

IN THE MATTER OF THE TRADE MARKS ACT 1994

IN THE MATTER OF PROCEEDINGS

FOR TRADE MARK APPLICATION NO. UK3845133

IN THE NAME OF QATAR NATIONAL BANK PUBLIC JOINT STOCK COMPANY FOR THE TRADE MARK

**digital Q**

IN CLASSES 9, 35, 36 & 42

AND THE OPPOSITION THERETO UNDER NO. 439200

BY ARQUIA BANK, S.A.

AND IN THE MATTER OF AN APPEAL FROM THE DECISION OF S WALLACE (O/0604/24) DATED 27 JUNE 2024.

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DECISION  
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**Introduction**

1. This is an appeal by Qatar National Bank Public Joint Stock Company ("**Appellant**") from decision O/0604/24 of Ms S. Wallace ("**Decision**") concerning the opposition by Arquia Bank, S.A. ("**Respondent**") to the Appellant's application for the mark "digital Q" ("**Application**"), applied for on 2 November 2022 in respect of 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 the Respondent under section 5(2)(b) of the Trade Marks Act 1994 in respect of the goods and services underlined above. The Respondent relied upon comparable UK trade mark number 917129974 shown below (the "**Earlier Mark**"), which has a filing date of 22 August 2017 and a registration date of 26 December 2017. For the purposes of the opposition, the Appellant relied upon the goods and services listed below.



**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.

3. Neither side filed evidence, and a hearing was not requested. Both sides filed written submissions, and a decision was made on the papers. In the Decision, S. Wallace for the Registrar held that the opposition was partially successful.
4. On 25 July 2024 the Appellant filed a Notice to Appeal to the Appointed Person against the Decision under Section 76 of the Trade Marks Act 1994.

#### **The Hearing Officer's decision**

5. The Hearing Officer held as follows (in summary, and insofar as is relevant to this appeal):
  - a. The average consumer of the goods and services is likely to be both the general public and business users. 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;
  - b. The selection process will be dominated by the visual component, although aural considerations cannot entirely be discounted as some consumers will select the goods or services after discussions with sales assistants;
  - c. The marks are visually similar to a medium degree, aurally similar to a medium degree and conceptually dissimilar;
  - d. The Earlier Mark is inherently distinctive to a medium degree, with no enhanced distinctiveness through use;
  - e. The Hearing Officer assessed the similarity of the goods and services in categories, finding some to be identical, some to be similar to a low degree, and some to be dissimilar;

- f. For goods which are dissimilar, the issue of likelihood of confusion does not arise, and the opposition therefore failed in relation to such goods. However, for the goods and services with at least some similarity, the Hearing Officer held that the average consumer will be directly confused.

### **Grounds of Appeal**

6. The Appellant's Grounds of Appeal are as follows:
  - a. **Ground 1:** The Hearing Officer erred in finding that the goods in classes 9 and services in class 42 of the Application have any degree of similarity to the services in Class 36 of the Earlier Mark.
  - b. **Ground 2:** The Hearing Officer failed to consider that the average consumer will break down a mark into elements which suggest a concrete meaning or resemble known words.
  - c. **Ground 3:** The Hearing Officer failed to consider that as a result of the average consumer's familiarity with the meaning of the English word "digital" in the Applicant's mark and as the word "digital" is also the first element/beginning of the mark and makes up 7 of the 8 letters contained in the marks, it would be perceived as the dominant element in the overall impression.
  - d. **Ground 4:** The Hearing Officer failed to consider that because only the Applicant's mark has a clear and specific meaning that can be grasped immediately by the relevant public and the marks are conceptually dissimilar, this would counteract or offset any visual and/or aural similarity found between the marks.
  - e. **Ground 5:** The Hearing Officer failed to properly weigh up the relative similarities of the marks and goods and services. The Hearing Officer failed to account for the fact that she found the goods and services in classes 9 and 42 of the Application similar only to a low degree to those covered by the Opponent's registration and that the marks were dissimilar conceptually, when concluding that there would be a likelihood of confusion for these goods and services.
  - f. **Ground 6:** In view of the above, the Hearing Officer failed to make a proper global assessment when determining likelihood of confusion.
7. Neither side requested a hearing, but both parties filed a skeleton argument. I have made this decision following a careful review of the Decision, the Grounds of Appeal, the skeleton arguments, and also the parties' submissions to the Hearing Officer.

