

O/0604/24

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. UK00003845133
IN THE NAME OF QATAR NATIONAL BANK PUBLIC JOINT STOCK COMPANY
FOR THE FOLLOWING TRADE MARK:**

digital Q

IN CLASSES 9, 35, 36 and 42.

**AND IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 439200
BY ARQUIA BANK, S.A.**

BACKGROUND AND PLEADINGS

1. On 2 November 2022, **Qatar National Bank Public Joint Stock Company** (“the applicant”) applied to register the UK trade mark found on the cover page of this decision, under number **3845133** (“the contested mark”). The application was published for opposition purposes on 18 November 2022. Registration is sought for the following goods and services:

Class 9: Software; firmware; computer programs; apps; mobile applications (software).

Class 35: Advertising; business management, organization and administration; office functions; information, advice and assistance relating to the aforesaid.

Class 36: Financial, monetary and banking services; insurance services; real estate affairs; information, advice and assistance relating to the aforesaid.

Class 42: Scientific and technological services and research and design relating thereto; industrial analysis, industrial research and industrial design services; quality control and authentication services; design and development of computer hardware and software; information, advice and assistance relating to the aforesaid.

2. On 16 February 2023, the application was opposed by **Arquia Bank, S.A.** (“the opponent”) based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) and is directed against all the goods and services underlined above. The opponent relies upon the following mark to support its claim:



Comparable UK trade mark number: **917129974**¹

Filing date: 22 August 2017

Registration date: 26 December 2017

("the earlier mark")

Goods and services relied upon:

Class 16: Paper cardboard; Printed matter; binding articles; Photographs; Stationery; Glue for stationery or household purposes; Artists' materials; Paint brushes; Typewriters and office requisites (except furniture); Instructional and teaching material (except apparatus); Plastic material for packaging (not included in other classes); Printers' type; Printing blocks; Printed publications.

Class 36: Insurance; Financial affairs; Monetary affairs; Real estate affairs; Administration of savings accounts; Financial services relating to savings; Savings scheme services; Management of investment funds; Financial advice relating to investment; Financial investment brokerage; Investment fund management; Financing services; Pension fund administration services; Pension consultancy; Planning services relating to pensions; Provision of information relating to stock broking; Consultancy services relating to credit.

¹ On 1 January 2021, the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UKIPO created comparable UK trade marks for all right holders with an existing EUTM. As a result of the opponent's EUTM number 17129974 being registered as at the end of the Implementation Period, a comparable UK trade mark was automatically created. The comparable UK mark is now recorded on the UK trade mark register, has the same legal status as if it had been applied for and registered under UK law, and the original EUTM filing date remains.

3. The opponent argues that the competing trade marks are similar, and that the word “digital” within the applicant’s mark is non-distinctive. It claims that the competing goods and services are either identical or highly similar. It is these factors that the opponent contends will give rise to a likelihood of confusion.
4. The applicant filed a counterstatement denying the ground of opposition, in particular it denies that the word “digital” within the application is non-distinctive and that the goods and services are identical or similar.
5. The opponent is professionally represented by Withers & Rogers LLP; the applicant is professionally represented by Beck Greener LLP. Both parties chose not to file evidence during the evidence rounds. Neither party asked for an oral hearing, however both parties elected to file written submissions. This decision is taken following a careful perusal of the papers before me.

Relevance of EU law

6. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. This is why this decision refers to decisions of the EU courts which predate the UK’s withdrawal from the EU.

DECISION

Legislation

7. Sections 5(2)(b) and 5A of the Act read as follows:

“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”.

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

8. Given the respective filing dates, the opponent’s mark is an earlier mark, in accordance with section 6 of the Act. As it had not been registered for more than five years at the date of application, it is not subject to the proof of use requirements specified within section 6A of the Act. Therefore, the opponent can rely on all of the earlier goods and services identified.

Case law

9. I am guided by the following principles which are gleaned from the decisions of the Court of Justice of the European Union (“CJEU”) 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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

10. Section 60A of the Act provides:

“(1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the “Nice Classification” means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1975.”

11. All relevant factors relating to the goods should be taken into account, which include, inter alia:²

² See *Canon*, Case C-39/97, paragraph 23; and *British Sugar PLC v James Robertson & Sons Ltd.*, [1996] R.P.C. 281 – the “Treat” case.

