

O-015-15

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 3014035  
BY WGB ONLINE LIMITED  
TO REGISTER THE TRADE MARK  
wg bank  
IN CLASSES 35 & 36  
AND**

**IN THE MATTER OF OPPOSITION  
THERE TO UNDER No. 401043 BY  
THE ROYAL BANK OF SCOTLAND PLC**

## BACKGROUND

1) On 15 July 2013, Mr Michael Toth applied to register the trade mark "wg bank" with the following disclaimer: Registration of this mark shall give no rights to the exclusive use, separately, of the words "wg" or "bank". In respect of the following goods:

In Class 35: Dissemination of advertising for others via the internet.

In Class 36: Internet banking; Banking; Banking services.

2) The application was examined and accepted, and subsequently published for opposition purposes on 16 August 2013 in Trade Marks Journal No. 2013/033.

3) On 27 September 2013 the mark was assigned to WGB Online Ltd (hereinafter the applicant).

4) On 15 October 2013, The Royal Bank of Scotland plc (hereinafter the opponent) filed a notice of opposition, subsequently amended. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade marks:

Mark	Number	Date of application / registration	Class	Specification
W&G	2525739	14.09.09 08.01.10	9	Magnetically encoded cards for carrying data; multifunction cards for financial services; charge cards, cash cards, bank cards, cheque cards, credit cards, debit cards; computer software and publications in electronic form supplied on-line from databases or from facilities provided on the Internet (including web pages and web sites); computer software and telecommunications apparatus (including modems) to enable connection to databases, computer networks and the Internet; computer software to enable searching of data; parts and fittings for all of the aforesaid goods; hand-held devices for payment and value exchange services and for enabling processing of other personal information services; ATM (automated teller machine) cards, access cards, identification cards, integrated chip cards and pre-paid cards and supporting systems related thereto; ATM machines, point of sale card readers, remote access devices; data carriers; computer software for the provision of banking services, financial services, bank account management services, monetary transfer services, payment services, financial analysis and financial reports, financial management services, and information services relating to banking and finance; computer software to enable the searching of data relating to the foregoing; publications, newsletters, magazines, periodicals, pamphlets and leaflets, all in electronic form supplied on-line from databases or from facilities provided on the Internet (including web sites); publications, newsletters, magazines, periodicals, pamphlets and leaflets, all

				in digital or electronic format, or provided by CD-ROM or diskette.
			16	Paper, paper articles and advertising materials; printed matter, stationery, newspapers, periodicals and cheque books; printed publications, newsletters, magazines, pamphlets, leaflets; plastic cards (other than encoded or magnetic); plastic covered cards bearing printed matter.
			36	Financial services; banking services; monetary transfer; payment services; automated banking services; private banking services; home banking; internet banking; mobile phone banking services; savings services; bill payment services; payment and credit services; credit card, debit card, charge card, cash card and bank card services; cash management; investment management; safe deposit services; bankers' clearing services; account debiting services; escrow services; cheque encashment services; credit brokerage; automatic cash dispensing services, automatic teller machine services; insurance services; financing of loans; loans (financial) against security; financial investment services; capital investment services; trustee services; financial management services; brokers and agents (for bonds and other securities); financial consultation services; investment advice; financial guarantees (surety services); financial analysis and providing reports; financial information services; financial research services; financing services (securing funds for others); financial advisory services; services for the provision and purchase of financial and/or credit information; administration of financial affairs; computerised financial services; advice and enquiries regarding credit; services for the provision of credit; acceptance of deposits; discount of bills (notes); domestic remittance, liability guarantee, acceptance of bills, lending securities, acquisition and transfer of monetary claims; trustee services; trusteeship of money; futures contracts; securities, monetary claims, personal property, land, land fixture surface rights and land leasing rights; money exchange, foreign exchange transactions, currency exchange services, travellers cheque services; letter of credit-related business, securities trading, index fixtures, securities options, overseas market securities futures, underwriting securities, selling securities, handling subscriptions and offerings of securities, providing stock market information, life insurance brokerage, life insurance underwriting, agencies for non-life insurance, claim adjustment for non-life insurance, non-life insurance underwriting, insurance actuarial services; mortgage services; pension services; sponsorship of sports, sports teams and sporting events; advisory, consultancy and information services relating to all of the aforesaid services.
WILLIAMS & GLYN'S	2525717	14.09.09 01.01.10	9	Magnetically encoded cards for carrying data; multifunction cards for financial services; charge cards, cash cards, bank cards, cheque cards, credit cards, debit cards; computer software and publications in electronic form supplied on-line from databases or from facilities provided on the Internet (including web pages and web sites); computer software and telecommunications apparatus (including modems) to enable connection

