BL O/0924/24

IN THE MATTER OF THE TRADE MARKS ACT 1994

IN THE MATTER OF CONSOLIDATED PROCEEDINGS

FOR TRADE MARK APPLICATIONS NO. UK3790745 & UK3780722

BY MONTY FINANCE UK LIMITED FOR THE TRADE MARKS

AND

IN CLASSES 9, 36 & 42

AND THE OPPOSITIONS THERETO UNDER NO. 436307 & 436309

BY MONTY CO GROUP SL

AND IN THE MATTER OF AN APPEAL FROM THE DECISION OF N.R. MORRIS (O/0314/24) DATED 9 APRIL 2024.

DECISION

Introduction

1. This is an appeal and cross-appeal by Monty Finance UK Ltd ("**Appellant**") from decision O/0314/24 of Ms N.R. Morris ("**Decision**") concerning the oppositions by Monty Co. Group SL ("**Respondent**") to the Appellant's applications for the marks listed below ("**Applications**"), applied for on 25 April 2022 in respect of the following goods and services:

Number	Mark	Goods and services
UK3780745 (**'745 application**)	MontyPay	**Class 9**: *Banking systems and solutions; Lending, wealth management, crypto currency services; Cash registers; Counter-operated apparatus (Mechanisms for-); Counters; Money counting and sorting machines; Monitoring apparatus, electric; Central processing units [processors]; Computer operating programs, recorded; Computer programs [downloadable software]; Control panels [electricity];*

		Data processing apparatus; Intercommunication apparatus; Teller machines (Automated-) [ATM]; video recorders; sound recording apparatus; electronic book readers; DVD players; encoded magnetic cards; chips [integrated circuits]; electronic publications, downloadable; security tokens [encryption devices]; mobile phone applications, downloadable. **Class 36**: *Financial services; banking; insurance brokerage; brokerage of currency; buying and selling currency; exchange brokerage, capital investment, financial investment, financial clearing and financial clearing houses; financial consultancy; financial advisory services; financial information; issuance of tokens of value, online banking, processing of financial transactions, providing financial information via a web site, securities brokerage, loans [financing], monitoring of funds, monitoring of investments [financial services], financial research, financial modelling, financial valuation, trading and exchange of bitcoins, exchange of trading currency, digital currency exchange services, trading of securities, dealing with digital tokens, On-line real-time currency trading, Virtual currency services*. **Class 42**: *Scientific and technological services and research and design relating thereto; industrial analysis and industrial research services; design and development of computer hardware and software.*
UK3780722 (**'722 application**)	MyMonty	As above.

2. The Respondent opposed the Applications under section 5(2)(b) of the Trade Marks Act 1994 in respect of all goods and services. The Respondent relied upon three mark registrations, details of which are set out below. In each case, the filing and registration dates are 6 March 2018 and 11 August 2018, respectively.

Number	Mark
UK917869446 ("**first earlier mark**")	MONTY Global Services

UK917869442 (“**second earlier mark**”)	MONTY Global Payments
UK917869429 (“**third earlier mark**”)	MONTY & Co Group

3. I shall refer to the above collectively as the “**Earlier Marks**”.

4. The specifications for the three Earlier marks are identical and only the following services in classes 36 and 38 are relied upon for the oppositions:

   Class 36: *Insurance; Financial affaires* [sic]*; Money dealings; Real estate affairs; International transfers and sending of consignments on an international scale*.

   Class 38: *Telecommunications*.

5. Each side filed evidence and written submissions Neither party requested a hearing, so a decision was made on the papers. In the Decision, N.R. Morris for the Registrar held that the opposition was partly successful.

6. On 7 May 2024 the Appellant filed a Notice to Appeal to the Appointed Person against the Decision under Section 76 of the Trade Marks Act 1994. On the same day, the Respondent filed a cross-appeal.

