

O-083-10

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No 2453992  
BY WM MORRISON SUPERMARKETS PLC TO REGISTER THE TRADE  
MARK:**



**IN CLASSES 1, 2, 3, 4, 5, 6, 8, 9, 11, 12, 13, 14, 16, 17, 18, 20, 21, 22, 23, 24,  
25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 3, 41, 42, 43 AND 44**

**AND IN THE MATTER OF OPPOSITION  
THERE TO UNDER NO 95716  
BY ESCO MARGINALLEN AB**

## TRADE MARKS ACT 1994

**IN THE MATTER OF application No. 2453992  
by Wm Morrison Supermarkets Plc to register the trade mark:**



**in Classes 1, 2, 3, 4, 5, 6, 8, 9, 11, 12, 13, 14, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 3, 41, 42, 43 and 44**

**and**

**IN THE MATTER OF Opposition thereto under No. 95716  
by Esco Marginalen AB**


## BACKGROUND

1) On 27 April 2007, Wm Morrison Supermarkets Plc (“Morrison’s”), of Hilmore House, Gain Lane, Bradford, West Yorkshire, BD3 7DL applied under the Trade Marks Act 1994 (“the Act”) for registration of the following trade mark:



2) The application is in respect of a wide ranging list of goods and services, but the only services relevant to these proceedings are [*f*]inancial services; banking services, provision of credit and loans, insurance services that comprise its Class 36 specification.

3) Morrison’s application was published on 31 August 2007 and on 30 November 2007, Esco Marginalen AB (“Esco”) of Valhallavagen 66, S-100 41, Stockholm, Sweden filed notice of partial opposition to the application based upon a single ground, namely that Morrison’s “M” mark is similar to its earlier mark and, insofar as the application covers Class 36 services, it is in respect of identical or similar services to its own Class 36 services. The relevant details of Esco’s earlier registration are provided below:

Trade mark No. and relevant dates	Mark	Relevant list of services
Community Trade Mark (CTM) 4620209  Filing date: 28 September 2005  Date of registration: 29 May 2007		<b>Class 36</b> <i>Financial affairs; monetary affairs; real estate affairs as well as consulting services within the fields mentioned.</i>

4) Morrisons subsequently filed a counterstatement denying Esco's claims.

5) Esco did not file evidence-in-chief, but Morrisons filed evidence and Esco filed evidence-in-reply to this. Both sides ask for an award of costs. The matter came to be heard before me on 24 February 2010. Esco was not represented. Morrisons was represented by Mr Keith Hodgkinson of Marks & Clerk.

#### **Applicant's Evidence**

6) This takes the form of a witness statement, dated 1 September 2008, by Michael Bates, Marketing Director of Morrisons. He states that the "M" logo (or a previous and substantially similar logo) has been used in the UK in respect of a wide range of goods and services since the 1970s and "in relation to financial services, in particular credit card services" since 27 September 1997. He explains that use has been made of the "M" logo in conjunction with the bank HSBC and at Exhibit MB2 is a copy of the agreement, between Morrisons and HSBC, for the provision of financial services under the MORRISONS and "M" logo marks. The exact date has not been completed but the document is pre-printed with the year 1999. It relates to Midland Bank PLC's wish to develop a Morrisons co-branded credit card programme and VISA payment system.

7) At Exhibit MB3 is a copy of an article that Mr Bates states was published in 1997. The origin of the article is unclear, but it appears to be produced by Morrisons for its customers. It promotes the introduction of "Midland [HSBC later took over Midland Bank] at Morrisons" that "brings banking into the supermarket environment and provides a full range of Midland's personal banking and financial services" to Morrisons' customers. At Exhibit MB4, Mr Bates provides undated copies of two photographs of the inside of the Morrisons store in Bradford. These show the banner above a small banking facility. Upon the banner are the words "HSBC your bank at M Morrisons". HSBC appears with a logo and the "M" mark appears above the word MORRISONS.

8) Mr Bates provides the following information regarding these financial services:

Year	Sales turnover (£)	Account holders as of January
2003	37,813,227	15,750
2004	40,499,482	18,000
2005	39,320,270	15,816
2006	37,054,807	14,314
2007	34,692,389	12,942
2008	17,083,602 (to July)	9,381

9) Mr Bates states that he is not aware of any instances of confusion by its customers in relation to the financial services offered by Morrisons and Esco.

