

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION No. 2297176
IN THE NAME OF MR. NASRATUL AMEEN**

**AND IN THE MATTER OF INVALIDATION APPLICATION No. 82194
BY TAXASSIST DIRECT LIMITED**

**AND IN THE MATTER OF AN APPEAL TO THE APPOINTED PERSON
BY THE REGISTERED PROPRIETOR
AGAINST A DECISION OF MR. DAVID LANDAU
DATED 27 JUNE 2012**

DECISION

Background

1. This is an appeal against a decision of Mr. David Landau, the Hearing Officer acting for the Registrar, dated 27 June 2012, BL O/253/12, in which he declared partially invalid Trade Mark Registration number 2297176 standing in the name of Mr. Nasratul Ameen (“the Proprietor”).
2. Registration number 2297176 was deemed never to have made in respect of *tax and accounting services*. However, it remained on the Register in relation to *management consultancy services*.
3. The invalidation proceedings were instigated by Taxassist Direct Limited (“the Applicant”).
4. The Applicant did not cross appeal the Hearing Officer’s decision. Therefore, whatever the outcome of the present appeal, the trade mark in suit stands validly registered in the name of the Proprietor for *management consultancy services*.
5. I decided an earlier appeal in relation to this invalidation application in BL O/220/12, 28 May 2012.
6. Put shortly, a mistake was made over the date when the invalidation application was filed and the requisite proof of use period for the earlier trade mark misapplied.
7. I remitted the case to the Registry for the invalidation application to be decided by a different Hearing Officer (Mr. David Landau).

8. For reasons stated in BL O/220/12, the remittance was on the basis that the earlier trade mark in question was genuinely used during the applicable proof of use period for the services in respect of which it was registered.
9. The invalidation action was one of a number of consolidated proceedings before the Registrar, which I listed in summary at paragraph 1 of my decision in BL O/220/12 (see Annex A).

Trade Mark Registration number 2297176

10. Registration number 2297176 was applied for on **5 April 2002** in respect of *tax, accounting and management consultancy services* in Class 35. The trade mark was represented as follows:



11. On 14 June 2005, the Applicant applied under number 82194 for a declaration of invalidity of Registration number 2297176. Invalidation was claimed under Section 47(2)(a) of the Act on the ground that there was an earlier trade mark to which the conditions set out in Section 5(2)(b) obtained.
12. Section 5(2)(b) states that a trade mark shall not be registered if because it is similar to an earlier trade mark and is to be registered for services identical with or similar to the 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.
13. In support of invalidation, the Applicant relied upon its earlier UK Trade Mark Registration number 2052091. Registration number 2052091 was applied for by the Applicant on 18 January 1996, and comprised the series of two marks shown below:



14. The second mark in the series was represented in colour. The Hearing Officer said that in the context of the present proceedings it was only necessary to consider the Applicant's black and white mark. No point was taken against this on appeal.
15. The Applicant's earlier trade mark was protected in Class 35 for *accountancy services*.

The Hearing Officer's decision

16. The Hearing Officer decided two preliminary issues (requests for cross-examination and striking out) against the Proprietor. The Proprietor did not appeal those interim decisions and I say no more about them.
17. The appeal relates solely to the Section 5(2)(b) ground for invalidation, in respect of which the Hearing Officer's findings were, in brief:
 - (1) The evidence failed to establish that the earlier trade mark had acquired an increased distinctive character through use at the date of filing of the mark in suit. Nor did the evidence establish that the TAXASSIST DIRECT element had through use become the dominant and distinctive element of the earlier trade mark.
 - (2) The average consumer of accountancy services was normally businesses and the self employed. The consumer's accounts would need to comply with all legal requirements including for the payment of taxes. The consumer would wish to maximise tax concession benefits. A reasonable level of care would be devoted to the purchase of such services, so decreasing the effects of imperfect recollection.
 - (3) Management consultancy services were purchased by businesses and would likely involve personnel and changes to the business. A careful and educated level of attention would be paid to commissioning such services.
 - (4) The purchase act was likely to be visual (the Internet, trade directories) although there could be oral recommendations. Visual similarity was more important than aural similarity.
 - (5) Both marks included identical accountancy services. Accountancy services would encompass some tax services, which were also identical.
 - (6) Management consultancy services in the Proprietor's mark were dissimilar.
 - (7) The earlier trade mark was not in colour. The colours in the mark in suit must be drained from it and were irrelevant.
 - (8) The words TAXASSIST DIRECT in the earlier trade mark were highly allusive for accountancy services that supply tax assistance directly, which limited the distinctiveness of the acronym TAD. Nevertheless, because of its size and positioning within the earlier trade mark, TAD was the dominant component and TAD and the £ device, the most distinctive elements.