			<p>to databases, computer networks and the Internet; computer software to enable searching of data; parts and fittings for all of the aforesaid goods; hand-held devices for payment and value exchange services and for enabling processing of other personal information services; ATM (automated teller machine) cards, access cards, identification cards, integrated chip cards and pre-paid cards and supporting systems related thereto; ATM machines, point of sale card readers, remote access devices; data carriers; computer software for the provision of banking services, financial services, bank account management services, monetary transfer services, payment services, financial analysis and financial reports, financial management services, and information services relating to banking and finance; computer software to enable the searching of data relating to the foregoing; publications, newsletters, magazines, periodicals, pamphlets and leaflets, all in electronic form supplied on-line from databases or from facilities provided on the Internet (including web sites); publications, newsletters, magazines, periodicals, pamphlets and leaflets, all in digital or electronic format, or provided by CD-ROM or diskette.</p>
			<p><b>16</b> Paper, paper articles and advertising materials; printed matter, stationery, newspapers, periodicals and cheque books; printed publications, newsletters, magazines, pamphlets, leaflets; plastic cards (other than encoded or magnetic); plastic covered cards bearing printed matter.</p>
			<p><b>36</b> Financial services; banking services; monetary transfer; payment services; automated banking services; private banking services; home banking; Internet banking; mobile phone banking services; savings services; bill payment services; payment and credit services; credit card, debit card, charge card, cash card and bank card services; cash management; investment management; safe deposit services; bankers' clearing services; account debiting services; escrow services; cheque encashment services; credit brokerage; automatic cash dispensing services, automatic teller machine services; insurance services; financing of loans; loans (financial) against security; financial investment services; capital investment services; trustee services; financial management services; brokers and agents (for bonds and other securities); financial consultation services; investment advice; financial guarantees (surety services); financial analysis and providing reports; financial information services; financial research services; financing services (securing funds for others); financial advisory services; services for the provision and purchase of financial and/or credit information; administration of financial affairs; computerised financial services; advice and enquiries regarding credit; services for the provision of credit; acceptance of deposits; discount of bills (notes); domestic remittance, liability guarantee, acceptance of bills, lending securities, acquisition and transfer of monetary claims; trustee services; trusteeship of money; futures contracts; securities, monetary claims, personal property,</p>

				land, land fixture surface rights and land leasing rights; money exchange, foreign exchange transactions, currency exchange services, travellers cheque services; letter of credit-related business, securities trading, index fixtures, securities options, overseas market securities futures, underwriting securities, selling securities, handling subscriptions and offerings of securities, providing stock market information, life insurance brokerage, life insurance underwriting, agencies for non-life insurance, claim adjustment for non-life insurance, non-life insurance underwriting, insurance actuarial services; mortgage services; pension services; sponsorship of sports, sports teams and sporting events; advisory, consultancy and information services relating to all of the aforesaid services.
WILLIAMS & GLYN'S	CTM 8486871	12.08.09 10.02.10	9	Magnetically encoded cards for carrying data; multifunction cards for financial services; charge cards, cash cards, bank cards, cheque cards, credit cards, debit cards; computer software and publications in electronic form supplied on-line from databases or from facilities provided on the Internet (including web pages and web sites); computer software and telecommunications apparatus (including modems) to enable connection to databases, computer networks and the Internet; computer software to enable searching of data; parts and fittings for all of the aforesaid goods; hand-held devices for payment and value exchange services and for enabling processing of other personal information services; ATM (automated teller machine) cards, access cards, identification cards, integrated chip cards and pre-paid cards and supporting systems related thereto; ATM machines, point of sale card readers, remote access devices; data carriers; computer software for the provision of banking services, financial services, bank account management services, monetary transfer services, payment services, financial analysis and financial reports, financial management services, and information services relating to banking and finance; computer software to enable the searching of data relating to the foregoing; publications, newsletters, magazines, periodicals, pamphlets and leaflets, all in electronic form supplied on-line from databases or from facilities provided on the Internet (including web sites); publications, newsletters, magazines, periodicals, pamphlets and leaflets, all in digital or electronic format, or provided by CD-ROM or diskette.
			16	Paper, paper articles and advertising materials; printed matter, stationery, newspapers, periodicals and cheque books; printed publications, newsletters, magazines, pamphlets, leaflets; plastic cards (other than encoded or magnetic); plastic covered cards bearing printed matter.
			36	Financial services; banking services; monetary transfer; payment services; automated banking services; private banking services; home banking; internet banking; mobile phone banking services; savings services; bill payment services; payment and credit services; credit card, debit card, charge card, cash card and bank card services; cash management; investment management; safe deposit services; bankers' clearing services; account debiting services; escrow services; cheque

			<p>encashment services; credit brokerage; automatic cash dispensing services, automatic teller machine services; insurance services; financing of loans; loans (financial) against security; financial investment services; capital investment services; trustee services; financial management services; brokers and agents (for bonds and other securities); financial consultation services; investment advice; financial guarantees (surety services); financial analysis and providing reports; financial information services; financial research services; financing services (securing funds for others); financial advisory services; services for the provision and purchase of financial and/or credit information; administration of financial affairs; computerised financial services; advice and enquiries regarding credit; services for the provision of credit; acceptance of deposits; discount of bills (notes); domestic remittance, liability guarantee, acceptance of bills, lending securities, acquisition and transfer of monetary claims; trustee services; trusteeship of money; futures contracts; securities, monetary claims, personal property, land, land fixture surface rights and land leasing rights; money exchange, foreign exchange transactions, currency exchange services, travellers cheque services; letter of credit-related business, securities trading, index fixtures, securities options, overseas market securities futures, underwriting securities, selling securities, handling subscriptions and offerings of securities, providing stock market information, life insurance brokerage, life insurance underwriting, agencies for non-life insurance, claim adjustment for non-life insurance, non-life insurance underwriting, insurance actuarial services; mortgage services; pension services; sponsorship of sports, sports teams and sporting events; advisory, consultancy and information services relating to all of the aforesaid services.</p>
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b) The opponent states that the services in class 36 of its marks are identical or similar to the applicant's services in class 36. It also contends that its services in class 36 and goods in class 9 are similar to the applicant's class 35 services. Further the opponent contends that its marks are similar to the mark in suit such that there is a likelihood of confusion. The opponent contends that it has goodwill and reputation in its marks as they have been used since 1970. The mark in suit therefore offends against sections 5(2)(b) and 5(3) of the Act.

c) The opponent also contends that it has goodwill in the mark WG as it has been used in the UK in respect of banking since 1970. The mark in suit therefore offends against section 5(4) of the Act.

d) The opponent contends that there has been extensive recent press coverage regarding the possible sale of Williams & Glyn's Bank (having first invested £800 million over the next two years). It claims that the applicant was aware of this and that the applicant is a private limited company that was incorporated on 27 September 2013 by Mr Michael Tath who is its only director and the company's registered office is his home address. The opponent contends that the application is

a cyber-squatter who has been Involved in domain name disputes including the high profile High Court case Toth v Emirates [2012]. The opponent contends that the applicant appears to be opportunistic and an attempt to misappropriate the goodwill that the opponent owns in the mark W&G. The application therefore offends against section 3(6).

