their mark S.W.I.F.T. and device in the United Kingdom in relation to telecommunication services in 1973
- the opponents' service currently handles over 3, 950, 000 messages daily. Exhibit 2 consists of a list of current British subscribers dated 15 March 1999 and who are located throughout the United Kingdom
- in the period 1983 to 1995, the opponents estimate that they handled in excess of 247 million messages to and from the United Kingdom, with the average price of each message costing 15 BEF
- the opponents publicise their services under the trade mark by the preparation and circulation of newsletters and by organising workshops for both existing and potential customers. The opponents have spent approximately £100, 000 promoting the trade mark in this manner
- on 18 March 1976, the opponent established a British company, S.W.I.F.T. (UK) LIMITED to assist participating banks in the United Kingdom.

APPLICANTS' EVIDENCE

8. This consists of a statutory declaration dated 15 June 1999 by John Hynes. Mr Hynes explains that he is a Director of Swiftcall Limited (the applicants); he has been with the company since May 1994. The information in his declaration is either from his own knowledge or from the records of his company. The main facts emerging from Mr Hynes' declaration are as follows:

- use of the trade mark SWIFTCALL was, Mr Hynes' believes, commenced in 1992, with the rights initially held by a company named Swiftcall Limited, which, although it had the same name as the applicant, was nevertheless a different entity. It has since ceased to trade. In 1996 the rights to use the trade mark SWIFTCALL were transferred from the initial trading company to Swiftcall (Cyprus) Limited, although Swiftcall Limited continued to use the trade mark as an authorised user. In May 1996 the initial trading company became defunct. At that time Swiftcall (Jersey) Limited became the authorised user. The trade mark was subsequently transferred from Swiftcall (Cyprus) Limited to Swiftcall (Jersey) Limited and then to Swiftcall Limited on 14 January 1999

- the trade mark SWIFTCALL was initially publicised in advertising campaigns in the Evening Standard and strategic ethnic publications. Subsequently, the trade mark has been advertised on a regular basis in a selection of national broadsheets. A list of the publications in which the mark has been promoted is provided and can be classified as, the national press and the ethnic press. I also note that the trade mark has been promoted by way of television advertising. Exhibit JH-2 is a range of promotional material relating to the services offered in relation to the SWIFTCALL trade mark

- exhibit JH3 consists of examples of use of the trade mark SWIFTCALL appearing in a wide range of publications

- in the period 1 November 1992 to 31 March 1997, the applicants spent approximately £2.4m advertising and promoting the SWIFTCALL mark

turnover in the period 1 November 1992 to 31 March 1997 amounted to approximately £38m.

9. That concludes my review of the evidence in so far as I think it relevant.

DECISION

10. The first grounds of objection are under section 3(1)(b) and section 3(1)(c) of the Act.

11. Section 3(1) of the Act insofar as it is relevant reads as follows:

"(1) The following shall not be registered-

(a)

- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d)

Provided that a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above, if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it."

12. Mr Mellor sought to persuade me, not, I think, with much enthusiasm, that the applicants' trade mark was registrable prima facie for the full specification of services. In that connection he drew to my attention OILGEAR [1999] ETMR 291 and Smart OS Case 459/1999-3, OHIM 3rd Board of Appeal. Mr Hinchcliffe argued the opposite using SIEMENS AG's APPLICATION [1999] ETMR 146 and WINDSURFING CHIEMSEE [1999] ETMR 585.

13. In respect of the term 'Interactive television services' which appears in the specification, I agree with Mr Mellor that there is not a substantive objection one can take under Section 3(1)(b) or (c) unless it was contrived. I see no reason therefore why the trade mark in suit should not be accepted prima facie for those services. But I think that the opponents' (and the Trade Mark Examiner's) objections to the prima facie acceptance of the trade mark in respect of telecommunications services was well taken. The term 'swift call' is one which in my view is descriptive of a service designed to enable the user, using telecommunications equipment, to make contact quickly with another party ie a swift call. It is therefore devoid of distinctive character because it designates a characteristic of the service provided under it. Thus it is not acceptable prima facie as a registrable trade mark. The opposition under Section 3(1)(b) and (c) in respect of the trade mark in relation to telecommunication services is therefore upheld. But the applicants' seek to take advantage of the proviso to Section 3(1), set out above. That requires an examination of the evidence of user provided in order to determine whether, through use, the trade mark in suit has become distinctive in fact of the applicants' services.

