

O/199/03

**TRADE MARKS ACT 1994**

**IN THE MATTER OF REGISTRATION NO 2228066  
IN THE NAME OF freethcartwright  
OF THE TRADE MARK:**



**AND THE APPLICATION FOR A DECLARATION OF PARTIAL INVALIDITY  
THERE TO UNDER NO 80935  
BY  
F&C MANAGEMENT LIMITED  
BASED UPON:**



**(a series of two)**

**Trade Marks Act 1994  
in the matter of registration no 2228066  
in the name of freethcartwright  
of the trade mark:**



**and the application for a declaration of invalidity thereto  
under no 80935  
by F&C Management Limited**

### **BACKGROUND**

1) On 23 July 2002 F&C Management Limited (referred to afterwards as F&C) filed an application to have the above trade mark declared invalid. The application for registration of the trade mark was filed on 1 April 2000 and it was registered on 17 November 2000. It is registered for a variety of services. The only ones of concern in this case are:

*financial services relating to pension, investment portfolios, trusts, individual savings accounts, personal equity plans, transfers of personal equity plans, mortgages.*

The above services are in class 36 of the International Classification of Goods and Services respectively. The registration was filed in the name of freethcartwright and still stands in that name.

2) F&C states that it is Britain's oldest investment trust and in the course of 113 years has built up a huge reputation in the trade mark F&C in virtually every area of financial services in the United Kingdom and overseas. F&C lists various trade marks registrations and applications that it owns. However, only one of these has an earlier filing date than freethcartwright's registration. This is United Kingdom registration no1283944 for the trade marks (a series of two):

**F.&C.**

**F&C**

The registration is for the following services:

*business appraisal, business management, business research and stock exchange quotation services; all included in Class 35*

*financial management, financial investment, banking, pensions management, financing, capital investments, mutual funds, unit trusts, investment trusts and financial and fiscal appraisal services; all included in Class 36.*

3) F&C states that it is the proprietor of the following domain names:

- fandc.co.uk registered on 7 February 1997
- fandcmanagement.com registered on 4 April 2001
- fandcmanagment.co.uk registered on 4 April 2001
- fandc.info registered on 13 September 2001
- fandc.biz registered on 19 November 2001.

4) F&C states that by virtue of its use and reputation in the trade mark F&C and in by virtue in particular of its United Kingdom trade mark registration no 1283944 freethcartwright's registration should be declared invalid in respect of the services shown in paragraph 1 above. F&C states that this is because its earlier trade marks are similar to freethcartwright's trade mark and the respective registrations encompass identical or similar services. Consequently, there is a likelihood of confusion on the part of the public, which includes a likelihood of association with F&C's trade marks. F&C does not mention a specific part of the Trade Marks Act 1994 (the Act). However, it rehearses the wording from section 5(2)(b) of the Act.

5) F&C requests that on the basis of sections 47(2)(a) and (b) of the Act that the registration is declared invalid in respect of:

*financial services relating to pension, investment portfolios, trusts, individual savings accounts, personal equity plans, transfers of personal equity plans, mortgages*

and that these services are removed from the specification.

6) F&C states that it attempted to settle the matter amicably by requesting freethcartwright to delete the above services from its registration and to undertake to use the letters fc only in conjunction with the words "freethcartwright solicitors" or "freethcartwright lawyers". F&C states that freethcartwright refused to comply with its requests and did not reply to its latest letter of 30 June 2002. F&C seeks an award of costs.

7) freethcartwright filed a counterstatement. It makes various comments about the history of the firm. freethcartwright states that its trade mark will be pronounced fc and not F and C. It denies that there is a likelihood of confusion or association with F&C's trade mark. freethcartwright states that it uses its trade mark in conjunction with

“freethcartwright” and that its clients understand fc to be an abbreviation of freethcartwright. It also states that in the absence of confusion in the marketplace F&C cannot establish a prior right under section 5(4) of the Act.

8) freethcartwright states that it has offered to limit the scope of its registration by the addition of the following limitation:

*“but none of the foregoing services include asset management services, investment portfolios, trust, individual savings accounts, personal equity plans, or emerging market services other than by way of acting as a financial intermediary”.*

9) Only F&C filed evidence.