5) On 9 January 2014, the applicant filed a counterstatement, subsequently amended, denying all the grounds. It did not put the opponent to strict proof of use of its marks, but did seek proof of reputation and goodwill.

6) Both sides filed evidence. Both parties seek an award of costs in their favour. Neither side wished to be heard although both sides provided written submissions which I shall take into account as and when they are relevant.

### **OPPONENT'S EVIDENCE**

7) The opponent filed two witness statements. The first, dated 5 June 2014, is by Christopher Archer, a graphic designer. He states that he was involved in an advertising campaign for Williams and Glyn's Bank Ltd between 1979 and 1985. He states that the advertisements were run in newspapers and magazines such as the Daily Mail, The Telegraph, Financial Times, Readers Digest and Woman's Own. He states that in October 2013 he read in the press that the Williams and Glyn's brand was to be re-launched but this time without the apostrophe and thus had become Williams and Glyn.

8) The second witness statement, dated 2 June 2014, is by Richard Curtin the Head of Intellectual Property at Royal Bank of Scotland Group Plc (RBS), a position he has held since August 2004. He states that Williams and Glyn's Bank Ltd (WG) began trading on 25 September 1970 following a merger of three banks. Following the Government takeover of RBS the European Union ruled that the business should sell certain of its assets, which lead to a plan to sell a number of branches and the trading name of Williams and Glyn. By the time of its merger into RBS in 1985 the number of branches had decreased to 311 although the profits had increased from £5million to £36 million. Mr Curtin states that during its existence WG used the "daisywheel" device, shown below, which, as it was and still is used by RBS, showed that the two brands were associated.



9) The bank offered a number of services such as savings plans, insurance consultancy; investment management; banking services for those working overseas; services especially geared to students; Children's savings schemes; current accounts, ATM, credit card and cheque book services; personal, home, car and business loans; life and travel insurance; taxation advice; multicurrency accounts and assistance with wills. Mr Curtin states that the bank was promoted via television, radio, newspaper and magazine advertisements throughout its existence. These refer to Williams and Glyn's

bank as the “alternative” bank and emphasise that it is the smallest of the big five banks. He states that it was also a pioneer in offering free banking, and credit cards and reinforced its goodwill and its reputation as an innovative bank.

10) Mr Curtin states that in order to comply with EU competition rules it was announced in 2009 that RBS would sell some of its branches. In 2010 it was announced that Santander had bid for over 300 historic ex-Williams and Glyn’s branches. Subsequently Santander withdrew its bid and a deal was struck with the Corsair consortium. These facts were widely reported in the British media. He points out that use of the term “bank” is highly regulated and requires approval from the Financial Conduct Authority and the Prudential Regulation Authority in order for the term to be used. He states that the applicant is not registered with these authorities and puts the applicant to proof that it has applied for approval. He provides the following exhibits:

- RC1: A brief history of the bank which states that at its inception the bank had 321 branches and 3% of bank deposits. By the time of its merger into the Royal Bank of Scotland on 30 September 1985 it had 1.2 million accounts up from 460,000 at its inception.
- RC2: Copies of press releases and media articles regarding the announcement of the selling off of 314 branches of the Royal Bank of Scotland which will trade under the name Williams and Glyn. The stock market floatation was anticipated as being in “late 2015” although it was anticipated that the branches would be renamed prior to this date. The press release is dated 27 September 2013, and most of the media stories are dated within a week of this announcement.
- RC5-33 inclusive: Copies of leaflets which describe various services offered to customers. The leaflets date between 1970 and 1985. The services included savings plans, insurance consultancy; investment management; banking services for those working overseas; services especially geared to students; Children’s savings schemes; current accounts, ATM, credit card and cheque book services; personal, home, car and business loans; life and travel insurance; taxation advice; multicurrency accounts and assistance with wills. The leaflets all refer to the provider using the full name “Williams and Glyn’s”.
- RC34-35: Copies of various media advertisements for the variety of services offered under the Williams & Glyn’s mark. These are dated between 1970 and 1985.
- RC36: Copies of press articles which mention the bank dated between 1970 and 1985. These all refer to the bank using the full name “Williams and Glyn’s”.
- RC39: Copies of various media stories which comment on the resurrection of the Williams & Glyn’s bank after 30 years. These date from 28 February 2010 to 28 June 2013 (prior to the application date) and are from, inter alia, *The Guardian*, *Management Today*, *Brandchannel*, *The Independent*, *Interactive Investor*,



*Money Marketing, BBC News, The Telegraph, The Sunday Times, The Observer, Reuters, Evening Standard, Daily Mail, Daily Express, Western Mail, The Scotsman and The Times.* These articles mention the sale of branches under the business name of Williams and Glyn's bank and very occasionally shorten the name to W&G later in the article after first using the full name.