- the physical nature of the goods or acts of service;
- their intended purpose;
- their method of use / uses;
- who the users of the goods and services are;
- the trade channels through which the goods or services reach the market;
- in the case of self-serve consumer items, where in practice they are found or likely to be found in shops and in particular whether they are, or are likely to be, found on the same or different shelves;
- whether they are in competition with each other (taking into account how those in trade classify goods and services, for instance whether market research companies put them in the same or different sectors); and
- whether they are complementary to each other. Complementary signifying that “there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.³ Noting that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity.⁴

12. In *Gérard Meric v Office for Harmonisation in the Internal Market ('Merici')*,⁵ the General Court held that goods can be considered as identical when the goods designated by an earlier mark are included in a more general category, designated by the trade mark application and vice versa.

13. For the purposes of considering the issue of similarity of goods or services, it is permissible to consider groups of terms collectively where they are sufficiently

³ *Boston Scientific Ltd v OHIM*, Case T-325/06, paragraph 82, see also *Sandra Amalia Mary Elliot v LRC Holdings Limited*, BL O/255/13

⁴ *Kurt Hesse v OHIM*, Case C-50/15 P, see also *Sanco SA v OHIM*, Case T-249/11

⁵ Case T-133/05, paragraph 29

comparable to be assessed in essentially the same way and for the same reasons.⁶

14. I pause here to clarify the competing goods and services for which I will be conducting a comparison. I note that the opponent has identified both within its notice of opposition, and again within its written submissions,⁷ that the contested goods and services are those that I have underlined at paragraph one of this decision. Contrary to this, within the body of its written submissions, the opponent has commented on the identity or similarity of goods and services within the application that are not contested. These submissions appear at odds with the initial pleadings, as such, I will only consider those goods and services of the application that were originally identified as being contested within the notice of opposition, and that are listed in the table below.

Opponent's goods and services	Applicant's goods and services
	Class 9: Software; computer programs; apps; mobile applications (software).
Class 16: Paper cardboard; Printed matter; binding articles; Photographs; Stationery; Glue for stationery or household purposes; Artists' materials; Paint brushes; Typewriters and office requisites (except furniture); Instructional and teaching material (except apparatus); Plastic material for packaging (not included in other classes); Printers' type; Printing blocks; Printed publications.	

⁶ See *Separode Trade Mark* (BL O/399/10) and *BVBA Management, Training en Consultancy v. Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs 30 to 38.

⁷ Paragraph 2

	<p>Class 35: Business management, organization and administration; information, advice and assistance relating to the aforesaid.</p>
<p>Class 36: Insurance; Financial affairs; Monetary affairs; Real estate affairs; Administration of savings accounts; Financial services relating to savings; Savings scheme services; Management of investment funds; Financial advice relating to investment; Financial investment brokerage; Investment fund management; Financing services; Pension fund administration services; Pension consultancy; Planning services relating to pensions; Provision of information relating to stock broking; Consultancy services relating to credit.</p>	<p>Class 36: Financial, monetary and banking services; insurance services; real estate affairs; information, advice and assistance relating to the aforesaid.</p>
	<p>Class 42: [...] authentication services; design and development of computer software; information, advice and assistance relating to the aforesaid.</p>

Class 9

Software; Computer programs; apps; mobile applications (software).

15. In support of demonstrating that there is similarity between the above goods and the opponent's services, the opponent relies in its submission on an earlier set of

invalidation/opposition cases, BL O/0231/23 to demonstrate that there is some similarity between software in class 9 and financial services in class 42. Although persuasive, decisions of other Hearing Officers are not binding. Rather, I keep in mind the decision of Thomas Mitcheson KQ, sitting as the Appointed Person in the *MSF Africa* case,⁸ in which it was concluded:

19. “[...] As I have noted above, it is clearly the case that financial services can and often are provided using computer software, often of a bespoke nature. This seems to me to be a classic example of complementary goods and services whereby the nature of the software plays an integral and important part in the delivery of the financial service. [...]”

