

O-231-19

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 3270231
BY XCONNECT SECURITIES LIMITED
TO REGISTER THE FOLLOWING TRADE MARK:**



IN CLASS 36

AND

**OPPOSITION THERETO UNDER NO. 411829
BY THE CAPITAL GROUP COMPANIES, INC**

BACKGROUND AND PLEADINGS

1. On 13 November 2017, Xconnect Securities Limited (“the applicant”) filed trade mark application number UK00003270231 for the mark shown on the cover page of this decision. The application was accepted and published for opposition purposes on 1 December 2017, in respect of the following services:

Class 36 Financial services.

2. The Capital Group Companies, Inc (“the opponent”) opposes the application under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), relying upon one UK trade mark (“UKTM”) and one EU trade mark (“EUTM”), the details of which are as follows:

UK00003221477

Representation: AMCAP

Filing date: 28 March 2017

Registration date: 16 June 2017

Services: Class 36 Financial services; financial management services; investment, fund, portfolio and securities management services; venture capital management services; financial, economic and investment research and analysis services; financial, economic and investment advisory services; advisory and consultancy services relating to all the aforesaid.

EU016519563

Representation: AMCAP

Filing date: 28 March 2017

Registration date: 11 July 2017

Services: Class 36 Financial services; financial management services; investment, fund, portfolio and securities management services; venture capital management services; financial, economic and investment research and analysis services; financial, economic and investment advisory services; advisory and consultancy services relating to all the aforesaid.

3. By virtue of having filing dates that predate the filing date of the contested mark, the opponent's UKTM and EUTM qualify, under section 6 of the Act, as earlier marks for the purposes of these proceedings. As the earlier marks completed their registration procedure less than five years prior to the publication date of the applicant's mark, they are not subject to the proof of use conditions set out under section 6A of the Act. As a result, the opponent may rely upon all of the services for which its earlier marks are registered.

4. The opponent argues that the respective services are identical and that the marks are visually, phonetically and conceptually similar (even accounting for the stylisation in the applied for mark), resulting in a likelihood of confusion.

5. The applicant filed a counterstatement denying the claims made and making various submissions regarding the parties' marks, services and respective businesses, which I will refer to, where relevant, throughout this decision.

6. Only the applicant filed evidence. Neither party requested a hearing. Both parties filed written submissions in lieu of a hearing. The opponent is represented by Mewburn Ellis LLP. The applicant is represented by Dorsey & Whitney (Europe) LLP.

Preliminary point

7. Since filing the trade mark application, the applicant has changed its name from Xconnect Securities Limited to CAMcap Markets Limited. Hereafter, any reference to 'the applicant' will refer to CAMcap Markets Limited.

EVIDENCE

The applicant's evidence

8. The applicant's evidence consists of a witness statement and three exhibits from Arnaud Michel Hatte, the applicant's director. Mr Hatte has been employed by the applicant since 1 June 2018.

9. Mr Hatte's witness statement is dated 8 October 2018 and contains a combination of evidence (relating to the applicant's business) and submissions. I only intend to summarise what I consider to be relevant in these proceedings. As such, the salient points from the witness statement are as follows:

- The first element of the mark applied for stands for the initials of the founders. The fact that it is displayed in capital letters suggests to the consumer that CAM is an acronym.
- Many of the institutions and services in the investment and financial services sector operating in the UK use acronyms as their trade mark or trading names.
- The second element of the mark, cap, is a common shorthand for the word 'capital', which is a commonplace and generic term widely used (both in its full form and its abbreviated version) in trading names, trade marks and product designations used in the financial services industry.
- Numerous financial institutions and services providers have the word 'cap' or 'capital' in their trading names or marks.

10. Exhibit AH1 contains copies of internet pages of a sample of 16 financial institutions and service providers in the financial services industry in the UK whose names or trading styles incorporate the word 'cap' or 'capital' (five contain the word 'cap' and 11 contain the word 'capital').

11. Exhibit AH2 contains copies of pages from the websites of 15 different banks who use acronyms in their trading style ('HSBC' for Hong Kong and Shanghai Banking Corporation, for example).

12. Exhibit AH3 is described by Mr Hatte as a copy of an article published on the BankNXT website which "discusses the phenomenon of banks and other institutions and service providers in the financial services industry across the world using

acronyms as their main trading style...” The article is dated 10 November 2017 and titled ‘Most bank names are meaningless’. The author of the article is Chris Skinner, described (as shown on page 3 of Exhibit AH3) as an independent commentator on the financial markets through The Finanser (a blog), and chair of the European networking forum, the Financial Services Club.

DECISION

Section 5(2)(b)

13. Section 5(2)(b) of the Act states that:

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

(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.”

Relevant law

14. The following principles 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.

The principles

(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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of services

15. It is self-evident that the applicant's 'financial services' are identical to the opponent's 'financial services'. The parties' class 36 services are identical.

The average consumer and the nature of the purchasing act

16. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

17. 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.”

