

O-376-04

TRADE MARKS ACT 1994

**IN THE MATTER OF INTERNATIONAL REGISTRATION NO 800837
AND A REQUEST BY OTTO INVESTMENTS HOLDING S.A. TO PROTECT
THE TRADE MARK OTTO IN CLASS 36**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER NO 71056
BY OTTO VERSAND (GmbH & Co)**

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No 800837 and a request by OTTO Investments Holding S.A.
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**IN THE MATTER OF Opposition thereto under
No 71056 by OTTO Versand (GmbH & Co)**

BACKGROUND

1. On 7 February 2003 Otto Investments Holding S.A., on the basis of a Benelux registration, requested protection in the United Kingdom for the mark OTTO. The request was made in relation to the following specification of services, all of which fall in Class 36 of the International Classification system:

“Banking business; advice and information in the field of finance; insurance advice; clearing (all billing operations); granting loans; financial instrument trading (exchange); fund and debt recovery (collection); factoring; financial analyses; financial evaluations and assessments in connection with banking, real estate and insurance; financing; clearance sales (financial services); management of landed property and real estate, appraisal services in connection with real property, real property rental and farm tenancy, services provided by a realtor, particularly real estate rental services; investments, electronic capital transfer, recovery of securities and guarantees; reimbursement guarantees for installment credits; leasing; pledge loans (collateral loans, securities); services provided by brokers and agents in the field of financial affairs; guarantees for recovery of rental leases and farming leases; rental of offices and housing; investment fund lending; financial management; insurance intermediary services, particularly insurance contracts, inquiries and information in the field of insurance services in general and studies of specific insurance cases.”

2. The United Kingdom Trade Marks Registry considered that the request satisfied the requirements for protection in accordance with Article 3 of the Trade Marks (International Registration) Order 1996 and particulars of the international registration were published in accordance with Article 10.

3. On 29 September 2003 OTTO Versand (GmbH & Co) filed notice of opposition to the conferring of protection on this international registration. The opponent is the proprietor of protected international registration No 757637 for the mark OTTO-OFFICE.COM. The protection accorded to No 757637 extends to a large number of goods and services

Classes. I need only refer to Class 36 because that is the Class on which reliance is placed for the purpose of this opposition. The specification for this Class reads:

“Insurance; financial operations; monetary operations; real estate operations; provident funds; issuing of travellers’ cheques and letter of credit; real estate valuation; property management; credit and cash card services, check guarantee card services.”

4. It is the opponent’s contention that the respective services are identical and/or similar and that the marks differ only as regards the suffix-OFFICE.COM. Accordingly, it is said that there is a likelihood of confusion and the applied for mark should be refused under Section 5(2)(b).

5. The applicant international registration holder (I will for convenience simply refer to OTTO Investments Holding S.A. as the applicant hereafter) filed a counterstatement denying that the marks are confusingly similar or that the services are identical or similar.

6. Both sides ask for an award of costs in their favour. No evidence has been filed by either side. The parties were invited to say whether they wished to be heard. Neither indicated a wish to do so. However, written submissions have been received on behalf of the applicant from Marks & Clerk (their letter of 17 November 2004) and on behalf of the opponent from A A Thornton & Co (their letter of 4 November 2004). Acting on behalf of the Registrar I give this decision.

Decision

7. The sole ground of opposition is under Section 5(2)(b) of the Act which reads:

“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 trade 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.”

8. There is well-established guidance from the following judgments of the European Court of Justice which I must apply - *Sabel BV v. Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 11, *Lloyd Schuhfabrik 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.

9. The applicant's submissions are, in brief, that the mark should not be dissected and that, when viewed as a whole, the opponent's mark is obviously a domain name; that the elements OFFICE and COM have many possible meanings and the opponent's mark gives rise to different conceptual connotations; in particular it is said that OTTO solus would be seen as a forename whereas OTTO-OFFICE.COM would be seen as a commercial domain name rather than a personal one; that the additional elements in the opponent's mark also give rise to different visual and phonetic considerations; and that the services in question are relatively high value ones that will be selected with some care and attention by the average consumer.