The Hearing Officer’s decision

7. The Hearing Officer held as follows (in summary, and insofar as is relevant to this appeal):

   a. The average consumer of the class 9 goods and class 36 services will be both the general and professional public. For class 9 goods, the level of attention paid will range from low or average for goods such as an App for a mobile phone, to high for complex computer programs. For the class 36 services the level of attention paid will range from medium for services such as current accounts, to a higher level for services such as financial advice for portfolio management. The Hearing Officer did not consider the average consumer of the class 42 services, as she concluded these were dissimilar to those in the Earlier Marks;

   b. The purchasing act will be primarily visual, but there may also be an aural aspect where questions are asked of retail staff, advice is sought from sales persons or purchases are made following word of mouth recommendations;

   c. The second earlier mark, which the Hearing Officer held to be the most similar to the Applications, has a medium level of inherent distinctive character, with no enhanced level of distinctiveness through use;

   d. The ‘745 application is visually similar to a medium degree; aurally similar to a just above medium degree; and conceptually similar to a very high degree to the second earlier mark. The ‘722 application is visually similar to a low to medium degree; aurally similar

to a just above medium degree; and conceptually similar to a high degree to the second earlier mark;

e. The Hearing Officer's findings as to similarity of goods/services were:

- *Lending, wealth management, crypto currency services* in class 9 should have been included in class 36, and are identical to the services in the Earlier Marks;
- *Cash registers; Counters; Money counting and sorting machines; Banking systems and solutions; Teller machines (Automated-) [ATM]; Counter-operated apparatus (Mechanisms for-); video recorders; sound recording apparatus; DVD players; Control panels [electricity]; Monitoring apparatus, electric; Central processing units [processors]; electronic book readers; Intercommunication apparatus; Data processing apparatus; chips [integrated circuits]* in class 9 are dissimilar to the services in the Earlier Marks ("**Allowed Goods**");
- *Computer operating programs, recorded; Computer programs [downloadable software]; mobile phone applications, downloadable; encoded magnetic cards; security tokens [encryption devices]; electronic publications, downloadable* in class 9 have a low level of similarity to the services in the Earlier Marks ("**Rejected Goods**");
- All the class 36 services are identical to those in the Earlier Marks;
- The class 42 services are dissimilar to those in the Earlier Marks;

f. Whereas there is no likelihood of direct confusion, the average consumer would conclude that the Applicant's mark is a brand related to that of the Opponent, perhaps by way of a sub-brand for a particular service offered by the over-arching brand 'MONTY', and indirect confusion is therefore made out in relation to all goods/services which are identical or similar.

Grounds of Appeal

2. The Appellant's Grounds of Appeal are as follows:

a. **Ground 1:** The Hearing Officer did not provide clear reasoning for her finding of a likelihood of indirect confusion.

b. **Ground 2:** The Hearing Officer did not indicate why she found a likelihood of indirect confusion in relation both to the Rejected Goods in class 9 (which were found to enjoy a low level of similarity to the services in the Earlier Marks) and the services in class 36 (which were found to be identical to those in the Earlier Marks).

c. **Ground 3:** The Hearing Officer's reasoning relating to the finding of a likelihood of indirect confusion refers to conceptual similarity only, and not to visual similarity despite the fact that the purchasing act for the goods and services was deemed to be "primarily visual".

3. The Appellant's Trade Mark Attorney, Ms Collis, expanded upon the above in her skeleton argument and at the hearing, and I set out below further details as are necessary to understand my overall conclusions.

4. The Respondent filed a Respondent's Notice and Grounds of Appeal for the cross-appeal, which are as follows:

a. **Ground 1:** The Hearing Officer should have compared *Cash registers; Counters; Money counting and sorting machines; Teller machines (Automated-) [ATM]; Counter-operated apparatus (Mechanisms for-); Control panels [electricity]; Monitoring apparatus, electric; Central processing units [processors]; [integrated circuits]* against *Money dealings*, in which case she would have made findings of identicality.

b. **Ground 2:** The Hearing Officer should have compared *Data processing apparatus* against *Financial affaires*, in which case she would have made a finding of identicality.

c. **Ground 3:** The Hearing Officer should have compared *video recorders; sound recording apparatus; DVD players; electronic book readers; Intercommunication apparatus* against *Telecommunications*, in which case she would have made findings of identicality.

d. **Ground 4:** The term *Banking Systems and Solutions* is unclear and unparticularised, and should either be refused, or replaced with *Computer terminals, not for use in banking or money dealing purposes*.