18. In relation to the average consumer, the applicant submits the following:

“For the purpose of assessing the alleged likelihood of confusion, the relevant market is comprised of people who use and purchase financial services as well as members of the trade who work in the financial services industry. Average consumers of financial services are likely to have at least a reasonable level of familiarity with the financial industry, with financial products and financial markets and with the terminology used in the financial industry. Members of the trade are likely to have a higher degree of familiarity with the products, markets and terminology used in the industry.”

19. The opponent makes the following submission:

“As the services are identical, there can also be no debate that the average consumer for both trade marks will be the same. As the services covered by the trade marks are very wide in nature, they incorporate financial services of all types, ranging from provision of general “high street” financial advice to specialist investment of trading services.

The potential average consumer therefore ranges from individuals with limited knowledge and experience of financial matters, up to highly knowledgeable individuals or companies involved in specialist financial services.”

20. I take these submissions into account and also bear in mind the view taken by Arnold J in *FIL Limited & another v Fidelis Underwriting Limited & ors*¹ that financial services comprise all the economic services provided by the sector. I find that ‘financial services’ encompasses a very wide range of services, which will be offered to

¹ [2018] EWHC 1097

members of the public and to business customers. The average consumer may, therefore, be a member of the general public or a professional. Decisions on such services are reasonably important to most consumers and involve an array of considerations, entirely dependent on the consumer and the specific service being sought. For a large proportion of those who constitute the average consumer for the services at issue, the purchase of those services will be a relatively infrequent one. The cost of such services will typically be slightly higher than the average purchase. Overall, the level of care and consideration that will be adopted during the purchasing process would be higher than average (for both the general public and the professional).

21. Financial services are likely to be selected largely by visual means, from websites, brochures, newspapers, magazines, etc. Word of mouth recommendations can also be expected to play some part in the way some consumers undertake the selection process, so I also keep in mind the aural impacts of the marks.


Comparison of marks

22. It is clear from *Sabel BV v Puma AG* that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to their overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union (“CJEU”) stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, 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 relevant 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.”

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

24. The marks to be compared are as follows:

Earlier mark	Applied for mark
AMCAP	

25. The parties have made various submissions on the similarities of the marks and I have considered them all in reaching my decision. I will refer below to some of the arguments raised (although I do not propose to reproduce the submissions in full). I will, however, deal with one submission made by the opponent in its written submissions:

“It is relevant to note that the AMH witness statement also uses CAMCAP (as opposed to CAMcap) at various points (particularly in headings) which illustrates the tendency to overlook any distinction between upper and lower case in the later mark.”

26. How the applicant has referred to its mark in its written submissions is not relevant to the comparison of the marks I am required to make, which simply involves comparing the marks as they are registered (or intend to be registered).

Overall impression

27. The opponent’s earlier mark consists solely of the one (invented) word AMCAP, the overall impression of which rests in the word itself.

28. The applicant's mark consists of the word CAMcap, which, considering the capitalisation of the first three letters (CAM) and the three lower case letters at the end (cap), is more likely to be seen as the two words CAM and cap, conjoined. Neither word materially dominates the other, and the 'full stop' element is relatively insignificant within the mark, meaning the overall impression rests in the two (conjoined) words CAMcap.

Visual comparison

29. The similarity between the marks rests in characters 2 to 6, inclusive (AMCAP), meaning the entirety of the earlier mark is visible within the applied for mark. The differences are in the additions of (i) the letter C at the beginning, and (ii) the full stop at the end, of the applied for mark. The stylisation of the applied for mark (dark blue font on a black background with a red full stop) also creates a visual difference between the marks. However, I bear in mind that fair and notional use of the earlier word mark would allow it to take on different presentations (in a different font colour and on a dark background, for example)² so long as any changes made to the mark do not affect its distinctive character³. As such, the stylisation of the applied for mark does not make a material difference to the visual comparison. Overall, I find a lower than average degree of visual similarity between the marks. I agree with the opponent's submission that the stylisation of the applicant's mark slightly obscures the lettering (the dark font on the black background). However, I do not agree that this makes a material difference to the comparison of the marks since it is unlikely that consumers will 'miss' the letter C. With an appropriate level of attention, the average consumer will make out what letters are contained within the applied for mark and it is on this basis that I have compared the marks at issue.

Aural comparison

30. The 'AMCAP' element of both marks will be pronounced identically, creating the aural similarity in the marks. However, the alliteration of the letter C at the start of each

² See the comments of Professor Ruth Annand in *Bentley Motors Limited v Bentley 1962 Limited*. BL O/158/17

³ In accordance with Section 6A(4)(a) of the Act

component of the applied for mark, and the fact that the hard sound of the consonant C (likely pronounced as a K in this context) at the beginning of said mark is quite different to the soft sound of the vowel A at the beginning of the earlier mark, means there are aural differences between the marks. The full stop in the applied for mark will not be articulated. Taking everything into consideration, I find a medium degree of aural similarity between the marks.

Conceptual comparison

31. The applicant submits that the 'cap' element of the parties' marks is a common shorthand for the word 'capital', which is a generic term widely used in the financial services industry. The applicant claims to have provided evidence in support of this submission. However, what has been provided is evidence of the words 'cap' and 'capital' used in company names and trade marks within the financial services sector.