10. I note too that the applicant's submissions query whether the opponent's mark can actually function as a trade mark given that it is a domain name. Furthermore, the applicant questions whether the mark is validly registered as website material exhibited to the written submissions suggests that "it would not appear to be registered by the company which is actively using the mark and which indeed owns the identical domain name." I see no basis for these latter submissions. The opponent's mark is validly registered (per Section 72 of the Act) and there is no reason in principle why a domain name cannot also function as a trade mark. Also, I take the view that the various items attached to the applicant's written submissions should more properly have been the subject of evidence to which the opponent could have responded if necessary.

11. The opponent's submissions are to the effect that consumers' attention will be focused on the first element of the mark OTTO-OFFICE.COM not least because what follows is descriptive in character and that in material respects the marks are identical. The opponent's submissions also contain a more detailed comparison of the respective services aimed at demonstrating that there is identity/similarity. I will deal firstly with these submissions in relation to the services.

12. The principles to be applied in considering similarity of goods are to be found in the *Canon case* where the ECJ stated at paragraph 23:

"In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their end users and their method of use and whether they are in competition with each other or are complementary."

13. In *British Sugar Plv c James Robertson & Sons Ltd* (TREAT) [1996] RPC 281 it was considered that channels of trade should be brought into the reckoning.

14. The opponent has set out what it considers to be the conflicting services having regard to its own Class 36 specification as follows:

PROTECTED TRADE MARK	OPPOSED APPLICATION
Insurance Services	Insurance advice; recovery of securities and guarantees; guarantees for recovery of rental and farm leases; insurance intermediary services, particularly insurance contracts, enquiries and information in the field of insurance services in general and studies of specific insurance cases.
Financial operations; monetary operations	Banking business; advice and information in the field of finance; clearing (all billing operations); granting loans; financial instrument trading (exchange); fund and debt recovery (collection); factoring; financial analysis; financial evaluations and assessments in connection with banking, real estate and insurance; financing; clearance sales (financial services); investments, electronic capital transfer; reimbursement guarantees for instalment credit; leasing; pledge loans (collateral loans, securities); services provided by brokers and agents in the field of financial services; investment fund lending; financial management.
Real estate operations; property management	Management of landed property and real estate, appraisal services in connection with real property, real property rental and farm tenancy, services provided by a realtor, particularly real estate rental services; rental of offices and housing.

15. I detect a shift in the applicant's position as between the counterstatement and the written submissions. The former appears to deny identity or similarity in the services. The latter offers no detailed comments on, or rebuttal of, the opponent's position but invites me to take account of the fact that the services in question are likely to be purchased with some care and attention (being of relatively high value). My attention has also been drawn to the website attaching to the domain name OTTO-OFFICE.COM. From this the applicant asks me to conclude that the opponent does not appear to be offering any financial services at present but only deals with retail services and other related commercial services. There is some force to the first of these points. I accept that

the average consumer is likely to pay a reasonably high degree of attention when selecting the services in question but that does not in itself serve to distinguish the respective sets of services. The second point does little to assist the applicant's cause as it is well established that I must have regard to the full notional scope of the specification of the opponent's mark and not simply the opponent's current trade.

16. Applying the CANNON/TREAT guidance, I have little hesitation in saying that I largely agree with the opponent's assessment of the position. It is not, in my view, necessary to conduct an exhaustive analysis of individual items to reach the view that for the most part the services are identical or similar to a high degree. I would hesitate only in respect of certain of the applicant's services. The term "recovery of securities and guarantees for recovery of rental and farm leases" has not been explained. But I take it that it may include such securities and guarantees underwritten by some form of insurance scheme. On that basis, and in the absence of countervailing explanations or submissions, the services seem to me to be similar but perhaps not to a high degree.

17. In relation to the second category of services identified by the opponent I find that 'financial operations' and "monetary operations" are terms of very wide scope and are at least sufficiently wide to cover those of the applicant's services identified in the second sub-head of the right hand column of the table set out above.