## **APPLICANT'S EVIDENCE**

11) The applicant filed a witness statement, dated 4 August 2014, by Michael Toth, the sole director of the applicant. He states that he has been in business for over twenty years and that he has, during this time, owned a variety of businesses. He denies the charge of bad faith and states that he intends to apply to the relevant authorities for permission to use the term "bank" in due course. He describes the opponent as "a company convicted of so much criminality and fraudulent trading that it beggars belief that they have the gall to accuse the applicant of bad faith". He disputes that the opponent has a good reputation stating that "Royal Bank of Scotland's business seems to be built on criminality, fraud and immoral behaviour". Referring to the inclusion in the original pleadings of a bad faith ground which was withdrawn and then reinstated he comments "This in itself shows that the opponent is quite happy to do anything, say anything at all in its evidence and cannot be relied upon to be truthful or honest as they should be."

12) Mr Toth points out that he is not the applicant which is a separate legal entity, and in any case he refutes that he or the applicant has "ever acted in bad faith in any business dealings at all". He denies that the opponent has any goodwill in the business known as Williams and Glyn's and also denies that there is any similarity between this name and the mark in suit. He also questions whether the opponent would have owned any goodwill that might have been generated by the Williams and Glyn's bank whilst it was operational. He provides the following exhibits:

- MT1: Copies of press articles regarding various "scandals" that the opponent has been involved in such as mis-selling, interest rate rigging, breaching sanctions, Libor rate fixing, misleading investors and fraudulent trading. These appear to date from December 2013 to April 2014 and all relate to the activities of RBS.
- MT2: Copies of print outs from Companies House which are said not to show any entries listed under the company name Williams and Glyn's Bank Limited.
- MT3: A list of "WG" marks from the OHIM and IPO Register. These show the following marks registered for Class 36 services: "whg"; "WG and device"; "WG and device" and "W&G". It also shows "whg and device" which is stated to be "dead" and applications for "W&G and device". No details of the exact services registered are provided nor are any details as to ownership or use provided.

13) That concludes my summary of the evidence filed, insofar as I consider it necessary.

## DECISION

14) I first turn to the ground of opposition based on section 5(2)(b) 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.”

15) An “earlier trade mark” is defined in section 6, 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.”

16) The opponent is relying upon its three trade marks listed in paragraph 4 above which are all clearly earlier trade marks. Given the interplay between the date that the opponent’s marks were registered and the date that the applicant’s mark was published, section 6A of the Trade Marks Act does not come into play.

17) When considering the issue under section 5(2)(b) I take into account the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **The average consumer and the nature of the purchasing decision**

18) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods; I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

19) The specification applied for by the applicant comprises, broadly speaking of banking and advertising services. I will first consider banking services. Clearly the average consumer would be the general public which would include businesses. Even relatively simple banking services such as a current or savings account is not something which would be entered into lightly. Not only are you entrusting your money to an organisation but there are considerable hurdles to go through in order to be allowed to open any type of bank account in order to prevent fraud and money laundering. Prior to being allowed to open an account one is usually interviewed and required to provide a number of documents showing details such as name and address etc. It is not something which one can do on the spur of the moment; it is a considered decision and will require planning in sorting out appointment dates and documentation.

20) Advertising services will be utilised more by businesses to publicise their wares; but can on occasion be used by the average member of the public such as when selling items via websites such as eBay or selling a car via Autotrader. Again given the nature of the transaction and the costs involved it is not something which will be entered into without careful consideration.

21) In respect of both types of service they will usually be selected via the internet, from a presence on the high street or via magazines/ newspapers. This suggests that the **visual aspect is the most important element in selection**. However, I must not overlook the potential for word of mouth recommendations when aural considerations would also come into play. **I accept that the average consumer is reasonably circumspect and observant, and I believe that the class 36 services of both parties, and the class 35 services of the applicant, will be purchased or selected with a considerable amount of care.**

### **Comparison of goods and services**

22) The opponent’s class 36 specification for all three of its marks encompasses the class 36 specification applied for and so **the services of both parties in class 36 must be regarded as identical**. The opponent contends that its services in classes 9 and 36 are similar to the applicant’s class 35 services relating to advertising. However, it does not provide any reasons why its goods and services have anything to do with advertising. **To my mind the opponent’s specification in classes 9 and 36 are not similar to the class 35 services of the applicant.**

## Comparison of trade marks

23) Two of the opponent's marks 2525717 & CTM 8486871 are identical and for the purposes of this comparison I shall treat them as a single mark. Whilst the applicant's mark has a disclaimer it is accepted that disclaimers do not go into the market place. The trade marks to be compared are:

Opponent's trade marks		Applicant's trade mark
2525739	W&G	Wg bank
2525717 & CTM 8486871	WILLIAMS & GLYN'S	

24) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

"38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.'

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

25) However the independent and distinctive element does not need to be identical. In *Bimbo SA v OHIM*, Case T-569/10, the General Court held that:

"96. According to the case-law, where goods or services are identical there may be a likelihood of confusion on the part of the public where the contested sign is composed by juxtaposing the company name of another party and a registered mark which has normal distinctiveness and which, without alone determining the overall impression conveyed by the composite sign, still has an independent distinctive role therein (Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 37). There may also be a likelihood of confusion in a case in which the earlier mark is not reproduced identically in the later mark (see, to that effect, Joined

Cases T-5/08 to T-7/08 *Nestlé v OHIM – Master Beverage Industries (Golden Eagle and Golden Eagle Deluxe)* [2010] ECR II-1177, paragraph 60).”

26) In *Aveda Corp v Dabur India Ltd* [2013] EWHC 589 (Ch), Arnold J. stated that:

“47. In my view the principle which I have attempted to articulate in [45] above is capable of applying where the consumer perceives one of the constituent parts to have significance independently of the whole, but is mistaken as to that significance. Thus in *Bulova Accutron* the earlier trade mark was ACCURIST and the composite sign was BULOVA ACCUTRON. Stamp J. held that consumers familiar with the trade mark would be likely to be confused by the composite sign because they would perceive ACCUTRON to have significance independently of the whole and would confuse it with ACCURIST.