5. The Respondent filed a skeleton argument and its trade mark attorney, Mr Franks, expanded on those arguments in the hearing. I am grateful to both advocates for their clear and detailed written and oral submissions, which I found very helpful.

Standard of review

6. The approach to be adopted in an appeal hearing has been laid down a number of times in case law. It was summarised in *Axogen v Aviv* [2022] EWHC 95 (Ch) at §24-25:

"Appellate Function

24. Although I was referred to numerous cases on the subject (including *English v Emery Demibold & Struck Ltd* [2002] 1 WLR 2409, *REEF Trade Mark* [2003] RPC 5, *Fine & Country Ltd v Okotoks Ltd* [2014] FSR 11, *Fage UK Ltd v Chobani UK Ltd* [2014] EWCA Civ 5, *Shanks v Unilever Plc* [2014] RPC 29, *TT Education Ltd v Pie Corbett Consultancy* [2017] RPC 17, *Apple Inc v Arcadia Trading Limited* [2017] EWHC 440 (Ch), *Actavis Group PTC v ICOS Corporation* [2019] UKSC 1671 and *NINEPLUS* O/039/21), the approach of the appeal court to a statutory appeal under section 76(1) of the TMA is uncontroversial. I bear the following principles, relevant to the issues before me, firmly in mind:

i) The appeal is by way of a review, not a rehearing (see *TT Education Ltd v Pie Corbett Consultancy Ltd* (O/017/17) at [52(i)]);

ii) The appeal court will allow an appeal where the decision of the lower court was "wrong" (see CPR 52.11). Neither surprise at a Hearing Officer's conclusion, nor a belief that he or she has reached the wrong decision suffices to justify interference (*NINEPLUS* O/039/21 at [14]);

iii) The decision of the lower court will be "wrong" if the judge makes an error of law, which might involve asking the wrong question, failing to take account of relevant matters or taking into account irrelevant matters. Absent an error of law, the appellate court would be justified in concluding that the decision of the lower court was wrong if the judge's conclusion was "outside the bounds within which reasonable disagreement is possible" (*Actavis Group* at [81]);

iv) The approach required by the appeal court depends on a number of variables including the nature of the evaluation in question (*REEF Trade Mark* [2003] RPC per at [26]). There is a "spectrum of appropriate respect for the Registrar's determination depending on the nature of the decision" (*TT Education* at [52(ii)]), with decisions of primary fact at one end of the spectrum and multi-factorial decisions (of the type which the parties agree were made in this case by the Hearing Officer) being further along the spectrum.

v) In the case of a multifactorial assessment or evaluation, involving the weighing of different factors against each other, the appeal court should show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. Special caution is required before overturning such decisions (*TT Education* at [52(iv)], *REEF* at [28] and *Fine & Country* at [50]-[51]).

vi) An error of principle is not confined to an error as to the law but extends to certain types of error in the application of a legal standard to the facts in an evaluation of those facts. The evaluative process is often a matter of degree upon which different judges can legitimately differ and an appellate court ought not to interfere unless it is satisfied that the judge's conclusion is outside the bounds within which reasonable disagreement is possible (*Actavis Group* at [80]).

vii) Another variable to be taken into account will be "the standing and experience of the fact-finding judge or tribunal" (*REEF* at [26], *Actavis Group* at [78]). Expert tribunals are charged with applying the law in the specialised fields and their decisions should be respected unless it is quite clear that they have misdirected themselves in law. Appellate courts should not rush to find such misdirections simply because they might have reached a different conclusion on the facts (*Shanks* at [28] citing the warning given by Baroness Hale in *AH (Sudan) v Secretary of State for the Home Department* [2007] UKHL 49).

