O/1179/24

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3794108
IN THE NAME OF THOMAS NICHOLAS FATTORINI AND ZENOFI UAB
IN RESPECT OF THE TRADE MARK

SatoshiDeals

IN CLASS 36

AND

THE OPPOSITION THERETO UNDER NO. 437733
BY MATHIAS ROCH + OLIVER ROCH GBR

Background and pleadings

1. Thomas Nicholas Fattorini and ZenoFi UAB ("the applicants") applied to register the trade mark no. 3794108 for the mark SatoshiDeals in the UK on 31 May 2022. It was accepted and published in the Trade Marks Journal on 26 August 2022 in respect of the following services:

> Class 36: *Electronic transfer of crypto assets; Financial exchange of crypto assets.*

2. On 28 November 2022, Mathias Roch + Oliver Roch GbR ("the opponent") opposed the trade mark on the basis of Section 5(2)(b) of the Trade Marks Act 1994 ("the Act").[1] The opposition relies on its earlier UK comparable trade mark[2] no. 917878384 for the mark THE HOUSE OF SATOSHI**.** The following services are relied upon in this opposition:

> Class 36: *Finance services.*

3. By virtue of its filing date of 21 March 2018, this registration constitutes an earlier mark in accordance with section 6 of the Act.

4. The opponent argues that the respective services are identical and that the marks are similar, and that as such there is a likelihood of confusion between the marks.

5. The applicants filed a counterstatement denying that the marks are confusingly similar, or that the services are similar. The applicants assert the opponent has no

[1] The opposition was originally also based on section 3(1)(b), 3(1)(c) and 3(1)(d) of the Act. However, no evidence was filed in support of these additional grounds, and on 23 November 2023 the Tribunal wrote to the opponent offering its preliminary view that in the circumstances, these grounds would be withdrawn in accordance with Rule 20(3) of the Trade Mark Rules 2008. Neither party opted to challenge this preliminary view, which was then confirmed as final in the Tribunal's letter dated 6 January 2024.

[2] On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all right holders with an existing EUTM. As a result of the opponent's EUTM 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 retains its original filing date.

exclusive rights in the term SATOSHI based on the co-existence of a number of marks using this element for years.

6. Neither party filed evidence in these proceedings and neither party filed written submissions. No hearing was requested and so this decision is taken following a careful perusal of the papers.

7. The applicants are represented in these proceedings by Gunnercooke LLP. The opponent is represented by Baron Warren Redfern.

8. 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. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

Proof of use

9. The earlier mark was registered on 12 July 2018. As this date is less than five years prior to the date on which the application was filed, that being 31 May 2022, the opponent is not yet required to prove use of the earlier mark in accordance with section 6A of the Act.

Evidence

10. As identified previously, neither party filed evidence in these proceedings. However, both parties have set out unsupported statements of facts within their pleadings. Both party's pleadings have been signed in the name of their professional representative's company, and not by an individual. As such, despite a statement of truth being present on each of the documents, neither of these may be considered as evidence of fact.

11. For completeness, I note in any case at this stage that the applicant's reference to 25 other registered marks including the term "Satoshi" does not assist its position in this instance. In *Zero Industry Srl v OHIM*, Case T-400/06, the General Court ("GC") stated that:

> "73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word 'zero', it should be pointed out that the Opposition Division found, in that regard, that '… there are no indications as to how many of such trade marks are effectively used in the market'. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word 'zero' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T-135/04 *GfK v OHIM – BUS(Online Bus)* [2005] ECR II-4865, paragraph 68, and Case T-29/04 *Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH)* [2005] ECR II-5309, paragraph 71). "

12. As set out in the case law above, the existence of a number of Satoshi marks on the register will not suffice to show the distinctiveness of the earlier mark has been weakened, nor will it show in and of itself that the opponent has no exclusive rights in the term SATOSHI based on the co-existence of a number of marks using this element for years. I therefore do not intend to come back to this point made by the applicants within my decision.

Decision

Section 5(2)(b)

13. Section 5(2)(b) of the Act is 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".

14. Section 5A of the Act states as follows:

"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."

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

The principles

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

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

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

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

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

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

Comparison of goods and services

16. In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

"In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be

taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary".

17. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

18. 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. 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."

19. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)***,** Case T-325/06, the GC stated that there is complementarity where:

> "...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".