10) At the end of the evidence rounds I reviewed the case and suggested that it would benefit from a hearing. However, both sides requested that a decision be made from the papers. Both sides filed written submissions, which I take into account in reaching my decision.

## **EVIDENCE OF F&C**

### **Statutory declaration of Hugh Neil Potter**

11) Mr Potter joined F&C in 1982. He is currently Director and Head of Company Secretariat.

12) Mr Potter states that Foreign & Colonial Investment Trust was founded in 1868 and began trading under the name The Foreign & Colonial Government Trust. It was incorporated in March 1953 as F & C Management Limited, in 1984 the name was changed to Foreign & Colonial Management Limited and in April 2001 it became F&C Management Limited. This latter change does not have a bearing upon this case as the relevant date is that of the filing of the application for registration, 1 April 2000. Mr Potter states:

“Moreover, even when trading under the Foreign & Colonial guise, the shortened ‘F&C’ abbreviation was regularly used to the point that Foreign & Colonial became both synonymous and interchangeable with ‘F&C’ in relation to financial services”.

13) Mr Potter includes a statutory declaration from Robert George Donkin who retired from F&C in September 2000 when he was Director and Company Secretary. Mr Donkin’s evidence deals with the position up to 1988. His evidence deals with the use of F&C and the interchangeable nature with Foreign & Colonial. It is common in cases before the registrar for hearing officers to decry evidence for emanating from after the relevant date. In the case of Mr Donkin’s evidence I am of the view that the opposite problem arises, it is too far before the relevant date. It testifies to the position reached in 1988. Reputations rise and fall in very short periods of time. In this case F&C actually

changed its name in 1984, and a lot of Mr Donkin's evidence deals with the period prior to this. Consequently, I am of the view that Mr Donkin's evidence does little to assist me as to the position as of the relevant date. It does show up to 1988 use of both Foreign & Colonial and F&C in relation to investment funds. I can find no evidence of use of the lower trade mark in the series.

14) Mr Potter gives figures for the period 1988 to 2002. He states that the figures for the period 1988 to 2000 are for Foreign & Colonial Management Limited, which became F&C Management Limited in 2001. This case turns upon the period up to 1 April 2000 and so I will just record the information from 1988 to 1999.

<b>Year</b>	<b>Value of Funds (£Ms)</b>	<b>Number of holders</b>
1988	2,356	27,981
1989	3,249	30,772
1990	3,253	41,004
1991	4,760	57,701
1992	7,251	71,587
1993	10,303	91,698
1994	11,334	142,171
1995	12,330	149,054
1996	26,058	96,794
1997	28,192	87,011
1998	25,178	80,390
1999	27,022	66,390

The value of funds reflects the investments made by investors and not what can be considered in traditional terms of turnover. This is not the money of F&C but the money that F&C have invested. The evidence also shows that F&C has clients overseas. There is no indication of how many of the holders are non United Kingdom residents.

15) Mr Potter goes on his evidence to deal with matters up to March 1988. As I have indicated above this tells me little about the position at the relevant date; in terms of either the sign used in relation to the business, the reputation and the products supplied.

16) Mr Potter exhibits at HNP12 a copy of a page from "Nelson's Directory of Investment Managers 1995". The page gives details of Foreign & Colonial Management Ltd. The extract shows various matters of interest. Within the body it refers to F&C as F&C as well as Foreign & Colonial Management Ltd. Taking the article in isolation this might be considered nothing other than convenient short hand, just as I refer to F&C Management Limited as F&C rather than by the full title. The extract advises that F&C uses the following investment vehicles: US Common Stocks, Non US Stocks, Non-US Fixed Inc and Venture Capital. Mr Potter also exhibits a promotional video produced in September 1995 entitled "The British Are Coming". The video is clearly for the United States market. F&C is often referred to as Foreign & Colonial. However, it is also referred to on several occasions as F&C. Mr Potter exhibits at HNP14 & HNP15

correspondence sent and received in the United States. I do not consider that this material tells me anything about the use of F&C in the United Kingdom. Mr Potter exhibits at HNP16 a copy of a book from 1999 entitled “ ‘F&C A History of Foreign & Colonial Investment Trust’”. The book uses F&C in the title but other than that there is very little use of F&C in the book; on the few occasions that there is use it invariably emanates from quotations or documents from a long time before the relevant date. F&C is certainly not the chosen way of referring to the company. The various parts of the business are referred to as Foreign & Colonial or FCIT and FCM or HFCM.