viii) The appellate court should not treat a judgment as containing an error of principle simply because of its belief that the judgment or decision could have been better expressed; "The duty to give reasons must not be turned into an intolerable burden" (see *REEF* at [29]). The reasons need not be elaborate. There is no duty on a judge, in giving her reasons, to deal with every argument presented by counsel in support of his case. It is sufficient if what she says shows the basis on which she has acted (*English* at [17], *Fage* at [115]). The issues the resolution of which were vital to the judge's conclusions should be identified and the manner in which she resolved them explained (*English* at [19]).

ix) In evaluating the evidence, the appellate court is entitled to assume, absent good reason to the contrary, that the first instance judge has taken all of the evidence into account (*TT Education* at [52(vi)]).

25. In the context of appeals relating to the likelihood of confusion, an evaluative issue described by Mr Iain Purvis QC sitting as an Appointed Person in *ROCHESTER Trade Mark* BL O/049/17 at [31] as "indeterminate and open to debate", Mr Purvis QC went on to say this at [33]:

"…the reluctance of the Appointed Person to interfere with a decision of a Hearing Officer on likelihood of confusion is quite high for at least the following reasons:

(i) The decision involves the consideration of a large number of factors, whose relative weight is not laid down by law but is a matter of judgment for the tribunal on the particular facts of each case

(ii) The legal test 'likely to cause confusion amongst the average consumer' is inherently imprecise, not least because the average consumer is not a real person

(iii) The Hearing Officer is an experienced and well-trained tribunal, who deals with far more cases on a day-to-day basis than the Appellate tribunal

(iv) The legal test involves a prediction as to how the public might react to the presence of two trade marks in ordinary use in trade. Any wise person who has practised in this field will have come to recognize that it is often very difficult to make such a prediction with confidence. Jacob J (as he then was) made this point in the passing off case *Neutrogena v Golden* [1996] RPC 473 at 482:

'It was certainly my experience in practice that my own view as to the likelihood of deception was not always reliable. As I grew more experienced I said more and more "it depends on the evidence."'

Any sensible Appellate tribunal will therefore apply a healthy degree of self-doubt to its own opinion on the result of the legal test in any particular case.

34. I shall therefore approach this appeal on the basis that in the absence of a distinct and material error of principle, I ought not to interfere with the decision of the Hearing Officer unless I consider that his view on the issue of likelihood of confusion was clearly wrong in the sense that it was outside the range of views which could have been reasonably taken on the established facts."

7. To the above should be added:

- The judgment of the Court of Appeal in *Lidl Great Britain Ltd v. Tesco Stores Ltd* [2024] EWCA Civ 262, where Arnold LJ said at §110 "It is common ground that, in so far as the appeals challenge findings of fact made by the judge, this Court is only entitled to intervene if those findings are rationally insupportable"; and
- The Supreme Court's guidance in *Lifestyle Equities CV v Amazon UK Services Ltd* [2024] UKSC 8 where it stated at §49 "…on a challenge to an evaluative decision of a first instance judge, the appeal court does not carry out the balancing exercise afresh but must ask whether the decision of the judge was wrong by reason of an identifiable flaw in the judge's treatment of the question to be decided, such as a gap in logic, a lack of consistency, or a failure to take into account some material factor, which undermines the cogency of the conclusion".

8. I shall bear all the above in mind when reviewing the Decision.

Discussion – Appellant's appeal

(1) Lack of clear reasoning for finding of a likelihood of indirect confusion

9. The Appellant contends that the Hearing Officer, whilst citing the categories of indirect confusion set out by Iain Purvis QC (as he then was) sitting as the Appointed Person in *L.A. Sugar*

Limited v By Back Beat Inc (Case BL O/375/10), did not go on to explain how these categories apply in this case before reaching her conclusion that there is a likelihood of confusion.

10. The Appellant conceded that the three *L.A. Sugar* categories are by way of example only, and are not intended to be exhaustive. The most authoritative decision as to indirect confusion is *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, in which Arnold LJ, after quoting the comment of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16) 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" [16], said at [13] "I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion.