10) Mr Bates also provides, at Exhibit MB5, an extract from the website [www.prnewswire.co.uk](http://www.prnewswire.co.uk) which reports the launch of the HSBC/Morrisons credit card. He states that this relates to the card bearing the “M” mark. The extract carries a copyright notice showing the year 2008 and as well as heralding the launch of the new credit card, mentions the first HSBC branch opened at the Bradford branch of Morrisons in 1997. The Exhibit also includes copies of two photograph, both dated 28 September 1999, promoting the launch of the HSBC/Morrisons credit card.

### **Opponent’s Evidence in reply**

11) This takes the form of a witness statement, dated 18 November 2009, by Ewa Glennow, Managing Director of Esco. Ms Glennow states that it is understood that the agreement between HSBC and Morrisons, to provide branches in-store, expired in 2009 and that it is not being renewed due to lack of customer demand. To support this, Ms Glennow provides extracts dated 10 November 2009, from Wikipedia, the user authored online encyclopaedia at Exhibit XYZ4. This extract refers to HSBC operating a number of outlets in Morrisons supermarkets and that these trade as *Your bank at Morrisons* and also to the agreement expiring in 2009. The same exhibit also contains an extract from the online version of Grocer magazine. In an article dated 2 May 2009, it reports that “Morrisons is scrapping its ‘Your Bank at Morrisons’ service in response to dwindling customer interest”.

12) Ms Glennow also provides a number of submissions and I will refer to these, as relevant, later in my decision.

## **DECISION**

### **Section 5(2) (b)**

13) Section 5(2) (b) reads:

“(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.”

14) An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6.-(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) 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.”

15) Esco relies upon CTM 4620209 that is registered and pre-dates the applied for mark and, therefore, qualifies as an earlier mark as defined by Section 6 of the Act. It was registered on 29 May 2007 and it has therefore completed its registration procedure less than five years before the publication of Morrisons’ mark on 31 August 2007 (“the relevant date”) and, as such, the proof of use provisions do not apply.

16) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] FSR. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] ETMR 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) C-334/05 P (LIMONCELLO)*. 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*,

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, 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 Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

(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*,

(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*,

(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*,

(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*,

(g) in determining whether similarity between the goods or services covered by two marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(h) 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*,

(i) 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 and Adidas Benelux BV*,

(j) 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*.

(k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM (LIMONCELLO)*

**Comparison of goods**

17) In assessing the similarity of services, it is necessary to apply the approach advocated by case law and all relevant factors relating to the respective services should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* 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 intended purpose and their method of use and whether they are in competition with each other or are complementary.’

18) Other factors may also be taken into account such as, for example, the trade channels of the services concerned (see, for example, *British Sugar Plc v James Robertson & Sons Limited (TREAT)* [1996] RPC 281).

19) The respective services are:

Relevant services of Esco	Relevant services of Morrisons
<i>Financial affairs; monetary affairs; real estate affairs as well as consulting services within the fields mentioned</i>	<i>Financial services; banking services, provision of credit and loans, insurance services</i>

20) It is well established that goods and services can be considered identical when those covered by an earlier mark are included in a wider term by a later mark (and vice versa); see *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 133/05*. With this guidance in mind, it is clear that Esco’s *financial affairs* is a broad term that includes many of the same services as covered by Morrisons’ *financial services* and will also include *banking services* and *provision of credit and loans* listed in Morrisons’ Class 36 specification. As such, I find these services to be identical.

21) The remaining term in Morrisons’ Class 36 specification is *insurance services*. These services have a different purpose to *financial affairs* in that the former consists in accepting liability for certain risks and respective losses and providing monetary compensation where these risks are realised. The latter covers a wide range of services all related to the management of money and investments. Nevertheless, it is clear from the purpose of *insurance services* that they are financial in nature. In respect of trade channels, many banks offer insurance services or act as agents for insurance companies, with which they

often are economically linked. Thus, although *insurance services* and *financial services* have different purposes, they are very similar or the same in nature, they may be provided by the same undertaking or related undertakings, they may share the same channels of distribution and may be used in combination with each other. As such, I find that *insurance services* are highly similar to *financial affairs*.

### ***The average consumer***

22) As matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23) it is important that I assess who the average consumer is for the services at issue. I have found that there is identity between all of Esco's Class 36 services and Morrisons' financial and financially related services. It follows that the average consumer will be the same for both parties' services. The average consumer for *financial services/affairs* can be either the general public or commercial undertakings. The purchasing act is normally reasonably well considered with potential customers taking note of charges, interest rates, price comparisons, accessibility of services etc. before conducting the transaction. I do not believe that this would be appreciatively different for personal or commercial banking or other financial activities.

23) Similarly, in respect of *insurance services*, the average consumer can be drawn from both the general public or commercial undertakings. Once again, the nature of such services requires a reasonably well considered purchasing act with potential customers taking note of charges, price comparisons and benefits. Again, I do not believe that the purchasing act would be appreciatively different for consumers drawn from the general public or from commercial undertakings.