20. The analogy sought to be made by the Opponent was to the supply of a banking app by a high street bank, which the consumer would expect to come from the same source as the financial services supplied by the bank. Like all analogies, the comparison is not perfect, but I can understand why a consumer may expect there to be some sort of similar link between the provider of platforms to enable or support financial services and the provider of the underlying financial services.

21. For these reasons I disagree with the conclusion that there are no similarities between computer software and mobile applications and the financial services in the Opponent’s specification. The supportive/complementary nature of the former is apparent and that is sufficient in my mind to render the goods/services as having a low degree of similarity. [...] The solution to this is for applicants to be more specific in what they apply for, and to narrow down the classes of software to make it more difficult to allege that such software could be used to support or be complementary to other goods and services. But the Applicant has not sought to do that in the present case.”⁹

⁸ BL O/531/22

⁹ Ibid para 21.

16. This applies equally here. The contested class 9 goods are all types of software, or computer programmes that are not limited in any way, as such, the applied for terms will include software, programs and apps for the bespoke purpose of online banking and finance. Consequently, in accordance with the above decision, the goods will be complementary with the opponent's services "Financial affairs" and "Monetary affairs", as the goods and services are important for the use of the other, particularly in a modern context where online banking and online financial services are increasingly prevalent. In these circumstances, due to the nature of the software involved, it is likely that consumers will reasonably believe that banks offering online banking are responsible for the banking software, programs, and apps, that are used to facilitate these services. As for users, whilst bespoke computer software for use in the banking sector may be purchased by business users, (unlike the users of financial affair services themselves which would typically be the general public), as identified in *MSF Africa*, the end users are likely to be the same. However, the goods and services clearly differ in nature, method of use and intended purpose. Overall, I find that the goods and services are similar to a low degree.

Class 35

Business management, organization and administration; information, advice and assistance relating to the aforesaid;

17. I acknowledge the opponent's submissions on the matter of similarity between the applicant's applied for services in class 35 and the opponent's services in class 36 which are set out below:

"The opposed services in Class 35 "Advertising; business management, organization and administration; office functions; information, advice and assistance relating to the aforesaid" are similar to the Opponent's Class 36 financial services. The Applicant's services in Class 35 may be sought after by the same consumers as the Opponent's services, due to the trade channels, users, method of use, purpose and nature. The opposed Class 35 services may

include certain financial aspects, such as financial advice/information relevant to the Class 35 service being provided. In view of this potential overlap, it is submitted that there is at least a low degree of similarity.”

18. Before making a comparison of these services, I keep in mind the decision in *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”¹⁰

19. More recently, I note the comments made by Lord Justice Arnold in *Sky v Skykick* [2020] EWHC 990 (Ch). In the course of his judgment, he set out the following summary of the correct approach to interpreting broad and/or vague terms:

“...the applicable principles of interpretation are as follows:

(1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.

¹⁰ Paragraph 12

(2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.

(3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.

(4) A term which cannot be interpreted is to be disregarded.”¹¹

20. Keeping in mind the approach outlined above, I am conscious not to construe the meaning of the applied for term too widely and take into consideration its core meaning. The key purpose of “business management and organisation” is to help commercial undertakings function within a particular framework or constitution, by setting out the strategy and direction of the company. These services involve activities associated with running a company, such as planning, organising, monitoring, project management, stakeholder engagement and so on. As for “business administration” services, they are similarly intended to help organisations to perform efficiently by organising people and resources in line with common goals and objectives set by the company’s board of directors, which may include payroll duties and clerical tasks. Taking all of the above into account, it is my view that the contested services have different natures, purposes and methods of use from the opponent’s financial and monetary services in class 36. Whilst the services may be important to one another as business and finance are closely related, in my view, consumers would not reasonably believe that the responsibility for these different services rest with the same undertaking. Further, they have obviously different trade channels, as a financial institution such as a bank typically does not offer advice on business management activities such as holding a board of directors meeting. There also is no competitive relationship between the respective services. Therefore, it follows that the services are dissimilar.

¹¹ Paragraph 56

Class 36

Financial, monetary and banking services; information, advice and assistance relating to the aforesaid.

21. I consider “*Financial, monetary* [...] services” above to be identical to the opponent’s class 36 terms “Financial affairs” and “Monetary affairs” as they are merely alternative ways of expressing the same term. In relation to “banking services”, as this service includes both financial and monetary services, I consider the competing terms to be identical under the principles in *Meric*.