48. On that basis, I consider that the hearing officer failed correctly to apply *Medion v Thomson*. He failed to ask himself whether the average consumer would perceive UVEDA to have significance independently of DABUR UVEDA as a whole and whether that would lead to a likelihood of confusion.”

27) Further in *Ancco, Inc. V OHIM*, Case T-385/09, the General Court considered an appeal against OHIM’s decision that there was no likelihood of confusion between ANN TAYLOR LOFT and LOFT (both for clothing and leather goods) and found that:

“48. In the present case, in the light of the global impression created by the signs at issue, their similarity was considered to be weak. Notwithstanding the identity of the goods at issue, the Court finds that, having regard to the existence of a weak similarity between the signs at issue, the target public, accustomed to the same clothing company using sub-brands that derive from the principal mark, will not be able to establish a connection between the signs ANN TAYLOR LOFT and LOFT, since the earlier mark does not include the ‘ann taylor’ element, which is, as noted in paragraph 37 above (see also paragraph 43 above), the most distinctive element in the mark applied for.

49 Moreover, even if it were accepted that the ‘loft’ element retained an independent, distinctive role in the mark applied for, the existence of a likelihood of confusion between the signs at issue could not for that reason be automatically deduced from that independent, distinctive role in that mark.

50 Indeed, the likelihood of confusion cannot be determined in the abstract, but must be assessed in the context of an overall analysis that takes into consideration, in particular, all of the relevant factors of the particular case (*SABEL*, paragraph 18 above, paragraph 22; see, also, Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 37), such as the nature of the goods and services at issue, marketing methods, whether the public’s level of attention is higher or lower and the habits of that public in the sector concerned. The examination of the

factors relevant to this case, set out in paragraphs 45 to 48 above, do not reveal, prima facie, the existence of a likelihood of confusion between the signs at issue.”

28) I also take into account the comments of the Court of Justice of the European Union in Case C-591/12P, *Bimbo SA v OHIM*, where at paragraph 34 of its judgment it stated that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

29) It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by them.

30) I shall first compare the opponent’s mark number 2525739 (W&G) to the mark in suit (wg bank). Clearly there are visual differences in that the opponent’s mark has an ampersand whereas the mark in suit contains the word “bank”. However, when used in respect of banking services in class 36 the word “bank” would clearly be seen as a descriptive element. The opponent’s mark is in upper case whereas the mark in suit is in lower, however a registration covers use of both upper and lower case. The same contentions would apply to the test for aural and conceptual comparisons, with the same results. **As such in respect of services in class 36 there is a medium to high degree of visual, aural and conceptual similarity.** In respect of services in class 35 the word “bank” would not be seen as being descriptive of the services offered, alluding perhaps to a “bank” of advertisements or internet pages. The letters “w” and “g” are at the start of both marks, which is significant, the ampersand may be taken into account but will not detract overly from the identification of the letters “WG/wg”. Again the same contentions would apply to the test for aural and conceptual comparisons, with the same results. **As such in respect of services in class 35 there is a low to medium degree of visual, aural and conceptual similarity between the opponent’s mark 2525739 and the mark in suit.**

31) I now turn to the opponent’s mark “Williams and Glyn’s”. The opponent contends that the name of their bank has been reduced by the public to the letters “W& G”. There is very limited evidence that certain newspaper articles having initially identified the business being sold as that of the old Williams and Glyn’s bank then used the shortened version of WG when referring to the business. However, there is no evidence that this shortened version would be recognised by the average consumer without the initial full title being given to point them in the correct direction. **I conclude that there is no visual, aural or conceptual similarity between the opponent’s marks 2525717 & 8486871 and the mark in suit.**

## Distinctive character of the earlier trade mark

32) Whilst there cannot be any artificial dissection of the trade marks, it is necessary to take into account any distinctive and dominant components they may have. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; 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 section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

33) I shall first consider the opponent’s mark 2525739 “W&G”. To my mind its distinctiveness lies within its whole. It is not clear that the letters refer to anything allusive or descriptive in respect of the goods and services for which it is registered. Therefore **it has a medium level of inherent distinctiveness**. The opponent’s evidence does not show use of the letters “W&G” other than fleetingly in press articles where the full name of the business had already been given. **I do not accept that the use made of its mark by the opponent is sufficient to enable it to benefit from enhanced distinctiveness through use in relation to the goods or services for which it is registered.**

34) Turning to the opponent’s other marks 2525717 & 8486871 “Williams and Glyn’s”. Again in my opinion the mark does not have any distinctive /dominant elements within it, its distinctiveness lies within its whole. It is not clear that the words refer to anything allusive or descriptive in respect of the goods and services for which they are registered. Therefore they **have a high level of inherent distinctiveness**. The opponent has provided evidence that the marks were used in respect of a highly successful bank which at the time it was merged into the RBS Group was the fifth largest bank in the UK with over 1.2 million accounts and over 300 branches throughout the UK. Although the name stopped being used in September 1985, its reputation would



have lingered. The press articles in relation to the sale of the business some 28 years later all refer to the business as one which their older readers will recall, albeit somewhat dimly. **I am willing, somewhat reluctantly, to accept that the use made of the marks by the opponent is sufficient to enable them to benefit from enhanced distinctiveness through use in relation to banking services.**