20. In *Gérard Meric v Office for Harmonisation in the Internal Market,* Case T-133/05, the GC stated that:

> "29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark". With that in mind, the goods and services for comparison under this ground are as follows:

21. With the above in mind, the services for comparison are as follows:

Earlier services	**Contested services**
Class 36: *Finance services.*	Class 36: *Electronic transfer of crypto assets; Financial exchange of crypto assets.*

22. The opponent's position on the above services is that they are identical, whilst the applicant submits, they are not similar. Neither party has filed evidence to support their view.

23. It is my view that the earlier *finance services* will include a broad range of services to do with investment, management and transfer of funds and financial assets. It is my understanding that cryptocurrency and crypto assets will be, or will include, a form of digital currency that may be bought, sold and traded, and used to make purchases online. It is my understanding that the value of cryptocurrency and crypto assets is known to be variable, and I see no reason why the ordinary and natural meaning of finance services would not include investment and trading in the same, and in turn the contested services for the *electronic transfer of crypto assets* and *financial exchange of crypto assets.* I therefore accept the opponent's position that the services are identical, in accordance with the principles set out in Meric.

24. However, if I am wrong to find these services identical, I note that the services will have a similar nature (both including services for the transfer and financial exchange of assets), a similar purpose, and are likely to share consumers, albeit possibly at a general level. I have no evidence on whether trade channels or the method of use will be shared, and I do not consider these will necessarily be competitive or complementary if they are not indeed identical. However, considering all of the factors, if I am wrong in finding the services to be identical, it is my view they will still be similar at least to a medium degree.

Average consumer and the purchasing act

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

26. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited,* [2014] EWHC 439 (Ch), Birss J. (as he then was) described the average consumer in these terms:

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

27. The average consumer of the earlier finance services will include both members of the general public and businesses and professionals requiring assistance with their financial affairs. Further, whilst the contested services are far narrower, it is still the case that both the general public with an interest or investment in crypto assets might engage services for the electronic transfer or financial exchange of these assets, as well as businesses or professionals in the trade. In both cases, when it comes to putting their trust in a service of this kind, both sets of consumers are likely to consider the reputation, security and authenticity of the service, in addition to the overall package offered and the fees associated with the same. I consider that the level of attention paid by both sets of consumers in relation to the services will be at least above medium.

28. The services are likely to be engaged with visually, via websites or visual advertising. However, I cannot discount the possibility that that there will be recommendations made by word of mouth, or that services will be discussed over the telephone. I therefore cannot completely disregard the aural comparison.

Distinctive character of the earlier trade mark

29. 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 *WindsurfingChiemsee* 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)."

30. The opponent has not filed evidence of use in relation to its earlier mark in these proceedings, and as such I only have the inherent position to consider.

31. The opponent has submitted in its pleadings that Satoshi describes the smallest discrete unit of Bitcoin. Whilst the applicant has not explicitly agreed with this description, it has not disagreed, instead stating that Satoshi has many meanings including being associated with the creator of Bitcoin. As there is no express denial of the opponent's point, it can be taken that the applicant accepts this is (one) meaning of Satoshi. I therefore accept the opponent's pleading regarding this meaning of the word and find it to be agreed upon between the parties to the extent set out.

32. The opponent goes on to submits that its mark "…is likely to suggest a firm, institution or society that relates to or handles these small discrete units of cryptocurrency Bitcoin." On the basis that I have accepted Satoshi describes a discrete unit of Bitcoin, I agree with the opponent, and I accept this pleading. I find on this basis

that the opponent's mark is therefore at the very least highly allusive in relation to any services dealing with cryptocurrency. Overall, I find it holds only a low degree of distinctive character inherently where its services relate to or may be considered to relate to cryptocurrency or crypto assets. I note at this stage that due to the broadness of the opponent's finance services, there will be services under the term which do not relate directly to cryptocurrency or crypto assets. However, given the meaning of the mark as pleaded by the opponent, it will still in my view suggest a firm that also deals with these services, and so the mark remains fairly low in distinctiveness inherently where the meaning is understood by the consumer.[3]

Comparison of marks

33. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a 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 marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

> ".....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their 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."

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

35. The respective trade marks are shown below:

[3] I will address this point in more detail later on in this decision.

Earlier trade mark	Contested trade mark
THE HOUSE OF SATOSHI	SatoshiDeals

36. The earlier mark comprises the four words THE HOUSE OF SATOSHI. I have accepted the opponent's pleading that this "…is likely to suggest a firm, institution or society that relates to or handles these small discrete units of cryptocurrency Bitcoin." The mark therefore appears to hang together, and the overall impression resides in the mark as a whole.