Insurance services; Real estate affairs; information, advice and assistance relating to the aforesaid.

22. The above terms either identically stated or conveyed in an alternative way within the opponent’s class 36 specification, as such, they are clearly identical.

Class 42

[...] authentication services; information, advice and assistance relating to the aforesaid.

23. I understand the above term to include user authentication services such as those used for online banking software applications. As stated above, in a world where online banking is becoming more common, authentication services are an essential part of cybersecurity to verify the identity of users when logging into their private accounts and to prevent bad actors from gaining unauthorised access. In my view, it is likely that consumers logging into their account using such authentication services will reasonably believe that the bespoke banking app software and the verification services are the responsibility of the financial institutions with which they are associated. Further the end users of these services will be the same. However, the goods and services clearly differ in nature, method of use and intended purpose. Nevertheless, the services will be similar to a low degree.

Design and development of computer software; information, advice and assistance relating to the aforesaid.

24. Although I am prepared to accept as I have done so above that there is a complementary relationship between software goods in class 9 and financial services in class 36, I would not go as far as to find that there is a complementary relationship between the services for the design and development of computer software in class 42 and financial services in class 36. In my view, to accept such would be a step too far. The services differ in nature, method of use and intended purpose, as do their trade channels. The services are not in competition as a consumer wanting to employ the services of a software designer is unlikely to consult a financial advisor, and vice versa as they have different professional skills. Whilst I have accepted that in the current climate software is essential in the provision of financial services, I do not accept that consumers would reasonably believe that financial institutions themselves are responsible for the design and development of the computer software, even computer software relating solely to obtaining financial services. Rather consumers are likely to reasonably believe that different undertakings are responsible for these services. As such, I find that these services are dissimilar.

25. As some degree of similarity between the goods and services is necessary to engage the test for a likelihood of confusion, my findings above mean that the opposition must fail against goods and services of the registered mark that I have found to be dissimilar, namely:¹²

Class 35: *Business management, organization and administration; information, advice and assistance relating to the aforesaid;*

Class 42: *Design and development of computer software; information, advice and assistance relating to the aforesaid.*

¹² eSure Insurance v Direct Line Insurance [2008] ETMR 77 CA

26. Therefore, I will go on to assess whether there is a likelihood of confusion based on the following goods and services only:

Class 9: Software; computer programs; apps; mobile applications (software).

Class 36: Financial, monetary and banking services; insurance services; real estate affairs; information, advice and assistance relating to the aforesaid.

Class 42: [...] authentication services; information, advice and assistance relating to the aforesaid.

The average consumer and the nature of the purchasing act

27. As indicated in the caselaw cited above, it is necessary to decide who the average consumer is for the parties' goods and services and how they purchase them. "Average consumer" in the context of trade mark law means the "typical consumer."¹³ 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.¹⁴

28. The parties' specifications cover a range of financial services and software goods that can be aimed at an ordinary member of the public and/or at a more specialised commercial customer or financial institution. The average consumer for the goods and services is likely to be both the general public and business users. They will likely be available through a range of providers, whether that is specialist or

¹³ *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).

¹⁴ *Lloyd Schuhfabrik Meyer*, Case C-342/97.

general, or directly through the undertakings that offer them, such as, financial institutions. The goods and services are of the kind that are likely to be initially presented to the consumer via websites, online app stores or in physical premises where they will be displayed on lists, pamphlets or signage. The selection process is, therefore, likely to be dominated by the visual component. Nevertheless, I do not discount aural considerations entirely as some consumers will select the goods or services after discussions with sales assistants.

29. The goods and services at issue are wide ranging, consequently, they are likely to include those that are selected frequently as well as those that are selected infrequently. In respect of cost, this is likely to vary depending on the nature of the goods or services selected. With regards to the level of attention, even though I note that some of the financial services, may be cheap or free to use, such as setting up a bank account or withdrawing money, the consumer will still consider factors such as charges, interest rates and accessibility of services before securing them, as such the level of attention paid will still be medium. As for other financial services, the level of attention may be slightly higher on the basis that they will attract product fees or investment rates. Equally, the level of attention that the goods will attract will vary depending on the nature of the software at issue and whether it is to be easily downloadable from an app or whether it is more specialised. Further, business users are likely to pay a higher degree of attention on the basis that the selection process may be important to the success of their business so they will want to ensure that the selection is suitable for their needs. Overall, I find that members of the general public will pay at least a medium degree of attention, whilst business users will pay somewhere between a medium and high degree of attention.