- (9) The words TAX ASSIST in the Proprietor's mark were highly allusive of tax and accounting services and had very little distinctive character in relation to those services. (They were not allusive of management consultancy). However, since anything else in the mark was likely to be viewed as background material, TAX ASSIST was the dominant and overwhelming element in the mark in suit.
- (10) As to the degree of similarity in the marks: *“The point of coincidence in the respective trade marks is the words TAX ASSIST. This is the dominant component of the trade mark of [the Proprietor], it is the overwhelming component. Those words are certainly not the dominant component of the trade mark of [the Applicant]. However, owing to their prominence in the trade mark of [the Proprietor], there is a limited degree of visual and phonetic similarity and a high degree of conceptual similarity; both trade mark[s] relating to assistance in tax matters.”*
- (11) The earlier trade mark was reasonably inherently distinctive overall, despite the highly allusive nature of the words TAXASSIST DIRECT and their conceptual relationship to the acronym TAD.
- (12) Neither the current or past marketing habits of the parties under, nor the absence of evidence of instances of actual confusion between the respective marks was determinative.
- (13) The differences between the trade marks were such that there was unlikely to be direct confusion between them. However owing to the dominance of the words TAX ASSIST in the Proprietor's mark, despite their highly allusive character, the relevant public were likely to believe that the respective services emanated from the same or an economically linked undertaking.
- (14) Even if it were considered that there was a low degree of similarity between management consultancy services and accountancy services the differences between the services and the differences in the trade marks meant that there was unlikely to be any such indirect confusion amongst the public.
- (15) The mark in suit was invalidly registered in respect of *tax and accounting services* and under Section 47(6) of the Act was deemed never to have been made in respect of those services. The Registration should remain for *management consultancy services*.

The appeal

18. On 20 July 2012, the Proprietor filed Notice of appeal to the Appointed Person under Section 76 of the Act. At the appeal hearing, the Proprietor who had heretofore acted on his own behalf was represented by Ms. Julia Clark of Counsel. Ms. Clark told me that she had drafted the statement of grounds of appeal. The Applicant was represented by Mr. Bernard Whyatt of Brand Protect as it had been throughout.

Application to amend the grounds of appeal

19. The hearing of the appeal was appointed for 7 December 2012. A copy of the Skeleton Argument on behalf of the Proprietor was sent to me by email on 4 December 2012. It put forward for the first time an argument based on issue estoppel and permission was sought to amend the grounds of appeal as shown in an attached Draft Amended Grounds of Appeal.
20. The Applicant (through its representative) was also first advised of the Proprietor's intention to apply to add a ground of appeal based on issue estoppel on 4 December 2012. Mr. Whyatt argued that the application to amend should be refused because first, substantively the ground was without foundation and second, procedurally the application to amend was made too late.