14. Mr Hinchcliffe outlined the factors I had to take into account in assessing whether the applicants' trade mark had become distinctive in fact and drew my attention to paragraph 49 of the European Court of Justice's judgment in WINDSURFING CHIEMSEE [1999] ETMR 585 where they said:

"In determining whether a mark has acquired distinctive character following the use made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking and that to distinguish that product from goods of other undertakings. In that connection, regard must be had in particular to the specific nature of the geographical name in question."

15. Although that case refers to a geographical name, the same considerations apply in determining whether any trade mark has acquired distinctiveness in fact.

"Indeed where a geographical name is very well known, it can acquire distinctive character under Article 3(3) of the Directive only if there has been long standing and intensive use of the mark by the undertaking applying for registration. A fortiori, where a name is already familiar, as an indication of geographical origin in relation to a certain category of goods, an undertaking applying for registration of the name in respect of goods in that category must show that the use of the mark both long standing and intensive is particularly well established. In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons, who, because of the mark, identify goods as originating from a particular undertaking; and statements from Chambers of Commerce and Industry or other trade and professional associations. If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement to register the mark laid down in Article 3(3) of the Directive is satisfied."

16. In this case the evidence establishes that the trade mark was first used in 1992 and thus there had been four years use before the applicants came to apply to register it, in November 1996. The revenue associated with the sums provided amounts to over £20m in the relevant period (an average of £5m per year) and the spend on publicity is £600,000. In Mr Hinchcliffe's view these sums were not significant given the size and nature of the telecommunications industry and therefore even with that amount of use, for the services claimed, the trade mark could not have become distinctive in fact. I agree. The size of the telecommunications market is vast in my view and is such that I do not believe that even with revenue figures amounting to £20m over a four year period a trade mark as descriptive as the one in suit, SWIFTCALL, can have become distinctive in fact over such a short period for telecommunications services at large. But the evidence, does not show use on the broad range of services covered by the general term telecommunications. In that respect I do not know what evidence was filed by the applicants in the face of the Examiner's objections or what it contained which enabled the Examiner to accept for registration the trade mark SWIFTCALL for the broad specification of services published. Before me, the evidence showed use of the trade mark only in relation to the provision of international telephone calls. In reaching that view I have looked carefully at all of the advertisements placed by the applicants in the press and the other publicity and promotional material (bearing in mind that a significant amount is after the relevant date) but have been unable to find, for example, broadcasting, facsimile transmission, rental of equipment, which are covered by the broad term 'telecommunications' which fall in Class 38. Thus, even applying the proviso to Section 3(1) I do not consider that the applicants' trade mark is registrable for the range of services claimed. That said, it seems to me that in respect of the very limited range of services on which the applicants have shown use of the trade mark SWIFTCALL, taking into account the revenue and advertising figures as well as the promotion there is enough evidence to demonstrate that to that limited extent the

trade mark has become distinctive in fact. Taking those facts into account, it seems to me that in respect of the broad specification of services covered by the application before me the applicants have not demonstrated, through evidence or otherwise that the trade mark in suit has acquired a distinctive character. But there is enough evidence for the trade mark SWIFTCALL to be accepted in respect of 'the provision of international telephone calls'. Therefore, if the applicants so limit their application to those services, the objections under section 3(1)(b) and (c) of the Act can be waived. If the application is not so limited the objections taken by the opponents stand and the application must be refused.

17. I should record that Mr Mellor acknowledged that the applicants' trade mark might not be distinctive in fact for the full specification of services set out in the application and in doing so suggested that in addition to 'the provision of international telephone calls' there might be a case for including 'facsimile transmission services'. I think not. There is no evidence that the applicants have provided such services specifically or that users of the applicants service use the international telephone call service for the purpose of sending documents that way. Taking into account the views of Laddie J in *Mercury communications* [1995] FSR 850 and Jacobs J in *MINERVA Trade Mark* [2000] FSR 734 there should be no ambiguity when determining specifications of goods or services based upon evidence of use; generic or general terms can only be used in such situations when the evidence of user by the applicants (or registered proprietor, as appropriate) has shown use on a sufficiently broad range of goods or services to warrant it.

18. Next is the objection based on sections 5(2)(b) of the Act.

Section 5(2)(b) of the Act, reads as follows:

“5.- (2) A trade mark shall not be registered if because -

(a).....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

19. An earlier right is defined in section 6 of the Act, the relevant part of which states:

“6.- (1) In this Act an ‘earlier trade mark’ means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(b).....