### **Likelihood of confusion**

35) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade marks as the more distinctive these trade marks are, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods and services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- **The visual aspect is the most important element in selection, although aural considerations also have to be taken into account;**
- **The class 36 services of both parties, and the class 35 services of the applicant, will be purchased or selected with a considerable amount of care.**
- **The services of both parties in class 36 must be regarded as identical. The opponent's specification in classes 9 and 36 are not similar to the class 35 services of the applicant.**
- **In respect of services in class 36 there is a medium to high degree of visual, aural and conceptual similarity between the opponent's mark 2525739 and the mark in suit.**
- **In respect of services in class 35 there is a low to medium degree of visual, aural and conceptual similarity between the opponent's mark 2525739 and the mark in suit.**
- **There is no visual, aural or conceptual similarity between the opponent's marks 2525717 & 8486871 and the mark in suit.**
- **The opponent's mark 2525739 has a medium level of inherent distinctiveness but cannot benefit from enhanced distinctiveness through use in relation to the goods or services for which it is registered.**

- **The opponent's marks 2525717 & 8486871 have a high level of inherent distinctiveness and can benefit from enhanced distinctiveness through use in relation to banking services, but the marks are not similar.**

36) I also take into account the comments of the General Court in *Commercy AG, v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-316/07, where they pointed out that:

“43. Consequently, for the purposes of applying Article 8(1)(b) of Regulation No 40/94, it is still necessary, even where the two marks are identical, to adduce evidence of similarity between the goods or services covered by them (see, to that effect, order of 9 March 2007 in Case C-196/06 P *Alecansan v OHIM*, not published in the ECR, paragraph 24; and Case T-150/04 *Mülhens v OHIM – Minoronzoni(TOSCA BLU)* [2007] ECR II-2353, paragraph 27).”

37) Thus where the similarity between the respective goods or services is not self evident, the opponent must show how, and in which respects, they are similar. In view of the above and allowing for the concept of imperfect recollection, in respect of the opponent's mark 2525739 there is a likelihood of consumers being confused into believing that the services in class 36 provided by the applicant are those of the opponent or provided by some undertaking linked to them. **The opposition under Section 5(2) (b) in respect of trade mark 2525739 and class 36 services therefore succeeds.**

38) However, when considering the class 35 services applied for there is no likelihood of consumers being confused into believing that the class 35 services provided by the applicant are those of the opponent or provided by some undertaking linked to them. **The opposition under Section 5(2) (b) in respect of trade mark 2525739 and class 35 services therefore fails.**

39) Turning to the opponent's trade marks 2525717 & 8486871 there is no likelihood of consumers being confused into believing that the services in classes 35 or 36 provided by the applicant are those of the opponent or provided by some undertaking linked to them, because the marks are not similar. **The opposition under Section 5(2) (b) in relation to trade marks 2525717 & 8486871 therefore fails in total.**

40) I now turn to the ground of opposition under Section 5(3) which reads:

“(3) A trade mark which-

- (a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC), in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

41) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L'Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious likelihood that this will happen in future; *Intel*, paragraphs 76 and 77.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a

characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV*, paragraph 40.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

42) The onus is upon the opponent to prove that its earlier trade marks enjoy a reputation or public recognition and it needs to furnish the evidence to support this claim. I have found earlier in this decision that the opponent has not shown that it had reputation in its trade mark no. 2525739 "W&G" in relation to any goods or services. However, I did find that in relation to its trade marks nos. 2525717 and CTM 8486871 it had reputation in respect of banking services. Therefore, the opposition in respect of 2525739 fails at the first hurdle, whilst 2525717 and CTM 8486871 clear the first hurdle.

43) Once the matter of reputation is settled an opponent must then show that the relevant customers would make a link between the two trade marks and how its trade mark would be affected by the registration of the later trade mark. In Case C-408/01, *Addidas-Salomon*, the CJEU held that:

"28. The condition of similarity between the mark and the sign, referred to in Article 5(2) of the Directive, requires the existence, in particular, of elements of visual, aural or conceptual similarity (see, in respect of Article 5(1)(b) of the Directive, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23 in fine, and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraphs 25 and 27 in fine).

29. The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23)."

44) Earlier in this case I found that the class 36 services of the two parties were identical. I also found that the opponent's mark has a high level of inherent distinctiveness for "banking services" and has an enhanced reputation through its use in relation to banking services. I also found that the competing trade marks are visually aurally and conceptually different. **Thus, in my opinion a link will not be established.**

Adopting the composite approach advocated, the conclusions that I have set out above naturally lead me to the view that there is no advantage for the applicant to derive. As far as detriment is concerned, the opponent suggested that this would subsist in a reduction in the distinctiveness of their mark. I consider that registration of the mark in suit would not have such an impact, either to the distinctiveness of the earlier mark or the reputation it enjoys. **The opposition under Section 5(3) therefore fails.**

45) I next turn to consider the ground of opposition under section 5(4)(a) which reads:

“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.”

46) In deciding whether the marks in question offend against this section, I intend to adopt the guidance set out in Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 which provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (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.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action

for passing off which were not under consideration on the facts before the House.”

47) Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

48) First I must determine the date at which the opponent's claim is to be assessed; this is known as the relevant or material date. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

“39. In *Last Minute*, the General Court....said:

‘50. First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.’

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury plc v. Active: 4Life Ltd* O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of *Last Minute* and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better interpretation of *Last Minute*, is that the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent's goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.

41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom's TM* [2005] RPC 2 at [46] (omitting case references):

- (a) The right to protection conferred upon senior users at common law;
- (b) The common law rule that the legitimacy of the junior user's mark in issue must normally be determined as of the date of its inception;
- (c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: "date of commencement of the conduct complained of". If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

'Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.'

49) The application was filed on 15 July 2013. As the applicant does not claim to have used its mark prior to the application date, the relevant date is the filing date.