Issue estoppel

21. In *Special Effects Limited v. L'Oreal SA* [2007] RPC 15, Lloyd LJ delivering the judgment of the Court of Appeal described issue estoppel by reference to Diplock LJ's speech in *Thoday v. Thoday* [1964] P 181:

"The second species, which I will call "issue estoppel," is an extension of the same rule of public policy. There are many causes of action which can only be established by proving that two or more different conditions are fulfilled. Such causes of action involve as many separate issues between the parties as there are conditions to be fulfilled by the plaintiff in order to establish his cause of action; and there may be cases where the fulfilment of an identical condition is a requirement common to two or more different causes of action. If in litigation upon one such cause of action any of such separate issues as to whether a particular condition has been fulfilled is determined by a court of competent jurisdiction, either upon evidence or upon admission by a party to the litigation, neither party can, in subsequent litigation between one another upon any cause of action which depends upon the fulfilment of the identical condition, assert that the condition was fulfilled if the court has in the first litigation determined that it was not, or deny that it was fulfilled if the court in the first litigation determined that it was."
22. Ms. Clark referred me to the headnote of *William Evans v. Focal Point Fires plc* [2010] ETMR 29 for the proposition that the UK IPO was a court of competent jurisdiction for these purposes. In *Evans*, the Registry had invalidated the defendant's registered trade mark because under Section 5(4)(a) of the Act its use in the UK was liable to be prevented by the law of passing off. Peter Smith J held that the defendant was prevented through *inter alia* issue estoppel from re-litigating liability in a subsequent High Court claim of passing off. A critical finding was that there had been no change to the claimant's goodwill since the relevant date of the invalidity action.
23. The Proprietor relies for the issue estoppel on a decision of Mr. G. W. Salthouse, acting for the Registrar, dated 5 August 2011 (O/271/11) in the consolidated proceedings.

24. The decision in question was taken in an unsuccessful invalidity action brought by the Proprietor under number 83425 against the Applicant’s earlier trade mark (Proceedings (b) at Annex A).
25. The Proprietor alleged that the Applicant’s earlier trade mark was invalid under Sections 47(2)(b)/5(4)(a) of the Act on the ground that its use in the UK was liable to be prevented by virtue of the law of passing off protecting the Proprietor’s earlier unregistered rights in the TAX ASSIST name and logo¹.
26. The Hearing Officer held that the Proprietor had failed to establish the requisite goodwill in his mark TAX ASSIST and logo.
27. However, he went on to say: *“Even if I am wrong in finding that [the Proprietor] had no goodwill in his logo in November 1995, he would still not be able to succeed in a passing off action. Earlier in this decision (paragraph 49) I found that the distinctive character of [the Applicant’s] mark resided in the letters TAD and the “£” device not the words Tax Assist Direct. There is clear case law (Office Cleaning 1946 RPC 39) that where descriptive marks are concerned small differences between marks may be sufficient to avoid confusion because the public will not readily assume that descriptive words are distinctive of one trader.”*
28. In his alternative finding, Mr. Salthouse relied on a determination he had made earlier in the consolidated revocation action brought by the Proprietor under number 83501 against the Applicant’s earlier trade mark (Proceedings (d) at Annex A). Comparing the two marks shown below, the Hearing Officer held that for the purposes of Section 46(2) of the Act, use of the Applicant’s Registered Trade Mark number 2307153 was not use in a form differing in elements that did not alter the distinctive character of the Applicant’s earlier trade mark (2052091) in the form in which it was registered:

UK 2307153



UK 2052091 (earlier trade mark)



29. The key date for Mr. Salthouse’s decision in the consolidated invalidity action number 83425 against the Applicant’s earlier trade mark was **14 November 1995** (the date on which the use complained of, i.e., use of the Applicant’s earlier trade mark, commenced).²

¹ I.e., the device that later became registered under no. 2297176.

² The relevant filing date of the Applicant’s earlier trade mark 2052091 was **18 January 1996**.