17) Mr Potter exhibits at HNP17 – HNP19 a selection of material, including press cuttings, showing use of F&C between 1997 and January 2000, a period in close proximity to the relevant date. This includes use in the body of texts but also as part of headlines eg “Financial News” article from edition for 27 March to 2 April 1999 and an article from “Fund Management” from January 2000.

18) Mr Potter exhibits documentation relating to a re-branding exercise. This tells me little in relation to this case as it does not deal with use in the market place before the relevant date. However, I note that within a body of a letter from Financial Dynamics Business Communications to the Chief Executive of F&C, which deals with this re-branding, F&C is used interchangeably with Foreign & Colonial. Mr Potter exhibits at HNP21A to HNP27 a selection of material. However, it all emanates from after the relevant date, especially important in this case as F&C was re-branded after the relevant date.

19) Mr Potter exhibits at HNP28 a copy of abstracts from the press. Most of the abstracts emanate from between 1993 and 1999. Some of the abstracts do not actually show use of F&C, or F and C (which was the other search term). However, a good number do and in the article title eg ref 64 is an abstract from the “Financial Times” and the article title is “F&C net assets up by 19%”, the article is from 22 March 1996. In common parlance article title would be described as a headline.

20) Mr Potter exhibits at HNP29 various advertising material and press releases from 2000-2001. None of the material that can be identified as emanating from before the relevant date bears any reference to F&C. All the material prominently uses Foreign & Colonial. There is no use of F&C. In certain of the material the website address [www.fandc.co.uk](http://www.fandc.co.uk) appears. Mr Potter also exhibits at HNP30 a copy of a printout for the domain name [www.fandc.com](http://www.fandc.com). Although this was registered on 12 February 1997, Mr Potter does not specifically state when F&C purchased the address, which was originally in the name of Facts and Comparisons. He simply states that it was transferred recently. There is no evidence that the website is live or was live at the relevant date. Mr Potter exhibits a plan of the group structure of F&C. However, the structure relates to the situation in 2001, after there were various changes in that year.

21) Mr Potter states that he exhibits at HNP32 printouts from the Companies House website of all companies with the prefix F&C. He states that this illustrates that there are no other companies with this prefix which have finance registered as the nature of their

business. This is true but certain of the records do not list the nature of the business of the undertaking. I am not sure that this evidence greatly assists F&C. It is state of the register evidence, if from Companies House rather than the registrar, which is seldom of assistance. It also avoids the issue of companies with the prefix FC, which would seem rather relevant in the context of this case.

22) Mr Potter exhibits a statutory declaration by David Arthur Keltie, F&C's trade mark attorney. Mr Keltie writes about F&C's policy in relation to what it perceives as infringement of its trade mark F&C. Mr Keltie exhibits the result of trade mark searches for the letters FC. He states that the only trade marks upon the register incorporating the letter F followed by the letter C in class 36 are those of F&C and that of freethcartwright. I refer to the comments of Jacob J in *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281:

Aln particular the state of the register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led to the Registrar to put the marks concerned on the Register. It has long been held that under the old Act that comparison with other marks on the Register is in principle irrelevant when considering a particular mark tendered for registration, see *e.g. MADAME Trade Mark* (1966 RPC 541) and the same must be true of the 1994 Act. I disregard the state of the register evidence.@

The state of the register evidence, whether it be for trade marks or company names, does not tell me what is happening in relation to signs used in the market place. I have no doubt from the evidence of Mr Keltie that he is conscientiously policing the registers of companies and trade marks and taking action where he considers it necessary. It is because of this policing of the Register that the current case came about; Mr Keltie having taken over the trade mark portfolio of F&C from another trade mark attorney.

23) Mr Keltie states that F&C tried to settle the matter with freethcartwright amicably. He states that his final offer required freethcartwright to delete the financial services in class 36 and only to use its trade mark for financial services in conjunction with the words freethcartwright and solicitors or lawyers. Mr Keltie states that as freethcartwright did not respond to this final offer he was instructed to proceed with the current invalidity action.