50) I therefore turn to consider whether as of 15 July 2013, the opponent had any goodwill and if so in what goods or services this goodwill existed. Earlier in this decision I found that the opponent has no reputation or goodwill under its mark 2525739. **Therefore the opposition under section 5(4)(a) in respect of trade mark 2525739 fails at the first hurdle.**

51) Also earlier in this decision I determined that the opponent had residual reputation and goodwill under its marks 2525717 and CTM 848687 in respect of banking services. **The opponent therefore overcomes the first obstacle under this ground of opposition in respect of trade marks 2525717 and CTM 848687.**

52) I found earlier in this decision that the opponent's marks 2525717 and CTM 848687 have a high level of inherent distinctiveness and also benefit from enhanced distinctiveness through use.



53) I now turn to consider the issue of misrepresentation. In *Neutrogena Corporation and Another v Golden Limited and Another*, 1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148 . The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175 ; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

And later in the same judgment:

“... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993) . It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

54) There is one possible difference between the position under trade mark law and the position under passing off law. In *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, Lewinson L.J. cast doubt on whether the test for misrepresentation for passing off purposes came to the same thing as the test for a likelihood of confusion under trade mark law. He pointed out that it is sufficient for passing off purposes that “a *substantial number*” of the relevant public are deceived, which might not mean that the average consumer is confused. As both tests are intended to be normative measures intended to exclude those who are unusually careful or careless (per Jacob L.J. in *Reed Executive Plc v Reed Business Information Ltd* [2004] RPC 40), it is doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes.

55) In *Neutrogena Corporation and Another v Golden Limited and Another*, 1996] RPC 473, Morritt L.J. stated that:

“The role of the court, including this court, was emphasised by Lord Diplock in *GE Trade Mark* [1973] R.P.C. 297 at page 321 where he said:

‘where the goods are sold to the general public for consumption or domestic use, the question whether such buyers would be likely to be deceived or confused by the use of the trade mark is a “jury question”. By that I mean: that if the issue had now, as formerly, to be tried by a jury, who as members of the general public would themselves be potential buyers of the goods, they would be required not only to consider any evidence of other members of the public which had been adduced but also to use their own common sense and to consider whether they would themselves be likely to be deceived or confused.

The question does not cease to be a “jury question” when the issue is tried by a judge alone or on appeal by a plurality of judges. The judge’s approach to the question should be the same as that of a jury. He, too, would be a potential buyer of the goods. He should, of course, be alert to the danger of allowing his own idiosyncratic knowledge or temperament to influence his decision, but the whole of his training in the practice of the law should have accustomed him to this, and this should provide the safety which in the case of a jury is provided by their number. That in issues of this kind judges are entitled to give effect to their own opinions as to the likelihood of deception or confusion and, in doing so, are not confined to the evidence of witnesses called at the trial is well established by decisions of this House itself.”

56) It is the plaintiff’s customers or potential customers that must be deceived. In *Neutrogena Corporation and Another v Golden Limited and Another*, 1996] RPC 473, Morritt L.J. stated that:

“This is the proposition clearly expressed by the judge in the first passage from his judgment which I quoted earlier. There he explained that the test was whether a substantial number of the plaintiff’s customers or potential customers had been deceived for there to be a real effect on the plaintiff’s trade or goodwill.”

57) There is very little use of the letters “W& G” in combination with the full words “Williams & Glynn’s”. In the instant case both parties are in the same field of activity (banking services). However, there are such significant differences in the marks of the two parties that I have no doubt in my mind that there is no possibility of a substantial number of the relevant public being deceived. **To my mind it is clear that misrepresentation will not occur.**

53) A consequence of there being no misrepresentation is that there will be no damage. **The ground of opposition under section 5(4)(a) in respect of trade marks 2525717 and CTM 848687 therefore fails.**

54) Lastly, I turn to the ground of opposition under section 3(6) which reads:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

55) The law in relation to section 3(6) of the Act (“bad faith”) was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch):

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, “Bad faith in European trade mark law” [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C- 529/07 *Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also “some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined”: see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February

2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion

(see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)."

56) In *John Williams and Barbara Williams v Canaries Seaschool SLU*, BL O-074-10, Mr Geoffrey Hobbs QC as the Appointed Person stated that:

"21. I think it is necessary to begin by emphasising that a decision taker should not resort to the burden of proof for the purpose of determining the rights of the parties in civil proceedings unless he or she cannot reasonably make a finding in relation to the disputed issue or issues on the basis of the available evidence, notwithstanding that he or she has striven to do so: *Stephens v. Cannon* [2005] EWCA Civ. 222 (14 March 2005)."

57) The opponent contends that the applicant has no intention to use the mark in suit. In *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHR 1929 (Ch), Arnold J. held that a possible or contingent intention to use the mark in relation to the goods/services covered by the application would normally be sufficient to prevent a finding of bad faith on the grounds of no intention to use the mark. He stated:

"161. If the UK's requirement for a declaration of intention to use is compatible with the Directive, and the making by the applicant of a false declaration of intent to use can amount to bad faith, the next issue concerns the intention which the applicant must have in order to be able to declare in good faith that he intends to use the mark in relation to the goods or services specified in the application in the UK. Counsel for the Defendants submitted that a concrete present intention was required, whereas counsel for Red Bull submitted that a possible or contingent future intention was sufficient.

162. In *Knoll* Neuberger J. said that "whether a contemplated use, or a possible or conditional intention to use, can suffice must depend upon the circumstances". In that case, he found that the proprietor had had a definite intention to use the mark in relation to pharmaceutical preparations for the treatment of obesity and contemplated that it might use the mark in relation to other pharmaceutical products. In those circumstances he held that it was unarguable that the proprietor had acted in bad faith by making a false declaration that it intended to use the mark in relation to pharmaceutical preparations and dietetic substances. In *32Red* the Court of Appeal appears to have accepted that a possible future use of the mark in relation to the services applied for was enough to defeat an allegation of bad faith on the ground of lack of intention to use in the circumstances of that case, albeit without any detailed consideration of the law.