30. In support of an issue estoppel, Ms. Clark referred me to the judgment of Jacob LJ in *Reed Executive plc v. Reed Business Information Limited* [2004] RPC 40, where he said (para. 82):

“Next the ordinary consumer test. The ECJ actually uses the phrase "average consumer" (e.g. Lloyd paragraphs 25 and 26). The notion here is conceptually different from the "substantial proportion of the public" test applied in passing off (see e.g. Neutrogena v Golden [1996] RPC 473). The "average consumer" is a notional individual whereas the substantial proportion test involves a statistical assessment, necessarily crude. But in the end I think they come to the same thing. For if a "substantial proportion" of the relevant consumers are likely to be confused, so will the notional average consumer and vice versa. Whichever approach one uses, one is essentially doing the same thing – forming an overall ("global") assessment as to whether there is likely to be significant consumer confusion. It is essentially a value judgment to be drawn from all the circumstances. Further conceptual over-elaboration is apt to obscure this and is accordingly unhelpful. It may be observed that both approaches guard against too "nanny" a view of protection – to confuse only the careless or stupid is not enough.”

31. She also drew my attention to the contrary observations of Lewison LJ in *Marks & Spencer plc v. Interflora plc* [2012] EWCA Civ 1501 (para. 34):

“I agree entirely that the average consumer (in trade mark infringement) is conceptually different from the substantial proportion of the public test (in passing off). What I find difficult to accept is that they come to the same thing. If most consumers are not confused, how can it be said that the average consumer is? I do not think that this particular paragraph of Jacob LJ's judgment is part of the ratio of the case and, with the greatest of respect, despite Jacob LJ's vast experience of such cases I question it. In some cases the result will no doubt be the same however, the question is approached; but I do not think that it is inevitable.”

32. The Proprietor maintained in so far as I understood it: (1) even if I was not persuaded that the issue decided by Mr. Landau was the same issue as previously decided by Mr. Salthouse; (2) Mr. Salthouse decided under Section 5(4)(a) that a “substantial proportion” of the public would not be confused; (3) since a greater proportion of the relevant public needed to be confused for there to be “likelihood of confusion” within Section 5(2); (4) the Applicant was estopped from maintaining the contrary.

33. However, it seems to me that this merely illustrates that the Proprietor is confusing results/outcomes with whether the same issues were decided in previous proceedings. It is well recognised that even with the same issues reasonable minds may differ as to the eventual result (*Budejovický Budvar Národní Podnik v. Anheuser-Busch Inc* [2003] RPC 25, para. 52).

34. Ms. Clark acknowledged that whereas the relevant date in the present invalidity action number 82194 was 5 April 2002, the key date in invalidity action number 83425 (relied upon for the issue estoppel) was 14 November 1995, i.e., 6½ years earlier.

35. Ms. Clark sought to persuade me that the timings made no difference. There had been no material change in the factual circumstances relevant to the issue determined, which was acknowledged by Mr. Landau when he said (at para. 45):

“The current, or past marketing undertaken by the parties is not relevant to the issue to be determined.”

36. I do not accept that argument. Mr. Landau was referring to the well established rule that in globally assessing the likelihood of confusion for Section 5(2)(b) the exercise is an objective one irrespective of the actual marketing habits of the parties (see, e.g., Case T-414/05, *NHL Enterprises BV v. OHIM* [2009] ECR II-0056, para. 71 and the cases cited therein). The Proprietor has taken Mr. Landau’s words out of context.
37. Regarding the lateness of the request to amend the grounds of appeal, Ms. Clark said there was nothing wrong with raising a point of law for the first time on appeal and referred me to the Court of Appeal decision in *Budejovický Budvar Národní Podnik v. Anheuser-Busch Inc* [2012] ETMR 48.
38. In *BUDWEISER*, the Court of Appeal found it pertinent that the point was raised “fairly and squarely” in the Notice of Appeal (per Jacob LJ at para 9, Warren LJ at paras. 38 – 43). Further the point was in the case right from the beginning albeit obscurely.
39. Ms. Clark relied upon the fact that the Proprietor was heretofore a litigant in person. Be that as it may, as noted above, Counsel had been instructed and was responsible for drawing up the present Notice of appeal and statement of grounds.
40. The Notice of appeal and statement of grounds was served on 20 July 2012. The parties’ were given over one month’s notice of the appointment of the appeal hearing on 7 December 2012. Yet the issue estoppel point was taken only a few days before the appeal hearing. I have some sympathy with Mr. Whyatt’s submission that, even though he is a barrister, he runs a busy trade mark attorney practice and had he been aware of the issue estoppel point earlier, he would have instructed another Counsel to represent his client’s interests.
41. In *COFFEMIX Trade Mark* [1998] RPC 20, Mr. Simon Thorley QC sitting as the Appointed Person emphasised the need for a full statement of grounds of appeal. If an amendment to those grounds was sought, this should be requested without delay.