(c).....”

20. In deciding this issue I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen*

Handel B.V. [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:-

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG* page 8, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG* page 8, paragraph 23, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* page 84, paragraph 27.
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG* page 8, paragraph 23;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG* page 8, paragraph 23;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 7, paragraph 17;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG* page 8, paragraph 24;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG* page 9, paragraph 26;
- (h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG* page 732, paragraph 41.
- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 9 paragraph 29.

21. In respect of the application in suit the specification of services as published includes the same services as provided by the opponents under registration No 1285201. I therefore need only determine whether, or not, the respective trade marks are similar. In my view they are. The opponents' trade mark has, having considered the evidence, acquired a highly distinctive character through use; the applicants' trade mark has as its first syllable the principal element of

the opponents' trade mark (on the basis that words speak louder than devices); visually and aurally the word seen and read first in both trade marks is the term SWIFT. Therefore having considered all the relevant factors, I reach the view that if the application proceeds for the specification as published then because of the similarity of the trade marks in respect of the same services (the opponents' telecommunication services between financial institutions must be included in the applicants' telecommunication services), then confusion and deception as to origin is likely to occur. The opposition under section 5(2) must therefore succeed.

22. The applicants at the examination stage claimed the benefit of Section 7 of the Act and the fact that their trade mark had been used alongside that of the opponents in the market place. Again, I do not know what evidence they submitted to support that claim. No evidence has been filed in these proceedings which could have enabled the application to proceed to publication on the basis of the considerations set out by Lord Tomlin in *PIRIE* [1933] RPC 147.

23. In essence the amount of use revealed in these proceedings is far too scant in relation to telecommunications at large to justify any claim that the public will be able to differentiate the applicants services from those of the opponents. Any claim to honest concurrent use in these opposition proceedings would have been without merit. I appreciate Mr Mellor not pursuing it.

24. That said, if the applicants were to limit the specification of services to, those in respect of which the trade mark could be said to have acquired a distinctive character, "the provision of international telephone calls" and those in respect of which the trade mark is prima facie distinctive, 'interactive television services' then I think the finding above could be reversed. This is because the respective services would then be sufficiently different one from the other, and for supply to a different customer base, to render confusion and deception unlikely.

25. Finally, I turn to the ground of opposition based upon section 5(4)(a) which reads as follows:

5. (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark.

26. The necessary elements of an action for passing off in terms of goodwill, misrepresentation and damage, were set out by Geoffrey Hobbs QC in *WILD CHILD* trade mark [1998] RPC 455. I do not propose to repeat the very full guidance provided but it can be found in that decision commencing at page 460 line 5 to page 461 line 22.

In brief the necessary elements are said to be as follows:

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

27. It is clear from my evidence summary and comments above that the opponents have considerable reputation for the provision of telecommunications services between financial institutions. Given the similarity of the respective trade marks and the identical nature of the actual and proposed services of the opponent and applicants then I have no doubt that misrepresentation will occur with the possibility of damage to the opponents. However, and again, this finding could be reversed if the applicants limit down their specification to what appears to be the services upon which they use their trade mark. Because in the event that each use their respective trade marks in their own fields there is no likelihood of anyone seeking to use the services provided by either the applicants or the opponents in the belief that they are the others. The services are so different and indeed in the opponents case very specialised such that there would be no conflict.

28. In summary, the opponents have succeeded in respect of all their grounds of opposition, but if the applicants were to limit their specification of services to:

'the provision of international telephone calls; interactive television services'

then all grounds of opposition can be waived. The applicants have one month from the expiry of the appeal period in respect of this decision to effect such an amendment by the filing of Form TM21, following which the application will proceed to registration. If the amendment is not effected the application as a whole will stand refused.

29. If the application stands refused then the opponents are entitled to a contribution towards their costs. In that event I order the applicants to pay to the opponent the sum £1,500. If the applicants limit their specification of services and the application proceeds I see no reason to reduce the applicants' contribution to the opponents' costs. This is because the applicants have continued to seek registration for a broad specification of services which is not sustainable given that they were relying at all stages on evidence of use of the trade mark in respect of a very narrow range of services to support the application. Had they narrowed down the specification to these services then these proceedings might not have been necessary, or might have been foreshortened.

Dated this 26TH day of April 2001

**M KNIGHT
For the Registrar
the Comptroller-General**