24) Mr Potter goes on to exhibit a schedule of domain names owned by F&C. Certain of them contain the prefix fandc, Mr Potter states that an ampersand is not a recognised character in domain names. The registering of domain names tells me nothing really. If they were to have a bearing on the proceedings it would be necessary to give breakdowns of the number of hits emanating from within the United Kingdom. (I note that certain of the domain names have endings which indicate that they are for foreign use eg dk and be. Also, the quality of the copy is such that certain of them cannot be clearly seen.)

25) Mr Potter exhibits printouts downloaded from F&C's www.fandc.co.uk website. The pages were downloaded in May 2001; after the relevant date, after the re-branding. He

also exhibits various business stationery. This appears to be in the get-up of the re-branded company. Consequently, I do not consider that any of this exhibited material assists me in this case.

26) Mr Potter exhibits a statutory declaration by Robert Neil White. Mr White is a trade mark assistant who works for Mr Keltie's firm. Mr White produces a survey which asks what does the letter F followed by the letter C mean to the respondent and with whom they would associate the letter F followed by C. The respondents were chosen by F&C. They are all involved in financial services.

The head note to *Imperial Group plc & Another v. Philip Morris Limited & Another* [1984] RPC 293 gives a useful summary to the requirements for a survey:

“If a survey is to have validity (a) the interviewees must be selected so as to represent a relevant cross-section of the public, (b) the size must be statistically significant, (c) it must be conducted fairly, (d) all the surveys carried out must be disclosed including the number carried out, how they were conducted, and the totality of the persons involved, (e) the totality of the answers given must be disclosed and made available to the defendant, (f) the questions must not be leading nor should they lead the person answering into a field of speculation he would never have embarked upon had the question not been put, (h) the exact answers and not some abbreviated form must be recorded, (i) the instructions to the interviewers as to how to carry out the survey must be disclosed and (j) where the answers are coded for computer input, the coding instructions must be disclosed.”

Mr White sent out seventeen letters and received ten responses. I do not consider this a statistically significant sample. He also used persons chosen by F&C. The persons are also experts in the field. They do not represent a cross-section of the public. F&C does not just deal with financial experts. Using experts does not tell me anything about the ordinary investor. The problems with evidence by such persons was identified by Lloyd J in *Dualit Ltd's (Toaster Shapes) Trade Mark Applications* [1990] RPC 890:

“The fact that they knew their job and could recognise the shapes as being those of the applicant's products does not seem to me to begin to show that "the relevant class of persons", or at least a significant proportion thereof, identify [the] goods as originating from a particular undertaking because of the trade mark.”

27) I do not consider that the survey satisfies the *Imperial Group plc & Another v. Philip Morris Limited & Another* criteria and so give it no weight. I also note that the survey would serve little purpose as it did not address the trade mark of freethcartwright, which is in a stylised form. Also certain of the respondents stated that they would only make an association with F&C if the ampersand was present.

28) Mr Potter comments on the examination by the Trade Marks Registry of freethcartwright's trade mark. I do not consider that this has a bearing on my deliberations. The rest of his declaration can best be characterised as representing



submissions, not evidence of fact. I will, therefore, not comment upon it. However, in reaching my decision I bear in my mind these “submissions”.

### **Preliminary issue**

29) In its submissions freethcartwright makes a comparison of the trade marks. It reproduces the trade marks of F&C as F.&C. and F&C. This is not the form that they are in. Unfortunately, the trade marks are currently incorrectly captured as word only trade marks on the Registry’s data base. However, they were applied for, advertised and registered in the following form:



The lower trade mark is not reproduced here as clearly as it might be, the effects of the scanning process. However, it clearly includes an ampersand. Although the Registry’s records are wrong F&C did file a copy of the page from the “Trade Marks Journal”, in which its registration was published, with its application for invalidation. Consequently, freethcartwright should have been aware of the exact form of the trade marks upon which F&C relies.