Assessment

42. I told the parties at the hearing that I would be reserving my judgment on an issue estoppel and the Proprietor’s request to amend the grounds of appeal until deciding the appeal itself. My decision in those matters is below. I am grateful to the parties for the assistance of their arguments.
43. The relevant principles for assessing the likelihood of confusion for the purposes of the relative grounds for refusal/invalidity of registration and registered trade mark infringement are the same (Case C-251/95, *Sabel BV v. Puma AG* [1997] I-6191, para.

13, Case C-425/98, *Marca Mode CV v. Adidas AG* [2000] ECR I-4861, paras. 25 – 28).

44. The comparison is mark versus sign, subject to the exception that in registered trade mark infringement the context of a defendant's use may be taken into account (Case C-533/06, *O2 Holdings Limited v. Hutchison 3G UK Limited* [2008] ECR I4231, paras. 64 – 67).
45. An earlier trade mark is entitled to protection against all future uses of the same or a similar sign for all the goods or services within the scope of the registration (subject to any proof of use requirement). Possession of a later registered trade mark is unlikely to constitute a defence to registered trade mark infringement (Case C-561/11, *Fédération Cynologique Internationale v. Federación Canina Internacional de Perros de Pura Raza*. AG Mengozzi, 15 November 2012).
46. The comparison Hearing Officer Landau was required to conduct under Section 5(2)(b), was notional uses of the Applicant's earlier trade mark for the services in respect of which it was registered versus notional uses of the Proprietor's mark for the services in respect of which registration was sought - as at the filing date of the mark in suit, 5 April 2002 (*O2*, para. 66).
47. On the other hand, Hearing Officer Salthouse's alternative determination that there was no misrepresentation calculated to deceive was dependent on his finding of (non-existent) goodwill in the unregistered TAX ASSIST logo, i.e., acquired distinctiveness, at the date when the Applicant first started using its earlier trade mark on 14 November 1995. I reject the Proprietor's contention that this was the same issue as Hearing Officer Landau was tasked to decide³ (Case T-303/08, *Tresplain Investments Ltd v. OHIM* [2010] ECR 2010 II-5659, para.132⁴, Joined Cases T-114/07 and 115/07, *Last Minute Network Ltd v. OHIM* [2009] ECR II-1919, paras. 61 – 65).
48. There is a further factor against an issue estoppel. This appeal arises out of a previous appeal (BL O/220/12) in the consolidated proceedings. Hearing Officer Salthouse's decision BL O/271/11 in the consolidated proceedings is not final. Issue estoppel requires a final decision by a competent judicial tribunal (*Special Effects*, para. 54): "so to the extent that any point is raised here it cannot be subject to an estoppel – the appeal trumps the estoppel." (*Reed*, Jacob LJ at para. 87).
49. Accordingly, I refuse the Proprietor's application to amend the grounds of appeal: first, I consider there to be no substance in the ground of appeal sought to be introduced; second, no explanation was provided for its lateness.

Grounds of appeal

50. There was some disagreement as to the extent of the grounds of appeal. I accept Ms. Clark's submission that on a proper reading, the grounds were intended to challenge

³ Regardless of the *Reed/M&S* conundrum Ms. Clark identified.