24) As both sets of services require a reasonably well considered purchasing act, it follows that the relevant consumers will have a greater ability to discern between marks and the undertakings providing the respective services when compared with, for example, the purchasing act involved in the trade of a common consumer item. Further, as part of the well considered purchasing act, the consumer will be exposed to the marks visually when conducting his purchasing research. As such, he will rely less on the aural identity of the mark. Nevertheless, this does not mean that aural similarity should be ignored completely; it is still a relevant factor that needs to be considered in the global appreciation of whether there exists a likelihood of confusion (see the decision of Amanda Michaels (sitting as the Appointed Person) in *The Outdoor Group Limited* (BL-O-131-09) and the judgments referred to therein, namely: *Claudia Oberhauser v OHIM (Fifties)* [2003] E.T.M.R.58, and *Criminal Clothing Ltd v Aytan's Manufacturing (UK) Ltd*, [2005] EWHC 1303). However, I note that in that case, Ms Michaels was looking at the issue in the context of the purchasing act for clothing.



### **Comparison of marks**

25) For ease of reference, the respective marks are:



26) When assessing the extent of similarity between the respective marks, I must do so with reference to their visual, aural and conceptual similarities bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, para 23).

27) It is well established that the registered representation of a mark is definitive as to the identity of the protected mark (see Case C-273/00 *Sieckmann v. Deutsches Patent-und Markenamt* [2002] ECR I-11737 at paragraphs 45 to 55) and that a mark registered in colour without a limitation or disclaimer cannot not be identical to a later mark filed in different colours, but that this may not be sufficient to prevent a finding of similarity (see *O2 Holdings Ltd v. Hutchison 3G Ltd* [2006] EWHC 534 (Ch) and [2006] EWCA Civ. 1656). Esco's mark is registered, without limitation, in colour. Morrisons' mark has also been applied for in colour and without limitation. Therefore, in considering the visual similarities between the marks, I must consider the fact that they are in respect of different colour combinations. I also note Morrisons' arguments that single letter marks have inherently low levels of distinctiveness. In this regard, it highlights the following extract from the registrar's examination practice on single letter marks:

“Where a letter is not distinctive, a plain rectangular or oval border is unlikely to make the mark distinctive. However, a fancy or unusual border may be enough. Colour may also assist in providing the mark as a whole with the necessary power to individualise the goods/services of one undertaking.”

28) In relation to the registrar's practice set out above, I note that the extract refers to letters which have been determined as being non-distinctive, not that all single letters are necessarily non-distinctive. Indeed, in the preceding paragraph of the examination practice it is stated that:

“There is no bar to the acceptance of single letters as trade marks. Each case must be considered individually”.

29) This approach is consistent with the judgment of the General Court (“GC”), previously known as the Court of First Instance, in Case T-23/07, *BORCO-Marken-Import Matthiesen GmbH & Co. KG v OHIM*. There is no evidence of fact put forward in the current proceedings that the letter “M” is non-distinctive in respect of the services at issue. However, there is a range of distinctiveness where marks consisting, for example, of made up words are at the highest end of this range and ordinary dictionary words, generally, somewhere in the middle of this range. Single letters and numbers are invariably at the lower end of this range. Whilst these comments are made only at a general level, the distinctiveness of the single letter “M”, in respect of the services at issue here, fits with these comments and is not endowed with a highly distinctive character. I am also aware that the degree of similarity is not increased or decreased by the distinctive character of elements in a mark (see Case C-235/05 P *L’Oréal SA v. OHIM* [2006] ECR I-57) and that it is a whole mark comparison which must be made. I do not consider that the oval background element in Morrisons’ mark to be completely negligible (in the terms set out in *LIMONCELLO*) in the overall impression that it conveys.

30) Taking all of the above into account, from a visual perspective the marks are similar insofar that Esco’s mark consists of the device of a rectangle and a partial typeface letter “M” giving the impression of a complete letter “M” and Morrisons’ mark comprises essentially of a letter “M”. However, there are elements of dissimilarity. Firstly, Esco’s mark comprises a device resembling the letter “M” with its first upright limb being a long, narrow rectangle, coloured red together with three limbs of a letter “M” of an unremarkable typeface that is coloured black. Morrisons’ mark, on the other hand consists of a green letter “M” appearing in the centre of a yellow, oval shaped background. The respective typefaces also have elements of difference. The three black limbs of Esco’s mark are consistent with an ordinary typeface, where the outer limbs are upright and the middle limbs join at a point higher than where the lower limbs extend to. The letter M in Morrisons’ mark consists of a plain letter “M” embellished by two short horizontal “plinths” at the foot of the outer limbs and two small horizontal arms protruding outwards from the top of its outer limbs. Its limbs are slanting and they all extend to the same low point. Of course, Morrisons’ mark also includes the yellow oval background that is absent in Esco’s mark.