11. It is incumbent upon a Hearing Officer, upon making a finding of a likelihood of indirect confusion, to set out his/her reasoning in sufficient detail to establish a "proper basis" for that finding. Such a basis might be found by applying one or more of the *L.A. Sugar* categories, or on some other grounds (indeed Arnold LJ added a fourth example category of his own in *Liverpool Gin*).

12. The Hearing Officer's reasoning in relation to the '745 application was set out at §77 as follows:

> "*I have found that the dominant and distinctive element of the Opponent's mark is 'MONTY'. It is my view that 'MONTY' is also the dominant and distinctive element of the Applicant's mark. I have found the parties' marks to have a very high level of conceptual similarity. In the light of the foregoing, I find that a significant proportion of average consumers would, upon encountering either of the parties' marks, presume the marks to be either brand variations from the same undertaking, or marks originating from different but economically related undertakings. For example, the Applicant's mark 'MontyPay' might be seen as a sub-brand of the over-arching brand 'MONTY', the sub-brand perhaps relating to a payment App on a mobile phone. I find that there is a likelihood of indirect confusion*".

13. For the '722 application she said at §79:

> "*However, I do find that that there is a likelihood of indirect confusion between the parties' marks. I consider 'MONTY' to be the dominant and distinctive element of each party's mark. My view is that a significant proportion of average consumers will notice the differences between the marks but conclude that the Applicant's mark is a brand related to that of the Opponent, perhaps by way of a sub-brand for a particular service offered by the over-arching brand 'MONTY'. For example, 'MyMonty', which I have found to allude to some sort of personalised or bespoke service, might be perceived as a mobile phone App or some sort of personalised service*".

14. Her findings as to conceptual similarity between the marks were explained at §65-66 as follows:

> "*[For the '745 application] In my view, the 'Monty' element will, in both parties' marks, be perceived by a significant proportion of average consumers as a male name. In the Opponent's mark, the words 'Global Payments' will simply be understood as an indication that the business carried on under the mark deals with payments internationally or 'all over the world'. The Opponent's mark will therefore be perceived as a company called 'Monty' which deals with international transactions. The Applicant's mark will likely be*

perceived as a business called 'Monty' which deals with payments. I do not consider that the 'shapes' device in the Applicant's mark will contribute anything to the mark, conceptually speaking. The 'smiling face' device in the Opponent's mark will, to my mind, unlikely contribute any conceptual message, either; the appearance of such motifs by way of 'emojis', for example, being fairly commonplace and banal. All things considered, I find the parties' marks to have a very high level of conceptual similarity.

I find that the 'Monty' element of the Applicant's mark 'MYMONTY' will also be perceived by the average consumer as a male name. I consider that the 'MY' element might be seen by some as alluding to services that are tailored to the individual customer or bespoke in some way. I find the parties' marks to have a high level of conceptual similarity".

15. Consequently, the Hearing Officer's reasoning was two-fold. First, the word MONTY is the dominant and distinctive element of both parties' marks. Secondly, it bears the same conceptual meaning in both parties' marks – giving rise to a perception of a company called MONTY which sells goods and provides services. "MontyPay" will be perceived by the average consumer as a business called 'Monty' which deals with payments. "MyMonty" will be perceived as a business called 'Monty' which provides services tailored to the individual customer or bespoke in some way.

16. In my view, the above four paragraphs in the Decision, whilst relatively concise, do provide a "proper basis" for a finding of a likelihood of indirect confusion. The marks do not fit neatly into any of the *L.A. Sugar* categories, but that is not fatal to a finding of indirect confusion, and the Hearing Officer provided sufficient detail to satisfy the requirement that there be a "proper basis" for her finding.

17. I dismiss this first ground of appeal, which is an overarching ground, and will now proceed to consider the more detailed arguments in grounds 2 and 3.