⁴ Confirmed on appeal by Order, Case C-76/11 P, 29 November 2011.

the Hearing Officer's finding of likelihood of confusion in relation to both accounting services and tax services.

Identity of tax services

51. The first ground of appeal was that the Hearing Officer erred in finding that *accountancy services* in the earlier trade mark and *tax services* in the mark in suit were identical⁵.
52. There were two strands in the Proprietor's argument. First, the Hearing Officer should have construed the Proprietor's specification as *tax consultancy, accounting consultancy and management consultancy services*.
53. I can see no point or merit in that argument. The Hearing Officer was correct to take the specification as stated on the Register, i.e., *tax, accounting and management consultancy services*.
54. Second, *accountancy services* and *tax services* were not identical or even similar because tax services were provided, e.g., by lawyers and not all accountants provided tax services.
55. Mr. Whyatt referred me to the following definitions in the Cambridge Dictionary:

Accounting: "*the skill or activity of keeping records of the money a person or organization earns and spends*"

Accountancy: "*the job of being an accountant*"

Accountant: "*someone who keeps or examines the records of money received, paid and owed by a company or person*".
56. He noted that TheFreeDictionary lists an **accountant** as: "*One that keeps, audits, and inspects the financial records of individuals or business concerns and prepares financial and tax reports*".
57. Similarly, the Oxford English Dictionary defines **accountancy** as: "*The art of formally recording, classifying, and interpreting financial transactions and associated events, and of calculating taxes due, esp. within the context of a business; the profession, or duties of an accountant*".
58. Ms. Clark accepted that these definitions were matters of public knowledge (see, *KILLERCHORUS Trade Mark*, BL O/431/12 as to the role of dictionary definitions in Registry proceedings). However, she rightly objected to Mr. Whyatt seeking to rely for the first time in his skeleton argument on extracts from the HM Revenue & Customs and Chartered Accountants of Scotland websites, which I have ignored.

⁵ The Proprietor does not challenge the findings (1) that both marks covered *accountancy services* which were identical and (2) *accountancy services* in the earlier trade mark and *management consultancy services* in the mark in suit were not similar.

59. Nevertheless, like Hearing Officer Landau, I am entitled to bring to bear upon the issues in this case my own common sense and experience of the world (*M&S v. Interflora*, Lewison LJ, para. 50 and the cases cited therein), which includes, as Hearing Officer Landau noted, that individuals and businesses go to accountancy firms in connection with their tax returns. Indeed, such was borne out by the evidence filed on both sides.
60. Services do not need to be co-extensive in order to be identical for the purposes of Section 5 of the Act (*GALILEO Trade Mark* [2005] RPC 22, para. 16). The broad term *accountancy services* includes some *tax services* (Case T-133/05, *Gérard Meric v OHIM* [2006] ECR II-2737, para. 29) and this identity is unaffected by the fact that some lawyers supply tax advice. In my judgment, Hearing Officer Landau was correct to find that these services overlapped and were identical.