Distinctive character of the opponent's mark

30. The distinctive character of a trade mark can be measured only, first, by reference to the goods or services in respect of which registration is sought and, second, by reference to the way it is perceived by the relevant public. 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).”

31. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services to those with high inherent distinctive character, such as invented words which have no allusive qualities. Dictionary words which do not allude to the goods or services will be somewhere in between. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion, since the more distinctive the earlier mark, the greater the likelihood of confusion may be.

32. Although the distinctiveness of a mark can be enhanced by virtue of the use that has been made of it, the applicant has not filed any evidence of use (nor was it required to do so). Consequently, I have only the inherent position to consider.

33. The opponent's mark consists of the letter 'Q' presented in slightly stylised orange text. 'Q' has no meaning and is not descriptive or allusive of the goods and services for which it is registered. In my view, the addition of the colour orange and slight stylisation of the mark is not particularly striking, whilst I acknowledge that it does contribute to the overall distinctiveness of the mark, this is only to a minimal degree that does not have the effect of elevating the overall distinctiveness of the mark to a level above medium. Consequently, it follows that I find that the earlier mark possesses a medium degree of inherent distinctive character.


Comparison of the marks

34. 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 the overall impressions created by them, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo SA v OHIM*, Case C-591/12P, that:

“34. [...] 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.”

35. It would therefore be wrong 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 they create.

36. The respective trade marks are shown below:

The applicant's mark	The opponent's mark
<p>digital Q</p>	

Overall impressions

37. The applicant's mark is a word-only mark, containing the word and letter "digital Q". I am of the view that the word "digital" in the context of the goods and services will be perceived as descriptive of the nature of the goods and services, for example, digital banking services. Alternatively, it will be descriptive of the method of use of the services, i.e. that they are accessed digitally online. The goods are digital and for the most part, the services are offered digitally, therefore for those goods and services the word "digital" plays a lesser role.
38. The opponent's mark consists of the letter "Q" which appears stylised and in orange. The letter "Q" has the greater impact on the overall impression of the mark with the stylisation and colour playing a lesser role.

Visual comparison

39. The competing marks are visually similar as they both share the letter "Q"; however, the presentation of the letter differs as the contested mark is a word only mark, whilst the earlier mark is presented with minimal stylisation and in the colour orange. Nevertheless, I acknowledge that as a word only mark, the applicant's mark if registered will have protection of the word/letter itself irrespective of how it is presented on the market. The contested mark also includes the word "digital" at the beginning, which is not replicated within the earlier mark, although as discussed above, this will have a lesser impact on the overall impression of the mark due to

its descriptive/allusive nature. Taking all of this into account, I am of the view that the marks are visually similar to a medium degree.

Aural comparison

40. As neither the colour nor the stylisation will be articulated within the earlier mark it will be pronounced as the letter “Q”, therefore consisting of a single syllable. Whilst the marks aurally coincide due to the replication of the letter “Q”, the contested mark also encompasses three additional syllables resulting from the word “digital” that are not present within the earlier mark. These will be verbalised as “DIDG-I-TAL”. Overall, I find the marks to be aurally similar to a medium degree.

Conceptual comparison

41. I note each of the parties’ positions on the conceptual meaning of the competing marks. The opponent contends that:

“Conceptually, both marks share the common concept of the letter “Q”. While the letter ‘Q’ in itself conveys no particular meaning, it is nonetheless easily recognisable as a letter of the Latin alphabet. As mentioned above, the added word “digital” in the Applicant’s Mark will be understood to have its ordinary meaning, namely relating to electronic technology. While the concept of “digital” is not present in the Opponent’s Mark, this does not have a substantial impact on the overall conceptual similarity, given the commonplace and non-distinctive nature of the term “digital”. It is submitted that the marks share a medium degree of conceptual similarity.”¹⁵