(2) Failure to look at each of the goods/services separately

18. The Appellant contends that the Hearing Officer failed to look at each of the goods/services in the Applications separately, and instead made an overarching finding of a likelihood of indirect confusion across all goods/services which she had held to be similar or identical. I consider this is a valid criticism. In light of her detailed reasoning as to the conceptual meaning of each mark, which I have summarised above, I believe it was necessary for her to apply that analysis to each of the goods and services in turn, to decide whether a likelihood of indirect confusion arises in relation to each of the specific goods and services. Her failure to do so is an error of principle.

19. Looking first at the '722 application, it seems to me that the conceptual meaning held by the Hearing Officer – a business called 'Monty' which provides services tailored to the individual customer or bespoke in some way – will apply equally to each of the goods and services. For example, the average consumer would understand that *Computer programs [downloadable software]* being supplied under the '722 application are computer programs which are supplied by a company called MONTY and are in some way personalised to the customer. Similarly, for, say, *Financial services* or *banking* in class 36, the consumer would understand that the service is provided by a company called MONTY and in some way personalised to the customer. The conceptual meaning held by the Hearing Officer is wide enough to encompass all the goods/services which were held to have any degree of similarity, such that a likelihood of indirect confusion is made out across all such goods and services.

20. For the ‘745 application, however, the conceptual analysis was narrower – the Hearing Officer held that “The Applicant’s mark will likely be perceived as a business called ‘Monty’ which deals with payments”. Whereas it is easy to see how indirect confusion might arise in relation to goods/services which relate in some way to payments (including all the services in class 36, which are all financial services), it is less easy to see how it could arise in relation to, say, *electronic publications, downloadable*. I can see no proper basis on which the average consumer, on seeing a mark comprising the term MontyPay on a downloadable electronic publication, for example, would believe that the publication must originate from the Respondent, or an economically linked undertaking.

21. Looking at each of the Rejected Goods:

- *security tokens [encryption devices]; electronic publications, downloadable* – these do not relate to payments, and hence no likelihood of indirect confusion will arise;
- *Computer operating programs, recorded; Computer programs [downloadable software]; mobile phone applications, downloadable; encoded magnetic cards* – each of these could be supplied for use in relation to making payments, in which case a likelihood of indirect confusion will arise, but could also be supplied in relation to other purposes, in which case no such likelihood will arise. A restriction on those goods is therefore appropriate.

22. I accordingly allow this second ground of appeal in relation to the ‘745 application for:

- *Security tokens [encryption devices]; electronic publications, downloadable*; and
- C*omputer operating programs, recorded; Computer programs [downloadable software]; mobile phone applications, downloadable; encoded magnetic cards*, each of which should be restricted by the wording “*not for use in relation to making or receiving payments*”.

23. In relation to all other goods and services in the ‘745 application, and all goods and services in the ‘722 application, this second ground of appeal it is dismissed.

(3) Reliance on conceptual similarity only despite the fact that the purchasing act for the goods and services was deemed to be “primarily visual”.

24. The Appellant contends that, whereas the purchasing act for its goods and services will be primarily visual, the Hearing Officer’s reasoning in relation to likelihood of indirect confusion refers only to conceptual similarity. I do not consider there is anything in this point. As explained by Iain Purvis QC (as he then was) in *L.A. Sugar* at [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’*”.

25. Analysing the mental process of the average consumer is therefore a critical factor in considering whether there is a likelihood of indirect confusion. The level of visual similarity ("medium" and "low to medium" for the '745 and '722 applications respectively) is the "hook" which draws the average consumer's attention, but it is the conceptual similarity, in this particular instance, which leads the average consumer to the mistaken conclusion that the Appellant's mark is a sub-brand, or similar, of the Respondent's brand MONTY. The Hearing Officer's reliance on the conceptual similarity is therefore not inconsistent with her earlier findings as to the primarily visual nature of the purchasing act.