163. Neuberger J's statement in *Knoll* appears to me to be not only correct in principle, but also supported by the subsequent jurisprudence of the CJEU in *Lindt v Hauswirth* and *Internetportal v Schlicht*. I therefore conclude that a possible or contingent intention to use the mark at some future date may suffice. Whether it does suffice will depend on all the circumstances of the case, and in particular whether there are other factors present of the kind mentioned in

paragraph 139 above”. [i.e. whether the application is an attempt to gain protection for an unregistrable mark or to block others from using the mark] 58) I also take into account the comments in *Demon Ale Trade Mark* [2000] RPC 345, where the applicant had an intention to use the mark for some goods, but not the goods covered by the application. Sitting as the Appointed Person, Mr Geoffrey Hobbs QC held that:

“In the present case the objection under section 3(6) related to the applicant's breach of a statutory requirement. Section 32(3) of the Act required him to be a person who could truthfully claim to have a bona fide intention that DEMON ALE should be used (by him or with his consent) as a trade mark for beer. His application for registration included a claim to that effect. However he had no such intention and could not truthfully claim that he did. That was enough, in my view, to justify rejection of his application under section 3(6).”

59) The opponent contends that because the application is in respect, inter alia, of banking services the applicant has acted in bad faith as it has yet to apply to the relevant regulatory body to seek the registration necessary in the UK to operate a bank. It provided evidence to show that no such application had been made as of the date of the witness statement. However, as the applicant pointed out it has five years to put the mark into use, and it can make an application for the necessary authority to offer banking services in the UK as and when it is ready. Whilst I accept that the regulatory authorities will require stringent terms and conditions to be met before allowing a company to offer banking services, this tribunal is not in a position to judge whether the applicant has the wherewithal to meet these requirements. **The opponent has not filed evidence which would lead me to accept the contention that the applicant has no intention to use the mark in suit.**

60) The opponent also contends that it still had, at the date of the application, reputation and goodwill in its Williams and Glyn's banking business despite it not having traded since 1985. It has shown that prior to the filing date the intention to sell off the business to a third party was publicised widely in the UK and that anyone intending to enter into the banking services industry would as part of their due diligence have come across the media coverage. The opponent referred me to the case of *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07, where the CJEU stated that:

“46.....the fact that a third party has long used a sign for an identical or similar product capable of being confused with the mark applied for and that that sign enjoys some degree of legal protection is of the factors relevant to the determination of whether the applicant was acting in bad faith”.

47. In such a case, the applicant's sole aim in taking advantage of the rights conferred by a Community trade mark might be to compete unfairly with a competitor who is using the sign which, because of characteristics of its own, has by that time obtained some degree of legal protection.

48. That said, it cannot be excluded that even in such circumstances, and in particular when several producers were using, on the market, identical or similar signs for identical or similar products capable of being confused with the sign for which registration is sought, the applicant's registration of the sign may be in pursuit of a legitimate objective.

49. That may in particular be the case.....where the applicant knows, when filing the application for registration, that a third party, who is a newcomer in the market, is trying to take advantage of that sign by copying its presentation, and the applicant seeks to register the sign with a view to preventing use of that presentation.

50. Moreover.....the nature of the mark applied for may also be relevant to determining whether the applicant is acting in bad faith. In a case where the sign for which registration is sought consists of the entire shape and presentation of a product, the fact that the applicant is acting in bad faith might more readily be established where the competitor's freedom to choose the shape of a product and its presentation is restricted by technical or commercial factors, so that the trade mark proprietor is able to prevent his competitors not merely from using an identical or similar sign, but also from marketing comparable products.

51. Furthermore, in order to determine whether the applicant is acting on bad faith, consideration may be given to then extent of the reputation enjoyed by the sign at the time when the application for registration as a Community trade mark is filed.

52. The extent of that reputation might justify the applicant's interest in ensuring wider legal protection for his sign."

61) However, the business which had residual reputation and goodwill was Williams and Glyn's bank. The media coverage mentioned the bank by name with only a very small percentage using the shortened version of W&G after initially identifying the business under its full name. There is no evidence that the average consumer would equate W&G with the opponent's business as it did not use this shortened version during its lifetime and so has no reputation or goodwill under the letters "W&G". The opponent's mark is "wg bank" which I have found earlier in this decision would not lead to confusion, misrepresentation or even establish a link to the opponent's business. The opponent also refers me to previous cases where the sole director of the applicant Mr Toth had been involved. It was alleged that he had sought to register a domain name in contravention of Nominet's policy. The implication was that Mr Toth (and hence the applicant as Mr Toth is the single mind behind the applicant) had "form" as a chancer and mountebank. The evidence provided by the opponent in the instant case does not support this contention despite my reservations over the intentions of the applicant. **Therefore, the application was not made in bad faith and the ground of opposition under section 3(6) fails.**

## **CONCLUSION**

62) The opponent has been successful in its opposition under Section 5(2)(b) in relation to the services in class 36 but failed in relation to the services in class 35 under this ground. The grounds of opposition under sections 5(3), 5(4)(a) and 3(6) all failed. The application will therefore proceed to registration in respect of the class 35 services only.

## **COSTS**

63) The opponent had only limited success managing to restrict the application from two classes of services to one. As both sides have achieved a measure of success I do not propose to favour either side with an award of costs.

**Dated this 13th day of January 2015**

**George W Salthouse  
For the Registrar,  
the Comptroller-General**