37. The contested mark comprises the two words Satoshi Deals. Whilst the space has been omitted between the words, they are easily distinguishable as two, due to the fact that the word deals in the mark is both instantly recognisable and is highlighted further by the use of the capital 'D'. Due to its presence at the start of the mark, and the lack of distinctiveness of the subsequent word 'deals' in relation to the transfer and exchange of assets, 'Satoshi' appears to be the more dominant element, however, both play a role in its overall impression.

Visual comparison

38. Visually, the marks coincide through the word Satoshi in both marks. It is in a different position in each, and the earlier mark is visually considerably longer than the contested mark, being four words instead of two. The marks differ visually by way of the wording THE HOUSE OF in the earlier mark and Deals in the contested mark, both of which have no counterpart in the other mark. Overall, I consider the marks to be visually similar at best, to just below a medium degree.

Aural comparison

39. Aurally, the marks coincide through the use of the three-syllable word Satoshi. It is my view that, however the consumer chooses to pronounce this word, this will be shared across both marks. However, the marks differ through the presence of the three words and three syllables THE HOUSE OF at the beginning of the earlier mark, and the single word and syllable Deals at the end of the contested mark, none of which

have a counterpart in the other mark. Overall, it is my view the marks are aurally similar to just below a medium degree.

Conceptual comparison

40. In respect of the conceptual comparison, the opponent argues as follows:

> "Conceptually the Applicant's Sign is the term SATOSHIDEALS. SATOSHI is defined as the smallest discrete unit of the cryptocurrency Bitcoin. The combined meaning of the term SATOSHIDEALS refers to transactions that handles these small units of the cryptocurrency Bitcoin. Conceptually the Opponent's Sign is the term THE HOUSE OF SATOSHI. The additional words THE HOUSE OF carry the concept, plainly, of a house of some sort, involving whatever is the subsequent element. Considering the subsequent element is the word SATOSHI, the combined meaning is likely to suggest a firm, institution or society that relates to or handles these small discrete units of cryptocurrency Bitcoin. Therefore, both the Applicant's Sign and the Opponent's Sign refer to the smallest discrete unit of the cryptocurrency Bitcoin, SATOSHI. Although there are differences between the two marks as discussed above, these are not enough to overcome a likelihood of conceptual confusion caused by the marks having the identical word SATOSHI. The Applicant's Sign is therefore conceptually so similar to the Opponent's Sign."

41. On the other hand, when discussing the meaning of the element SATOSHI, the applicant asserts:

> "SATOSHI has many meanings, most of which are associated with the pseudonymous creator of Bitcoin, Satoshi Nakamoto. Neither the Applicant nor the Opponent can claim exclusive ownership of the sign SATOSHI."

42. Later, the applicant goes on to submit:

> "SatoshiDeals" is a coined word which gives the average consumer of crypto asset services the impression of a technological business working in the world of crypto.

> "THE HOUSE OF SATOSHI" is four words which gives the average consumer of crypto asset services the impression of a small independent bank or similar finance institution which is run by the Satoshi family"

43. Neither side has filed any evidence in these proceedings relating the meaning of each of the marks. I have already accepted the opponent's submission that its own mark "…is likely to suggest a firm, institution or society that relates to or handles these small discrete units of cryptocurrency Bitcoin". On this basis, I also agree with the opponent's pleading that the applicant's mark will convey the concept of deals or transactions relating to cryptocurrency. I therefore find that Satoshi acts as a point of conceptual similarity between the marks by way of its reference to cryptocurrency, and I find the marks conceptually similar to a relatively high degree.

44. I note for completeness, that whether Satoshi is understood as a meaning the smallest discrete unit of the cryptocurrency Bitcoin, or whether it is understood as the applicant suggests as referring to the creator of Bitcoin, it is clear that both parties are in agreement that this word will be understood as relating to cryptocurrency in some way. Therefore, even if I am wrong to agree with the opponent's position that it will be understood as the former rather than the latter, I still find it will act as a point of conceptual similarity between the marks, and it is still my view that the marks are therefore conceptually similar to a relatively high degree.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion

45. Prior to reaching a decision under section 5(2)(b), I must first consider all relevant factors, including those as set out within the principles A-K at paragraph 15 of this decision. I must view the likelihood of confusion through the eyes of the average consumer, 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 they have kept in their mind. I must consider the level of attention paid by the average consumer, and consider the impact of the visual, aural and conceptual similarities of the marks by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. I must consider that the level of distinctive character held by the earlier mark will have an impact on the likelihood of confusion. I

must remember that the distinctiveness of the common elements is key.[4] I must keep in mind that a lesser degree of similarity between the services may be offset by a greater degree of similarity between the marks, and vice versa. I must also consider that both the degree of attention paid by the average consumer and how the services are obtained will have a bearing on how likely the consumer is to be confused.