31) From an aural perspective both marks consist essentially of the letter “M”. The particular get-up or each mark will not influence these aural aspects in any way. Therefore, both marks will be pronounced in an identical way, namely “em”.

32) From a conceptual perspective, if there is any concept conveyed by the marks then this too will be the same, namely that of the thirteenth letter of the alphabet.

33) Taking all these factors into account, when viewing the marks as a whole, I find that the respective marks share a moderate level of similarity.

### ***Distinctive character of the earlier trade mark***

34) I have to consider whether Esco's mark has a particularly distinctive character either arising from the inherent characteristics of the mark or because of the use made of it. From an inherent point of view, I have already commented that the letter "M" is distinctive, although, it is not highly so. Whilst a mark does not have to be imaginative, invented, or fanciful to be regarded as distinctive per se, the inherent quality of the letter "M" would not be regarded by the average consumer as being particularly distinctive – it is fairly unremarkable. My reasoning has focused on the letter M, however, I stress that the mark as a whole has been considered (the assessment being made in relation to the services in question) and I acknowledge that the colour difference of the first limb of the letter M and its slightly more simplistic style, when compared to the rest of the letter, adds some additional distinctiveness overall.

35) Esco has not provided any evidence regarding use of its mark and therefore, I cannot conclude that its mark enjoys an enhanced level of distinctive character because of the use made of it.

### ***Likelihood of confusion***

36) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27).

37) At the hearing, Mr Hodgkinson put forward an argument that the actual use of Morrisons' marks, as set out in the evidence, is such that no confusion will occur. He claims that providing the services in-store will result in the consumer associating the services with Morrisons and not the opponent. Ms Glennow, in her witness statement, argues that use of a mark cannot be used as a defence and she draws my attention to the Registry's Tribunal Practice Note 4/2009. I find Ms Glennow's submission to be persuasive and the relevant extract of the Note she refers to reads:

"4. The viability of such a defence was considered by Ms Anna Carboni, sitting as the appointed person, in *Ion Associates Ltd v Philip Stainton and Another*, BL O-211-09. Ms Carboni rejected the defence as being wrong in law.

5. Users of the Intellectual Property Office are therefore reminded that defences to section 5(1) or (2) grounds based on the applicant for registration/registered proprietor owning another mark which is earlier still compared to the attacker's mark, or having used the trade mark before the attacker used or registered its mark are wrong in law. If the owner of the mark under attack has an earlier mark or right which could be used to oppose or invalidate the trade mark relied upon by the attacker, and the

applicant for registration/registered proprietor wishes to invoke that earlier mark/right, the proper course is to oppose or apply to invalidate the attacker's mark."

38) Further, the evidence provided by Mr Bates does no more than illustrate how, to date, Morrisons has chosen to market the services provided under the mark. In this respect, I am mindful of the comments of Richard Arnold QC in *Oska's Ltd's trade mark* [2005] RPC 20:

"56. The applicant argued before the hearing officer that (i) there had been no confusion in practice between its goods and those of the opponent and (ii) confusion was unlikely since its goods were aimed at a different market. As to (i) ... as the hearing officer rightly held, whether there is a likelihood of confusion must be assessed on the basis of normal and fair use of the mark in relation to the goods specified in the application, which is not limited in any particular types of clothing nor to any particular market. As to (ii), even if it is assumed that the target market of the applicant's goods would not be confused, that does not negate the existence of a likelihood of confusion if the applicant's mark were to be used in other ways falling within the scope of normal and fair use..."

39) Marketing strategies can be temporary and a proprietor who adopts a particular strategy at one point in time has the freedom to choose another strategy at a different point. I am re-enforced in this view by the GC's judgment in *Devinlec Développement Innovation Leclerc SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 147/03* where it was stated:

"104 Consideration of the objective circumstances in which the goods covered by the marks are marketed is fully justified. The examination of the likelihood of confusion which the OHIM authorities are called on to carry out is a prospective examination. Since the particular circumstances in which the goods covered by the marks are marketed may vary in time and depending on the wishes of the proprietors of the trade marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, that is, the aim that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions, whether carried out or not, and naturally subjective, of the trade mark proprietors.

.....