42. The applicant argues:

“Conceptually the mark contained in the Application is different from the mark contained in the Opponent’s registration. So far as the Applicant’s mark is concerned, the word “digital” alludes to the consumer that there is an electronic

¹⁵ Opponent’s written submissions, paragraph 29

element to the services offered under the Trade Mark. The respective marks are therefore conceptually completely different.”¹⁶

43. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.¹⁷ As the letter “Q” carries no obvious meaning in connection to the goods or services, I do not consider that any message will be conveyed by the single letter “Q”. Therefore, the opponent’s mark is conceptually neutral. The same applies equally to the letter “Q” found within the applicant’s mark. Turning to the word “digital” which is found within the applicant’s mark. There appears to be consensus on the meaning of the word “digital”. For clarity, I accept that it will be understood by the average consumer as alluding to the method in which the services are provided, i.e. that they will be accessed digitally online through the use of electronic devices, or descriptive of the nature of the goods and services, i.e. digital banking. Therefore, overall, despite the shared use of the letter ‘Q’, due to the use of the word “digital” within the contested mark, the competing marks are conceptually dissimilar, albeit in a weakly descriptive/allusive concept.

Likelihood of confusion

44. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertaking being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where 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 marks may be offset by a greater degree of similarity between the goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent’s mark, the average consumer for the goods and the

¹⁶ Applicant’s written submissions, paragraph 7

¹⁷ *Ruiz Picasso v OHIM* [2006] E.T.M.R 29.

nature of the purchasing act. In doing so, I must be alive to the fact that the average consumer rarely has an opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

45. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis QC, (as he then was) sitting as the Appointed Person, explained that:

“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 recognized 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).

(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).”

46. These three categories are not exhaustive; rather, they were intended to be illustrative of the general approach, as has been confirmed by the Court of Appeal. I recognise that a finding of indirect confusion should not be made merely because the competing marks share a common element. In this connection, it is not sufficient that a mark merely calls to mind another mark: this is mere association not indirect confusion.¹⁸

47. Furthermore, in *Liverpool Gin*,¹⁹ Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”. Arnold LJ agreed, pointing out that there must be a “proper basis” for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

48. I have found that the services are either identical or similar to a low degree and that the goods are similar to a low degree. The average consumer of the goods will most likely be either, a member of the general public, who will pay at least a medium degree of attention, or business users, who will pay somewhere between a medium and high level of attention. I have found that the purchasing process will be predominantly visual, however, I have not discounted aural considerations entirely. The marks are visually and aurally similar to a medium degree, and conceptually dissimilar, albeit through a weak concept that is descriptive/allusive. The applicant’s mark is inherently distinctive to a medium degree.

¹⁸ *Duebros Limited v Heirler Cenovis GmbH*, Case BL O/547/17

¹⁹ *Liverpool Gin Distillery and others v Sazerac Brands, LLC and others* [2021] EWCA Civ 1207

49. Taking all of the above into account, particularly the identity or similarity between the goods and services, some consumers will likely disregard the “digital” element of the application due to the nature of the goods and services being primarily digital and will simply see both of them as being the same “Q” branded undertaking. Others may notice the word “digital” but will simply see “Q” and “Q digital” as related undertakings where, for example, one is the online service and the other is the face-to-face side of the business.

Conclusion

50. The opposition under Section 5(2)(b) of the Act has been partially successful. Therefore, subject to any successful appeal against my decision, the application will not proceed to registration for the following goods and services:

Class 9: Software; computer programs; apps; mobile applications (software).

Class 36: Financial, monetary and banking services; insurance services; real estate affairs; information, advice and assistance relating to the aforesaid.

Class 42: [...] authentication services; information, advice and assistance relating to the aforesaid.

51. However, the application can proceed for the remaining services that were subject to the opposition:²⁰

²⁰ Goods and services not challenged as part of this opposition will, of course, proceed to be registered.

Class 35: Business management, organization and administration; information, advice and assistance relating to the aforesaid;

Class 42: Design and development of computer software; information, advice and assistance relating to the aforesaid.

Costs

52. Both parties have enjoyed a roughly equal measure of success. In the circumstances, I direct that the parties should each bear their own costs.

Dated this 27th day of June 2024

Sarah Wallace

For the Registrar