32. I bear in mind the comments of Arnold J at [78] in *Frank Industries Pty Ltd v Nike Retail BV & Ors*⁴:

“Nike have been unable to point to any dictionary or other reference (even of an online variety, such as Wikipedia or the Urban Dictionary) which defined LNDR as Londoner at either date. Furthermore, although Nike describe LNDR as an abbreviation of Londoner, it is neither LONDONER with the vowels omitted nor LDN plus an R. Moreover, it is capable of being seen in an appropriate context as an abbreviation of either LAUNDER, LENDER or LANDER.”

33. The applicant has been unable to point to any dictionary or other reference (a list of common business/finance abbreviations, for example) which defines 'cap' as 'capital'. Whilst the evidence provided persuades me that this might be the case for some professionals within the relevant sector, I do not consider the same to be true for the general public with no detailed knowledge of the financial services industry.

⁴ [2018] EWHC 1893 (Ch) (25 July 2018)

34. It is highlighted in numerous judgments of the General Court (“GC”) and the CJEU, including *Ruiz Picasso v OHIM*⁵, that for a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.

35. I am not satisfied that ‘cap’ creates a strong enough conceptual hook for the average consumer to recognise it immediately as meaning ‘capital’. I consider it more likely that AMCAP and CAMcap, respectively, will be seen as invented words with no clear conceptual meaning. As a result, I find the marks to be conceptually neutral.

Distinctive character of the earlier mark

36. Having compared the marks, it is necessary to determine the distinctive character of the earlier mark, in order to make an assessment of the likelihood of confusion. This is because the more distinctive the earlier mark, the greater the likelihood of confusion (see *Sabel BV v Puma AG*, paragraph 24). In *Lloyd Schuhfabrik* 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

⁵ [2006] e.c.r.-I-643; [2006] E.T.M.R. 29

originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

37. As no evidence has been filed by the opponent, I have only the inherent distinctiveness of the earlier mark to consider. I have found that the earlier mark is made up of one invented word, AMCAP, with no clear meaning in relation to the services at issue, or at all. As a result, I find that the mark has a high degree of inherent distinctive character.

Likelihood of confusion

38. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, paragraph 17), and a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

39. Confusion can be direct (which effectively occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks/services down to the responsible undertaking being the same or related).

40. The marks have been found to be visually similar to a lower than average degree, aurally similar to a medium degree and conceptually neutral. The services at issue have been found to be identical.

41. Both marks contain the five consecutive letters A-M-C-A-P. However, the visual and aural impact of the letter C at the start of the applied for mark is significant enough to avoid direct confusion. This is particularly so given that the beginnings of words tend to have more visual and aural impact than the ends⁶. The average consumer will notice

⁶ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

that the beginning of the marks at issue are different and so, will not mistake one of these marks for the other, especially given the higher than average level of care and attention likely to apply in the selection of the services. This is the case whether the marks are seen or heard.

42. In terms of indirect confusion, this was dealt with by Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*⁷:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark’.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

⁷ BL 0/375/10

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI”, etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

43. These examples are not exhaustive. Rather, they were intended to be illustrative of the general approach⁸.

44. A finding of indirect confusion requires the likelihood of the average consumer making a connection between the marks and assuming that the services are from the same or economically linked undertakings. Given the lack of any conceptual similarity, I consider that the average consumer would not make such an assumption. Despite the high degree of distinctiveness of the earlier mark, the addition of the letter C in the applied for mark is such that the nature of the mark is changed entirely – it becomes a different word, which looks and sounds different from the earlier mark. Further, the addition of the letter C does not create a logical reason for the two undertakings to be linked in any way. Taking all of this into account, and considering the average consumer will pay a higher than average level of attention when selecting the services at issue, I do not consider there to be a likelihood of indirect confusion.

45. For the avoidance of doubt, for those average consumers who do recognise ‘cap’ as being short for ‘capital’, I consider it equally unlikely that confusion will occur, since, given the strongly allusive nature of the word capital in relation to financial services, the focus will remain on the first element of the marks (CAM and AM, respectively) and the difference will be noticed.

⁸ See *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17 at paragraphs [81] to [82]

CONCLUSION

46. There is no likelihood of confusion. The opposition has failed, and the applicant's mark may continue to registration.

COSTS

47. As the applicant has been successful, it is entitled to an award of costs in its favour. Awards of costs are governed by Annex A of Tribunal Practice Notice ("TPN") 2/2016. Using that TPN as a guide, I award costs to the applicant on the following basis:

Preparing a statement and considering the other side's statement:	£200
Preparing evidence:	£250 ⁹
Preparing written submissions in lieu of a hearing and considering the other side's written submissions:	£300
Total:	£750

48. I order The Capital Group Companies, Inc to pay CAMcap Markets Limited the sum of **£750**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated 3 May 2019

Emily Venables
For the Registrar,
The Comptroller-General

⁹ This amount is below the scale minima due to the opponent not preparing evidence