107 It follows that by taking into consideration in the assessment of the likelihood of confusion between the marks the particular circumstances in which the goods covered by the earlier mark are marketed, the temporal

effect of which is bound to be limited and necessarily dependent solely on the business strategy of the proprietor of the mark, the Board of Appeal erred in law.”

40) As such, I shall approach this analysis based on normal and fair use of the services listed in the respective specifications. Before I do so, I note that Esco, in its written submissions, has pointed out that the Registry issued a preliminary indication in its favour. In response, I will only say that I am obliged to take no account of the preliminary indication in reaching my decision (see Lindsay J in *esure Insurance Limited v Direct Line Insurance plc* [2007] EWHC 1557 (Ch), paragraph 17).

41) I have found that the respective services are identical or, in the case of Morrisons’ *insurance services*, highly similar to Esco’s services. The respective relevant consumers are the same. I have also found that Esco’s mark does not have a particularly high level of distinctiveness nor has its distinctive character been enhanced through use. I have found the respective marks are aurally identical and insofar as they can have any conceptual meaning, this too will be the same. With regard to visual considerations, despite both marks appearing to be essentially the letter “M”, I identified a number of differences and significantly that the respective marks consist of different colour combinations, that the typefaces of the respective letter “M”s are different and that Morrisons’ mark includes an oval, coloured background. In considering all these factors as part of the global appreciation test, it is appropriate in this case to consider the relevant weight to give to the different aspects of similarity between the marks. To this end, I am guided by the following comments of the GC in *New Look Ltd v. OHIM* [Joined cases T-117/03 to T-119/03 and T-171/03]:

“49 However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (BUDMEN, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs.”

42) The purchasing act in respect to the relevant services is reasonably well considered and is not likely to take place solely based on aural exposure to the marks. Rather, as part of these considerations, the relevant consumer will be

exposed to a visual presentation of the mark by which the services are identified. As such, the nature of the purchasing act in respect of financial and insurance services is one where visual similarity (or dissimilarity) between the signs plays a more important role than aural similarity (or dissimilarity). Mr Hodkinson, in his submissions at the hearing, drew my attention to a number of decisions of the OHIM's Opposition Division, in respect of proceedings relating to single letter marks. The common thread between these decisions is that when considering the level of similarity between single letter marks, a difference in colour, font or background is sometimes sufficient to find a lack of similarity. Mr Hodkinson contended that this was the correct approach. I note these decisions, together with the fact that they are not binding upon me. Nevertheless, I do not disagree with the common approach identified.

43) Taking all of the above into account, I find that the outcome in the current proceedings is finely balanced. On the one hand it could be said that the nature of the purchasing act is such to negate, to some degree, the effects of imperfect recollection and the relevant consumer will be better placed to differentiate between the marks. On the other hand, both marks are essentially the letter "M" and it could be argued that they will be viewed as two different get-ups from the same undertaking. However, balancing all of the issues identified earlier, I find that the nature of the purchasing act will result in the visual differences between the respective marks counteracting both the aural similarity and, if there is any, the conceptual identity that exists.

44) As such, I find that there will not be any direct confusion (where the relevant consumer will confuse the marks themselves), or indirect confusion (where the relevant consumer will assume that the services provided under the respective marks originate from the same or linked undertaking). The level of distinctive character endowed in the letter "M" is not high and, on balance, the small differences that exist between the respective letter "M"s, together with the differences in colour and the oval coloured background present in Morrisons' mark are sufficient to lead to such a conclusion.

45) Therefore, I find that taking all relevant factors into account, there is no likelihood of confusion and the opposition fails in its entirety.

## **COSTS**

46) The opposition having failed, Morrisons is entitled to a contribution towards its costs. Mr Hodkinson argued, at the hearing, that he was not aware that Esco were not to be represented at the hearing until a few minutes prior to its commencement and if he had known in advance, he too would have provided submissions in lieu of attendance and this would have led to a cost saving to his client. He asked that I take this into account when considering the costs award. I am not persuaded by this argument as it was Marks & Clerk who requested the hearing in the first place and Esco, at no time, indicated that it wished to attend a

hearing. As such, I see no reason to depart from the normal scale costs. That said, I do take account of the fact that Morrisons was represented at the hearing. I award costs on the following basis:

Considering Notice of Opposition and statement	£200
Statement of case in reply	£300
Preparing evidence	£300
Considering evidence	£150
Preparation and attendance at hearing	£500
<b>TOTAL</b>	<b>£1450</b>

47) I order Esco Marginalen AB to pay Wm Morrison Supermarkets Plc the sum of £1450. 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 this case if any appeal against this decision is unsuccessful.

**Dated this 10 day of March 2010**

**Mark Bryant  
For the Registrar,  
the Comptroller-General**