Likelihood of confusion

61. The second ground of appeal was that the Hearing Officer erred in finding likelihood of confusion through the common element TAX ASSIST, which was descriptive and ought to have been discounted as negligible. Ms. Clark relied on the decision of the General Court in Case T-10/09, *Formula One Licensing BV v. OHIM* [2011] ECR II-0427, but this was overturned on appeal in Case C-196/11 P, 24 May 2012.
62. The Proprietor argued more fully:
- (1) The Hearing Officer rightly concluded on the evidence before him that at the filing date of the mark in suit: (a) the earlier trade mark had not acquired increased distinctiveness through use; and (b) the TAXASSIST DIRECT element had not through use become the dominant and distinctive component of the earlier trade mark (para. 24).
 - (2) In the light of those findings, the Hearing Officer ought to have held that the lack of distinctiveness of the earlier mark and of the words TAXASSIST DIRECT was a factor likely to reduce the risk of confusion.
 - (3) The Hearing Officer rightly concluded that in comparing the marks, visual similarity was more important than aural similarity (para. 27).
 - (4) In relation to the earlier trade mark, the Hearing Officer rightly concluded: (a) TAD was the dominant component; (b) the TAD and the stylised £ device were the most distinctive components; (c) the words TAXASSIST DIRECT at the bottom of the mark were highly allusive of accountancy services that supplied tax assistance directly (para. 39).
 - (5) The Hearing Officer ought therefore to have discounted the words TAXASSIST DIRECT in the earlier trade mark as having negligible or trivial impact on the consumer.
 - (6) In relation to the visual aspect of the mark in suit, the Hearing Officer rightly concluded: (a) the words TAX ASSIST immediately struck the eye and were the dominant component; (b) the words were highly allusive to tax and

accounting services and so had very limited distinctive character in relation thereto (para. 40).

(7) Having arrived at these findings, the Hearing Officer ought to have applied the principle in *Office Cleaning Services Ltd v. Westminster Window and General Cleaners Ltd* [1946] RPC 39 that in passing off, small differences may suffice to distinguish descriptive trade names (Lord Simonds, pp. 42 – 43).

63. The Proprietor also alleged that the Hearing Officer misapplied the judgment of the Court of Justice in Case C-235/05 P, *L'Oréal SA v. OHIM* [2006] ECR I-0057 in that since the differences in the marks were not “slight”⁶ the principle stated at paragraph 45 of *L'Oréal* (cited by the Hearing Officer at para. 44) was inapplicable.

64. In fact, the Hearing Officer cited paragraphs 43 and 45 of *L'Oréal* where the Court stated:

“43. It must therefore be held that the applicant has misconstrued the concepts which govern the determination of whether a likelihood of confusion between two marks exists, by failing to distinguish between the notion of the distinctive character of the earlier mark, which determines the protection afforded to that mark, and the notion of the distinctive character which an element of a complex mark possesses, which is concerned with its ability to dominate the overall impression created by the mark.

44. [...]

45. The applicant's approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight difference between the signs reflected a variation in the nature of the products or stemmed from marketing considerations and not that that difference denoted goods from different traders.”

65. However, it seems to me that the Proprietor's arguments fail to take into account the following (in no particular order):

(1) The Hearing Officer found that the words TAX ASSIST (TAXASSIST DIRECT in the earlier trade mark) were highly allusive for the services⁷. He

⁶ This argument sat somewhat uneasily with the Proprietor's previous argument based on *Office Cleaning*.

⁷ Other than management consultancy services, which are not subject to this appeal.

did not find that they were descriptive or devoid of any distinctive character in relation to the services as, in the absence of a challenge to validity on absolute grounds, this was a finding not open to him (Case C-196/11, *Formula One Licensing BV v. OHIM*, 24 May 2012, paras. 42 – 45).