26. I dismiss this third ground of appeal.

Discussion – Respondent's cross-appeal

An unpleaded argument

27. The Respondent's skeleton argument sets forth an argument that the Appellant's allowed goods and services are all involved with or in support of and/or ancillary to and similar to the refused goods and services, or in the alternative the allowed goods and services are worded so broadly as to include, amongst other things, the refused goods and services. The Respondent contends that "when considering all of the circumstances in which the mark applied for <u>might be used</u> if it were registered, there is a very high chance that the Party B marks <u>might be used</u> for the refused goods and services" (Respondent's underlining).

28. This argument was not foreshadowed in the Respondent's Grounds of Appeal, and no application is made for permission to amend the Respondent's Grounds of Appeal. As it is an unpleaded argument, to which the Appellant has not had the opportunity to respond, I decline permission and will not consider it further.

(1)-(3) Failure to use the correct comparator

29. I can deal with the first three grounds together, as they each raise the same principle. The Respondent contends that, in respect of the Allowed Goods in class 9, the Hearing Officer did not perform the comparison against the correct category of goods in the Earlier Marks.

30. The difficulty for the Respondent in this appeal is that in its submissions to the Hearing Officer below, it did not contend for any of the comparators for which it now contends. It said only:

> "*Regarding the contested goods in Class 09, they are similar to the earlier services in Class 36, as they have the same purpose, which is to allow the provision of financial, insurance and banking services. Further, these services are considered complementary.*
>
> *...*
>
> *In the present case, the contested goods in Class 09 are specific tools, systems, machines, and programs which are used in close connection with the financial services that the earlier registrations cover in Class 36, since their use is necessary for the provision of these service*".

31. The Hearing Officer observed at §24 that "*For the remaining of the contested terms in class 9, the Opponent has made very broad arguments on the matter of similarity, but without setting out where the particular points of similarity lie or identifying the closest comparators in the Opponent's specifications*".

32. The Hearing Officer therefore had to do her best to decide which of the services in class 36 was the closest comparator for each of the Appellant's goods, and I am of the view that the various decisions she reached were ones that were open to her on the arguments and evidence submitted by the parties. It is now too late for the Respondent to contend that different services are the appropriate comparators, when those contentions were not advanced before the Hearing Officer.

33. I therefore dismiss the first three grounds of the cross-appeal.

(4) The term *Banking Systems and Solutions* is unclear and unparticularised

34. The Respondent contends that the Hearing Officer did not particularise what is meant by the term *Banking Systems and Solutions*. It contends specifically that:

- The term "solutions" is not clear enough for a potential infringer to know what is included in the term and what is excluded. A solution implies something which solves a problem, and as class 9 is a class for goods not services, it is not clear what the goods of a solution actually are because no problem is included in the specification of goods;

- The term "banking systems" is also indistinct and unclear. It is not clear whether a banking system is a banking method operated by the Applicant, in which case it is in the incorrect class, or if it is a banking method, which would be providing a service to a customer.

35. It explains in its Grounds of Appeal that in the Appellant's corresponding EUIPO trade mark application for MONTYPAY "MontyPay" (figurative) No. 018667533 in the name of Monty Finance UK LTD, the EUIPO requested that the Applicant particularised the term "*Banking Systems and Solutions*". The Applicant did so and defined the term "*Banking Systems and Solutions*" as being "*namely computer terminals for banking purposes, banking software, banking cards [encoded or magnetic]"*.

36. The Respondent contends that the term should be given that same meaning in this dispute, and either refused or replaced with "*Computer terminals, not for use in banking or money dealing purposes*".

37. As with grounds 1-3, none of this was advanced before the Hearing Officer below. However, I agree with the Respondent that the term *Banking Systems and Solutions* is unclear in meaning and scope. In my view it is not in the interests of the general public for trade marks with unclear terms to remain on the register. Accordingly, I invited the parties to file short written submissions after the hearing as to what action should be taken in this regard.

38. The Appellant submitted that the term should be amended to *Computer terminals for banking purposes; Software for use by banks in the delivery of their services and operation of their institutions, including processing transactions and managing loans, payments and investments*. I agree, however it is now necessary to consider whether either of those goods are similar to the services in the Earlier Marks, and if so whether a likelihood of confusion arises.