18. The third category (the real estate related services) does not appear to call for further comment. The respective services are self-evidently closely similar if not identical.

19. The applicant's submissions place heavy reliance on distinguishing between the marks. They do so, on the basis that marks should not be unduly dissected. Rather, it is said, the totality of the marks convey quite different concepts with one being the name of an individual and other being or giving the impression of being a domain name. Taken in the abstract there might be some merit in that submission. But the position must be considered in the context of the services in relation to which the marks are proposed to be used. The question is what would be the reaction of the average consumer, who was familiar with the mark OTTO-OFFICE.COM in relation to the services for which that mark is protected, if he or she subsequently encountered the mark OTTO in relation to identical or similar services.

20. Answering that question necessarily entails consideration of both the similarities and differences between the marks and a determination of the distinctive and dominant components thereof. The opponent's view is that OTTO is the first and most distinctive element and that the hyphen serves to accentuate the fact that it is separate from OFFICE.COM. Accepting this to be the case the issue arises as to how consumers would view the element OFFICE.COM. I believe the applicant is right to suggest that the overall effect is to create the impression of a domain name but that is not a complete answer to the question of the degree of distinctiveness (if any) that would be attached to OFFICE.COM within the totality of the mark.

21. Consumers for the services will include a wide range of institutions, corporate bodies, other types of businesses and individuals. Anybody, in fact, who has a need for banking and insurance etc services. As I have already indicated I accept that a reasonably high degree of care and discrimination is likely to be exercised in selecting the services. Even so, consumers are unlikely to pay a high degree of attention to elements that are simply indicative of the characteristics of a business such as its area of expertise, intended clientele or the means by which the business is to be conducted. I note in this respect that the applicant's specification indicates that rental of offices is one of its chosen areas of trade. But more than that, many of the services could be provided to, or in respect of, offices and such like commercial premises. It follows also that I reject the applicant's submission that the other meaning of the elements OFFICE and COM will be to the fore. The words must be viewed in the context of the services concerned where they are likely to be seen as conveying a message about the nature of the services on offer and the means (internet) by which the business is to be conducted.

22. Accordingly, I find that the OFFICE.COM is unlikely to strike consumers as contributing in a material way to the distinctive character of the mark and that attention will focus on OTTO as being the principal distinguishing feature albeit within the overall context of a domain name. That state of affairs is likely to colour consumers' appreciation of the marks and to impact on conceptual considerations notwithstanding the points of visual and aural differences between the marks.

23. Likelihood of confusion is in the final analysis a matter of global appreciation and must take account of the net effect of the similarities and dissimilarities in the marks and services. Reaching my own view of the matter, I conclude on the basis of the above considerations that there is a high degree of similarity between the marks and identity and/or similarity between the services.

24. The applicant's written submissions have referred me to the marks DIVA and DIVAGE (which were held not to be confusingly similar) in support of the view that the opposition should not be upheld simply on the basis of the common prefix OTTO. I do not find the comparison to be of assistance in helping me to decide this case. DIVA unlike DIVAGE is a dictionary word with a well known meaning. Furthermore, DIVA is not picked out or presented as a separate element in the word DIVAGE. Different considerations, therefore, apply to the case before me.

25. Notwithstanding the applicant's submission in relation to the conceptual difference arising from the use of a name (solus) as distinct from the same name appearing in the context of a domain name, I would expect consumers encountering services under the mark OTTO to be of the view that they emanated from the same trade source as OTTO-OFFICE.COM. That is to say that OTTO was the distinguishing feature of the business whose internet-based services (including office-related services) they were previously familiar with under the mark OTTO-OFFICE.COM. The opposition succeeds under Section 5(2)(b).

26. The opponent is entitled to a contribution towards its costs. I order the applicant to pay the opponent the sum of **£900**. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of the case if any appeal against this decision is unsuccessful.

Dated this 29th day of December 2004

M REYNOLDS
For the Registrar
The Comptroller-General