46. There are two types of confusion that I may find. The first type of confusion is direct confusion. This occurs where the average consumer mistakenly confuses one trade mark for another. The second is indirect confusion. This occurs where the average consumer notices the differences between the marks, but due to the similarities between the common elements, they believe that both products derive from the same or economically linked undertakings.[5]

47. In *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17, Mr James Mellor Q.C. (as he then was), as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

48. Firstly, I consider the likelihood of direct confusion between the marks. I remind myself that I found the services to be identical.[6] However, overall, I found the marks to be visually and aurally similar to just below a medium degree. Whilst I note I found a relatively high degree of conceptual similarity, I also consider the above medium level of attention that will be paid by the consumer of the services in this instance, and the low degree of distinctive character present in the earlier mark and in the element common to both. Considering all of the relevant factors, and whilst keeping in mind the imperfect recollection of the consumer, it is my view that the differences between the two marks are too great to go unnoticed or be misremembered by the consumer of the services in this instance. I therefore do not consider there to be a likelihood of direct

[4] See *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, in which Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar.
[5] *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10
[6] If I was wrong in this finding, I found these to be similar to at least a medium degree.

confusion between the marks. I note at this stage, that even if I were to find a higher degree of distinctive character to be held by the earlier mark in relation to some services covered by the broad term relied upon, with consideration to the rest of the factors, my conclusion on direct confusion remains unchanged.

49. I will therefore go on to consider if there is a likelihood of indirect confusion. In *L.A. Sugar* (cited above) Mr Iain Purvis Q.C. (as he then was), as the Appointed Person set out three examples of when indirect confusion may occur as below:

> 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)."

50. I note that the examples above were intended to be illustrative and are not exhaustive. I also keep in mind *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, in which Arnold LJ referred to the comments of James Mellor Q.C. (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.

51. I also keep in mind at this stage the factors considered and summarised in *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), particularly that where an element of a mark is similar to or identical to an element in another mark, and it retains an independent distinctive role within the marks, it is possible that this may result in the average consumer being confused as a result of the identity or similarity of that sign to the earlier mark.

52. In *Face2FaceHR Partners Limited v Peninsula Business Services Limited*, O/0368/23, Emma Himsworth K.C., as the Appointed Person, reviewed the case law in *Whyte and Mackay v Origin* [2015] EWHC 1271 (Ch) and *Nicoventures Holdings Limited v The London Vape Co Ltd* [2017] EHWC 3303 (Ch), as well as guidance in the Common Communication on the Common Practice of Relative Grounds of Refusal - Likelihood of Confusion (impact of non-distinctive/weak components) dated 2 October 2014, which is referred to in the case law. Miss Himsworth summarised the correct approach when assessing the likelihood of confusion where the only common element between the marks in issue has no or low distinctiveness as follows, at paragraph 44:

> "(1) The distinctiveness of the mark as a whole must be assessed, taking into account that a minimum degree of distinctiveness must be acknowledged.
>
> (2) The distinctiveness of each of the components of both marks must be assessed with priority being given to the coinciding elements.
>
> (3) The focus of the assessment of the likelihood of confusion should be on the impact of the non-coinciding components on the overall impression of the mark.
>
> (4) Account must be taken of the similarities/differences in the non-coinciding elements of the marks.
>
> (5) A coincidence of an element with a low level of distinctiveness will not usually lead to a likelihood of confusion.
>
> (6) There may be a finding of a likelihood of confusion if (a) the non-coinciding elements of the mark are of lower (or equally low) degree of distinctiveness or

are of insignificant visual impact and the overall impression is similar; or (b) the overall impression of the marks is highly similar or identical."

53. I consider again all of the factors of this case. As I have previously set out, the consumer will be paying an above medium degree of attention and will notice the differences between the marks. I note the opponent has not advanced any specific argument as to why I might find a likelihood of indirect confusion, in the absence of direct confusion. However, considering the significant differences between the marks and their overall impressions, it is my view that whether there is a likelihood of confusion between the marks will be dependent on the consumers perception of the shared word Satoshi.