### **Standard of review**

8. 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."

2. 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”.

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

## Discussion

### (1) Similarity of goods and services

10. When considering whether the Appellant’s *Software; Computer programs; apps; mobile applications (software)* in class 9 are similar to the Respondent’s *financial services* in class 42, the Hearing Officer cited at §15 the decision of Tom Mitcheson KC, sitting as the Appointed Person, in *MFS Africa* BL O/531/22:

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.”

11. At §16 she said:

*“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 [sic], 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”.*

12. Similarly, in relation to *authentication services; information, advice and assistance relating to the aforesaid* she said at §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”.*

13. The Appellant criticises the above as follows:

“[...] while it is true that financial and monetary services are rendered with the use of software, such as in the case of online banking, the average consumer would not think that the same undertakings are behind these goods and services. Financial institutions are not normally behind the production of highly specialised software for their services, the development and provision of which is usually outsourced to IT/tech companies. There is an entire industry of financial software specialist companies which include well-known brands whose business is to provide financial instructions with such software products and services.

...

Like with the goods in class 9, authentication services in class 42 which may be used by financial institutions for their own services, are usually provided by specialist companies and not by the financial institutions themselves. Therefore, the average consumer would not think that the same undertakings are behind these services. They are not complementary and as the HO herself also states, the services at issue have different natures, methods of use and intended purposes which further compounds to support that there is no similarity at all”.

14. The difficulty for the Appellant is that none of the above arguments were pursued before the Hearing Officer. The Appellant’s Form TM8 says only “It is not admitted that the goods and services covered by the application are identical or similar to the goods and services of the Opponent’s mark”. The Appellant’s written submissions to the Hearing Officer make no mention at all of any arguments in relation to similarity of goods and services.

15. The Hearing Officer therefore had to do her best to decide which, if any, of the Appellant's goods and services were similar to the Respondent's goods and services. I am of the view that her decision to seek guidance from the *MFS Africa* decision, and her ultimate findings as to similarity, were ones that were open to her on the arguments and (lack of) evidence submitted by the parties. It is now too late for the Appellant to contend that the public would not understand that certain goods and services are provided by the same undertaking, when those contentions were not advanced before the Hearing Officer. In a future case, in which evidence to support such a contention is filed, a hearing officer's decision on this same matter might be different, but the Appellant cannot fairly complain in circumstances where no such evidence (or even submissions) was filed.

16. I therefore dismiss this first ground of appeal.

**(2) Failure to break Application into its elements**

17. The Hearing Officer said, at §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."*

18. The Appellant contends, correctly, that the courts have held in various cases that the average consumer may break down a mark into elements which suggest a concrete meaning or resemble known words. For example, it cites T-256/04 *Respicur*, where the General Court held the following at [57]:

*"although the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (Lloyd Schuhfabrik Meyer, paragraph 25), the fact remains that, when perceiving a verbal sign, he will break it down into elements which, for him, suggest a concrete meaning or which resemble words known to him (Case T-356/02 Vitakraft-Werke Wührmann v OHIM — Krafft (VITAKRAFT) [2004] ECR II-3445, paragraph 51)."*

19. I do not, though, accept that the Hearing Officer did fail to pay appropriate attention to this consideration. In fact, it is clear from §37 that that is precisely what she did do:

*"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".*

20. The Hearing Officer therefore said, in terms, that the average consumer will "latch onto" the recognisable word in the Application, "digital". In doing so she made no error of principle. I dismiss this second ground of appeal.