### **DECISION**

30) The relevant parts of the Act in relation to invalidity are sections 47(2 – 6) which read as follows:

“(2) The registration of a trade mark may be declared invalid on the ground-

- (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
- (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(3) An application for a declaration of invalidity may be made by any person, and may be made either to the registrar or to the court, except that -

- (a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(4) In the case of bad faith in the registration of a trade mark, the registrar himself may apply to the court for a declaration of the invalidity of the registration.

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.”

31) I also need to consider section 48(1) of the Trade Marks Act 1994 which states:

“Where the proprietor of an earlier trade mark or other earlier right has acquiesced for a continuous period of five years in the use of a registered trade mark in the United Kingdom, being aware of that use, there shall cease to be any entitlement on the basis of that earlier trade mark or other right-

(a) to apply for a declaration that the registration of the later trade mark is invalid,  
or

(b) to oppose the use of the later trade mark in relation to the goods or services in relation to which it has been so used,

unless the registration of the later trade mark was applied for in bad faith.”

32) The trade mark has not been registered for five years and so there is no issue of acquiescence.

### **Submissions**

33) I have considered the submissions of the sides. Some of the matters I have effectively dealt with in my summary of the evidence. Certain of the submissions rehearse the relevant case law. The matters that follow below strike me as representing the key elements of the submissions.

34) F&C’s submissions rest on two main points: the reputation in F&C for financial services and the nature of the lower mark of the series, where the ampersand is much smaller than the rest of the trade mark.

35) freethcartwright puts weight on the change of name of F&C to Foreign & Colonial Management Limited in 1984 and that its name was not changed back to F&C until April

2001. freethcartwright states that after the name change there are a number of instances of use of the abbreviation F&C. It submits that none of the examples demonstrate trade mark use but merely show the self-evident fact that F&C is a convenient shorthand for Foreign & Colonial. freethcartwright comments upon material emanating from after the relevant date and long before the relevant date and the survey. I have dealt with these matters in my summary of the evidence.

36) freethcartwright compares the respective trade marks. Unfortunately it does not compare the lower trade mark in the series as it is registered but compares it with a trade mark in which the ampersand is the same size as the surrounding letters.

37) freethcartwright makes submissions as to the distinctiveness of two letter trade marks. It refers to the Registry's "Work Manual" to support a claim that such trade marks are lacking in distinctive character. I note the registrar's practice but must consider the issue on the basis of the statute and case law. In fact the practice freethcartwright refers to was changed in May 2000 in PAC 5/00 which states amongst other matters:

**“Two letter marks**

8. Following the decision of the second Board of Appeal in the case of *Fuji Photo Film Co.Ltd's Application ETMR 1998 343*, the Community Trade Mark Office has adopted a practice of accepting non-descriptive two letter marks. More recently, Mr G Hobbs QC, sitting as The Appointed Person on appeal from the Registrar's refusal to register the mark XE (3 August 1999 - unreported) indicated that two letter marks **may** qualify for *prima facie* registration even if they do not form a word.

9. The Registrar will henceforth regard marks consisting of two letters as having the necessary distinctive character unless able to point to a specific reason why the particular letters will not be taken, by the average consumer, as a trade mark.”

38) freethcartwright states that FC could mean football club, French Connection and F&C Foreign and Commonwealth. This misses rather an important point. F&C's business is investment, there is nothing to suggest that anyone would make such a link in this sphere. F&C puts in evidence to try to show that in the financial sphere it is unique in the use of these letters. I have commented on the lack of persuasiveness of state of the register evidence. However, there is no evidence to suggest that F&C or FC are used by any other undertakings other than the two involved in this case in relation to financial services. freethcartwright have certainly put no evidence in to this effect despite the gauntlet clearly having been thrown down by F&C in its evidence.

39) freethcartwright seems to attempt to bring in evidence through its submissions. It comments on the website of F&C. It comments on what it does. If it wanted such matters to be considered it should have filed evidence. It has not and I am not going to take into account unsubstantiated evidence presented in the form of submissions.