39. With regard to *Computer operating programs, recorded; Computer programs [downloadable software]* the Hearing Officer said at §34:

> "It is my understanding that the above goods, also known as computer software, are the sets of instructions according to which computers perform specific tasks. I compare these goods to the Opponent's class 36 term *Financial affaires*. I bear in mind the recent decision of Thomas Mitcheson Q. C. (as he then was) sitting as the Appointed Person

("AP") in the case of *MFS Africa*. In that case, Mr Mitcheson considered the comparison of the term *computer software* against *financial services* and held that the end users of the latter would, or at least could, be users of the software developed to deliver those financial services. It was held that *computer software* could be used to support the provision of *financial services*. The respective terms were found to be complementary. The AP cited the example of a banking App (which is, essentially, software) being provided by a bank providing financial services to support his finding that the respective services had a low level of similarity. I therefore find the parties' offerings in the instant case to have a low level of similarity".

40. The above reasoning is equally applicable to *Software for use by banks in the delivery of their services and operation of their institutions, including processing transactions and managing loans, payments and investments*.

41. As for *Computer terminals for banking purposes* I consider that the above reasoning is applicable by analogy, and I find also that such goods have a low level of similarity to financial *affaires*.

42. Turning now to likelihood of confusion, for the '722 application my analysis at §19 is equally applicable, and the average consumer would understand that *Computer terminals for banking purposes*; *Software for use by banks in the delivery of their services and operation of their institutions, including processing transactions and managing loans, payments and investments* being supplied under the '722 application are goods which are supplied by a company called MONTY and are in some way personalised to the customer. A likelihood of indirect confusion therefore arises.

43. For the '745 application, my analysis at 20-21 applies. Each of the goods could be supplied for use in relation to making payments, in which case a likelihood of indirect confusion will arise, but could also be supplied in relation to other purposes, in which case no such likelihood will arise. A restriction on those goods is therefore appropriate. For the '745 application, therefore, *Banking Systems and Solutions* should be amended to *Computer terminals for banking purposes, not for use in relation to making or receiving payments*; *Software for use by banks in the delivery of their services and operation of their institutions, not for use in relation to making or receiving payments*.

Conclusion

44. The appeal is allowed to the following extent:

- In addition to the goods and services allowed by the Hearing Officer, UK3780745 may proceed to registration in respect of the following goods in class 9: *Security tokens [encryption devices]*; *Electronic publications, downloadable*; C*omputer operating programs, recorded, not for use in relation to making or receiving payments*; *Computer programs [downloadable software], not for use in relation to making or receiving payments*; *Mobile phone applications, downloadable, not for use in relation to making or receiving payments*; *Encoded magnetic cards, not for use in relation to making or receiving payments*; *Computer terminals for banking purposes, not for use in relation to making or receiving payments*; *Software for use by banks in the delivery of their services and operation of their institutions, not for use in relation to making or receiving payments*.

- The term "*Banking Systems and Solutions*" in class 9 in both UK3780745 and UK3780722 shall be deleted.

45. Save for the above, the appeal and cross-appeal are dismissed.

Costs

46. Clearly, the Appellant has achieved a degree of success in this appeal, insofar as it has succeeded in overturning the Hearing Officer's decision in part, and in defending the cross-appeal almost in full.

47. I order that the Respondent shall pay the Appellant the sum of £750, comprising 50% of:

- Preparation of skeleton argument: £750; and
- Attendance at hearing: £750.

48. The Hearing Officer's order that the Appellant should pay the Respondent £500 by way of costs of the hearing below still stands. The net effect is that the Respondent shall pay the Appellant £250 within 21 days of this decision.

Dr. Brian Whitehead

22 September 2024

Representation

Ms Patricia Collis, of DLA Piper UK LLP, for the Appellant/Applicant

Mr Robert Franks, of Franks & Co. Limited, for the Respondent/Opponent