**(3) Failure to perceive "digital" as the dominant element in the overall impression**

21. The Appellant submits that "the English word "digital" is well-known and commonly used; the average consumer would be familiar with the meaning. This combined with the word "digital"

being the first element/beginning of the Applicant's mark and making up 7 of the 8 letters contained in the mark, would result in it being perceived as the dominant element in the overall impression".

22. The Appellant is correct to contend that, in appropriate circumstances, the average consumer, having broken a mark down into its elements, might perceive an element which is a well-known and/or commonly-used word to be the dominant element of the mark. However, it is clear from §37 that the Hearing Officer held that the word in question – digital – was descriptive of the goods/services or the method of their use. She amplified that at §49, where she said:

*"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."*

23. In my view, she was entitled to make that finding, and indeed was correct in doing so. The descriptive nature of the word "digital" overrides the fact that it is i) the only element of the Application that has a concrete meaning, and ii) is positioned at the front of the Application and constitutes 7 of the 8 letters of the Application.

24. I accordingly dismiss this third ground of appeal.

**(4) Failure to counteract or offset any visual and/or aural similarity found between the marks**

25. The Appellant contends that the Hearing Officer, having held that the marks are visually and aurally similar to a medium degree, failed to consider that even if the marks are only conceptually different, the clear and specific meaning of the Applicant's mark from the word "digital" would be grasped immediately by the average consumer and this would counteract or offset any visual and/or aural similarity found between the marks and there would thus be no likelihood of confusion.

26. In my view, this argument is similar to that raised in ground 3. It is certainly the case that a conceptual difference, particularly one with a particular clear and specific meaning, may serve to counteract any visual and/or aural similarities in the mind of the average consumer. However, the Hearing Officer explained her reasoning – that the average consumer would disregard the word "digital", or regard it as descriptive of the method of use – and that entitled her to find a likelihood of confusion, notwithstanding the conceptual dissimilarity and clear and specific meaning of the word "digital". I dismiss this fourth ground of appeal.

**(5) Failure to properly weigh up the relative similarities of the marks and goods and services**

27. The Appellant contends that *"The Hearing Officer failed to account for the fact that she found the goods and services in classes 9 and 42 of the Application similar only to a low degree to those covered by the Opponent's registration and that the marks were dissimilar conceptually, when concluding that there would be a likelihood of confusion for these goods and services"*.

28. I have addressed the conceptual dissimilarity point above. As for the fact that goods and services in classes 9 and 42 were held only to be of low similarity, the Hearing Officer's summary of the applicable legal principles at §9 and §§44-47 was correct. She rightly directed herself that:

*“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 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”.*

29. Given her findings as to the descriptive nature of the word “digital”, she was entitled to find a likelihood of confusion, notwithstanding the low degree of similarity of the goods and services in classes 9 and 42. I dismiss this fifth ground of appeal.

**(6) Failure to make a proper global assessment when determining likelihood of confusion**

30. Given that I have dismissed each of the foregoing grounds, it is clear that there was no error of principle which would entitle me to revisit the Hearing Officer’s overall analysis of likelihood of confusion. Nor can her conclusion be said to be wrong, as it lay within the range of reasonable conclusions open to the Hearing Officer. Accordingly, I dismiss this sixth ground of appeal.

**Conclusion**

31. The appeal is dismissed. 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.

32. The Application may proceed to registration for the remaining services that were subject to the opposition:

**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**

33. Clearly, the Respondent has been the successful party. I order that the Appellant shall pay the Respondent the sum of £600 for preparation of the skeleton argument.
34. The Hearing Officer’s order that each party shall bear its own costs of the proceedings below still stands. The Appellant shall pay the Respondent £600 within 21 days of this decision.

**Dr. Brian Whitehead**

**4 October 2024**

**Representation**

Beck Greener LLP for the Appellant/Applicant

Withers & Rogers for the Respondent/Opponent