40) freethcartwright states that there have been no instances of confusion. In its counterstatement it states that it uses the trade mark in conjunction with freethcartwright. Consequently, the trade mark has never been sent out on its own. I have to consider the trade mark as registered, a trade mark that can be assigned, and for the spectrum of services it has been registered. There is no evidence as to what financial services freethcartwright has used its trade mark, if it has used it for any such services. There is also an absence of evidence of use of the lower trade mark of F&C and I have to make a comparison with that trade mark as well as consider the upper one. Consequently, the claim, unsubstantiated by evidence, that there has been no confusion tells me nothing about the possibilities of confusion taking into account notional and fair use of the two trade marks of F&C, the trade mark of freethcartwright and all of the services with which this case is concerned.

41) freethcartwright submits that the figures given in relation to assets is irrelevant as F&C manages investment trusts. This might have been the case if it had not also given figures for the number of investors, which clearly gives an idea of scale. The main problem that I have with the figures is that F&C clearly has a foreign customer base but does not give an indication as to the amount of customers and assets that emanate from the United Kingdom.

#### **The effect of the evidence of F&C**

42) As I have indicated in my summary of the evidence, much of what has been produced will not have an effect upon my deliberations; being too early or too late. The issue of certain evidence being too early is particularly relevant in this case owing to the name change of F&C in 1984. The name change of the company indicates a moving away from the use of F&C and back to Foreign & Colonial. However, there is evidence in the press clippings and abstracts from 1993 to 2000 that F&C is used in relation to the company. freethcartwright dismiss this as mere short hand and non-trade mark use. The headlines of articles in the press use F&C. There has to be a presumption that the reader will be expected to know what F&C is and that the reader will refer to F&C as F&C. If this was not the case the headlines would not be very effective. The very fact that members of the press use F&C is indicative that amongst those involved in and interested in the financial world F&C is enough to indicate origin; is that not trade mark use? In the video, albeit that it is for United States use, several of the participants refer to F&C. It is clearly something that they use in the normal course of their work, otherwise they would not use it. There is little evidence as to F&C using F&C in the ten years leading up to the relevant date in literature. However, there is very good evidence that the press use it. If it is being used for the relevant public it presumes that F&C is interchangeable with Foreign & Colonial. The use is not like in a judgment where the names of parties are abbreviated for convenience. It is newspaper use, it is headline use. It is use that indicates a reputation and by its use reinforces that reputation.

43) Taking into account all the evidence which has been put into the proceedings I have come to the conclusion that F&C enjoys a reputation amongst the public concerned for investment services. It is a reputation that would, from the evidence, accrue to all the

services of the registration that are under attack. However, any such reputation accrues to the upper mark of the series. There is no evidence that there is any reputation in the lower trade mark of the series.

### **Likelihood of confusion**

44) According to section 5(2)(b) of the Act a trade mark shall not be registered if because:

“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.”

45) The term ‘earlier trade mark’ is defined in section 6 of the Act as follows:

“a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

46) F&C’s trade mark was filed on 1 October 1986 and registered on 17 November 1989. It is, therefore, an earlier trade mark within the terms of the Act.

47) In determining the question under section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77 and *Marca Mode CV v Adidas AG* [2000] ETMR 723.

### **Comparison of services**

48) The relevant services of the registration are:

*financial services relating to pension, investment portfolios, trusts, individual savings accounts, personal equity plans, transfers of personal equity plans, mortgages.*

The services of the earlier trade mark are:

*business appraisal, business management, business research and stock exchange quotation services; all included in Class 35*

*financial management, financial investment, banking, pensions management, financing, capital investments, mutual funds, unit trusts, investment trusts and financial and fiscal appraisal services; all included in Class 36.*

For the purposes of this case the class 36 services are clearly the most relevant. The specification of the earlier registration will, in my view, clearly encompass all the services of the registration. I consider, therefore, that the respective services are identical.

### Comparison of trade marks

49) The trade marks to be compared are:

#### Earlier trade marks:



#### Trade mark registration:



As I have indicated above the quality of reproduction of the lower trade mark of F&C is not of the best. In the advertisement the sign between the letters F and C is clearly an ampersand.

50) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Sabel BV v Puma AG* page 224). The visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components (*Sabel BV v Puma AG* page 224). I take into account the matter must be judged through the eyes of the average consumer of the goods/services in question (*Sabel BV v Puma AG* page 224) 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 (*Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* page 84, paragraph 27).