- (2) Following on from the above, effectively the only distinctive element in the Proprietor’s mark was the words TAX ASSIST. The Hearing Officer rightly considered that the rest of the mark would be perceived by the consumer as background.
 - (3) The TAD element in the earlier trade mark would be understood by the consumer as an acronym for TAXASSIST DIRECT due to the presence of those words at the bottom of the earlier trade mark. Clearly, therefore, the Hearing Officer did not consider that those words would have negligible or trivial impact on the consumer.
 - (4) There was a high degree of conceptual similarity in the marks – “*both trade marks relating to assistance in tax matters*”.
 - (5) *Accountancy services* in the earlier trade mark and *tax and accounting services* in the Proprietor’s mark were identical.
 - (6) The earlier trade mark had a reasonable degree of distinctiveness overall.
 - (7) The distinctive character of an earlier trade mark (or an element within it) is only one of many factors to take into account in assessing likelihood of confusion (see, e.g., Case T-273/10, *Olive Line International, SL v. OHIM*, 22 May 2012). Likelihood of confusion may result from two marks containing a weakly distinctive common element (*L’Oréal*, para. 45, *PETMEDS.CO.UK Trade Mark*, BL O/471/11, para. 38) even if not dominant in the earlier trade mark (Case C-120/04, *Medion AG v. Thomson multimedia Sales Germany & Austria GmbH* [2005] ECR I-8551, paras. 30 – 33).
 - (8) For the very reason that likelihood of confusion must globally be assessed, I did not understand the CJEU in *L’Oréal* at paragraph 45 to lay down any general rule that weakly distinctive common elements can only result in likelihood of confusion where differences in the marks are “*slight*”. It depends on the circumstances in each case.
 - (9) Similarly in *Office Cleaning*, Lord Simonds pointed that every case depends on its own facts (p. 43, and see also, *Reddaway v. Camel Hair Belting* [1896] AC 199 at 210 – 211 and most recently, *A & E Television Networks LLC v. Discovery Communications Europe Ltd* [2013] EWHC 109 (Ch), para. 23).
66. Having undertaken a thorough multi-factorial analysis in the light of the relevant case law, the Hearing Officer concluded:

“The differences between the two trade marks are such that there is not likely to be direct confusion. However, owing to the dominance of the words in the trade mark of Mr Ameen, despite their highly allusive character, the relevant

public are likely to believe that the respective services emanate from the same or an economically linked undertaking.”

67. In my judgment, Hearing Officer Landau arrived at this conclusion without material error so that the second ground of appeal was not made out (*REEF Trade Mark* [2003] RPC 5, para. 28).

Conclusion

68. In the result, the appeal fails.
69. Hearing Officer Landau decided that taking into account the totality of the consolidated proceedings each party should bear their own costs in relation to this invalidation, but that since the first appeal and remittance to him had been the result of a Registry error in the calculation of dates, an *ex gratia* payment might be appropriate if the parties were to seek compensation from the Intellectual Property Office.
70. Nevertheless, the Applicant is entitled to a costs award in relation to this second appeal.
71. I will order the Proprietor to pay to the Applicant the sum of £900 as a contribution towards the Applicant's costs of this appeal (including the Proprietor's request to amend the grounds of appeal) such sum to be paid within 28 days of the date of this decision.

Professor Ruth Annand, 14 February 2013

Ms. Julia Clark of Counsel appeared on behalf of the Proprietor/Appellant

Mr. Bernard Whyatt of Brand Protect appeared on behalf of the Applicant/Respondent

ANNEX A

BL O/220/12, para. 1 (without footnotes)

- “1. *The timeline for these proceedings, which were consolidated by the Trade Marks Registry, is as follows:*
- (a) *Application number 82194 filed on 14 June 2005 by Taxassist Direct Limited for a declaration of invalidity of Registration number 2297176 standing in the name of Mr. Nasratul Ameen. The application for invalidity was based on earlier Registration number 2052091 standing in the name of Taxassist Direct Limited.*
 - (b) *Application number 83425 filed on 11 March 2009 by Mr. Nasratul Ameen for a declaration of invalidity of Registration number 2052091 standing in the name of Taxassist Direct Limited. The application for invalidity was based on alleged prior unregistered rights belonging to Mr. Ameen.*
 - (c) *Application number 83426 filed on 11 March 2009 by Mr. Nasratul Ameen for a declaration of invalidity of Registration number 2307153 standing in the name of Taxassist Direct Limited. The application for invalidity was based on earlier registration number 2297176 standing in the name of Mr. Ameen.*
 - (d) *Application number 83501 filed on 17 June 2009 by Mr. Nasratul Ameen for revocation of Registration number 2052091 standing in the name of Taxassist Direct Limited. The alleged periods of non-use were: 13 June 2000 – 12 June 2005, and/or 8 March 2004 – 7 March 2009.”*