54. I have accepted the opponent's position in this instance that the word Satoshi will be perceived as a reference to a discrete unit of Bitcoin within the marks. I reiterate at this stage, that it has not gone unnoticed that neither the applicant nor the opponent filed any evidence on the descriptive meaning of Satoshi, or importantly in relation to how consumers of the services concerned with crypto assets would understand the marks. Normally, it is my view that a finding that consumers of the services would understand the meaning of Satoshi, is one that would require, or at least significantly benefit from, evidence on that point. However, I note in this instance, that the opponent's position on the meaning of this shared element in the context of the marks and the services, and its view on how this shared meaning would be perceived by the average consumer when assigning both marks a concept, was all set out in its pleadings. Whilst the applicant suggests a slightly different meaning may be allocated to the opponent's mark based on its own submission that Satoshi is the creator of Bitcoin, it does not deny the opponent's pleadings regarding the meaning of the word, and it also suggests its own mark would convey to the consumer that it was dealing in the "world of crypto".

55. Having considered this point carefully, it is my view that in the circumstances, there was no obligation for the applicant to file evidence in support of a point which had in fact, already been pleaded by the opponent, and which it did not deny. The applicant was entitled to consider the opponent's pleaded case as the position from which the matter may progress. Indeed, it is impossible at this stage to know if evidence on this

point would have been adduced by the applicant had it not understood this to be the opponent's position. Therefore, to find in favour of a likelihood of confusion on the basis that the applicant has not shown in evidence that consumers of its services would understand that Satoshi refers to a unit of Bitcoin (and that it instead might be perceived as a highly distinctive word), despite this clearly being the opponent's pleaded case, would not, in my view, be the correct approach in the interest of fairness.

56. I therefore continue with my global assessment on the basis that consumers of services related to cryptocurrency or crypto assets will understand the meaning (or at least one of the meanings) of Satoshi is as a discrete unit of cryptocurrency, as I have done for the rest of this decision. The applicant's services in this instance, are exclusively limited to those dealing with crypto assets, and as such, it is my finding that the consumers of these services, will, at least to an extent, to have some knowledge of the meaning of Satoshi in this context. I note the opponent's mark covers a broad range of finance services, and as such, some of the opponent's consumers may be unaware of the meaning of Satoshi in the context of cryptocurrency. However, when considering the likelihood of indirect confusion, I must consider whether consumers of the opponent's mark, who subsequently engage with the applicant's mark, or vice versa, will be confused into thinking the marks derive from the same entity. I consider that where this cross over of consumers takes place, those shared consumers will all be those engaged in (or looking to engage in) both the services of the opponent and the applicant. These will all, therefore, be those with an interest or awareness of cryptocurrency, and as such, an understanding of the meaning of Satoshi.

57. I have considered in this instance the factors set out above. Whilst I note the additional elements in each of the marks either lack or are very low in distinctive character, the impact of all of the additional elements in each mark on their overall impression is not insignificant. I cannot reconcile the position that Satoshi is descriptive of a unit of Bitcoin (and thus at least highly allusive in the context of the goods) with the position that there will be a likelihood of indirect confusion based on this shared element of the marks in this instance. Whilst I have considered point 6 set out by Miss Himsworth sitting as the Appointed Person in *Face2FaceHR* as above, it is my view that considering the facts of this case, it is not one that will fall within this exception. It is instead my view that those consumers who come into contact with both the

opponent's and the applicant's marks will simply assume two entities are using this allusive term in relation to their services, and will not put this down to an economic connection between the marks. There is therefore no likelihood of indirect confusion between the marks.

Final Remarks

58. The opposition has failed in its entirety. Subject to any successful appeal, the application will proceed to registration.

COSTS

59. The applicants have been successful and are entitled to a contribution towards costs. In the circumstances I award the applicants the sum of £400 as a contribution towards the cost of the proceedings, in accordance with Tribunal Practice Notice 2/2016. The sum is calculated as follows:

Reviewing the TM7 and preparing and filing the TM8:	£400
Total:	**£400**

60. I therefore order Mathias Roch + Oliver Roch GbR to pay Thomas Nicholas Fattorini and ZENOFI UAB the sum of £400. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 13th day of December 2024

R. Le Breton

For the Registrar