51) The letters of the registration of freethcartwright are not particularly stylised. The distinctive and dominant component of the trade mark is these two letters.

52) I consider it appropriate to make separate comparisons with each of the trade marks of the series. In the lower trade mark the distinctive and dominant element is the letters FC. Although the ampersand is present it is very much subordinate to the letters, especially in a visual comparison. In aural use the difference between the trade marks will be the word “and” in the earlier trade mark. The trade marks visually are presented differently. If one was directly comparing the two trade marks there would be a clear visual difference. However, the public seldom have the opportunity to make direct comparisons of trade marks. They rely on recollection, which will often be imperfect.

Both trade marks are essentially two letter trade marks, despite the ampersand in the earlier trade mark. In recollection of such marks I am of the view that the mind of the consumer is more likely to rely on symbolic thought and memory rather than iconic thought and memory ie on the letters as letters rather than on their appearance. Taking into account the nature of the services in question the only conceptual associations that the two trade marks are likely to have is as letters of the alphabet, the same letters.

53) In deciding if the trade marks are similar I bear in mind that the ampersand is still present, if in a smaller form than in the upper mark. Does that ampersand swing the pendulum in favour of freethcartwright in the comparison of the trade marks? The comparison must take into account the nature of the purchasing decision also. The services that are under attack are likely to be bought after a very careful and considered purchasing decision. Consumers do not normally rush into buying such services and will spend time studying all the documentation relating to the respective services. However, the dominant elements of the trade marks are very similar, despite being in lower case in the registration. In the earlier registration the letters F and C are very much to the forefront and prominent, owing to the size of the ampersand.

54) Having considered all these factors I consider that there is a reasonable degree of similarity between the lower trade mark and the trade mark of freethcartwright.

55) In the upper trade mark the ampersand is far more evident, being of the same scale as the letters. There are also square full stops after each letter. Taking these matters into account, and the matters I considered in the paragraphs above in relation to the lower trade mark, I consider that the respective trade marks are similar. However, I am of the view that there is a lesser degree of similarity than in the case of the lower trade mark.

## **Conclusion**

56) In this case the respective services are identical. The European Court of Justice held that a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the services, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* page 132, paragraph 17). I also take into account that there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it (*Sabel BV v Puma AG* page 224). The corollary of this is that there is a lesser likelihood of confusion where the earlier trade mark is not particularly distinctive. The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public (European Court of First Instance Case T-79/00 *Rewe Zentral v OHIM (LITE)*). 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, judgement of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee*

v *Huber and Attenberger* [1999] ECR I-0000, paragraph 49). Both the Community Trade Mark Office and the registrar accept two letter trade marks as being capable of distinguishing, except where the two letters have a relevant meaning. In this case nothing has been brought to my attention to indicate that F&C has any relevance in relation to financial services. In my experience the public are well versed in seeing two letter trade marks. Taking all these factors into account I consider that both trade marks enjoy a reasonable degree of inherent distinctiveness. In the case of the upper trade mark I consider that it can also benefit from the reputation that F&C enjoyed at the relevant date. I consider that this reputation compensates for the lesser degree of similarity that exists in respect of this trade mark in comparison with the upper trade mark. I also continue to bear in mind that the services are likely to be purchased as a result of a careful and considering purchasing decision. I also bear in mind that owing to the widespread use of two letter trade marks the public are skilled in differentiating between trade marks owing to small differences. However, I consider that the presence of the ampersand in both earlier trade marks is too small a difference.

57) Taking all these factors into account I consider that there is a likelihood of confusion.

**Under section 47(2)(a) of the Act I find that registration no 2228066 is invalid in respect of:**

*financial services relating to pension, investment portfolios, trusts, individual savings accounts, personal equity plans, transfers of personal equity plans, mortgages.*

**on the ground that it was registered in breach of section 5(2)(b) of the Act. Accordingly I direct that registration no 2228066 be declared invalid in respect of the above services and that these services be cancelled. In accordance with section 47(6), the registration in respect of these services is deemed never to have been made.**

### **Costs**

58) Both parties have made submissions in respect of costs. freethcartwright considers that it should be awarded a proportion of its costs even if it loses. It does this on the basis that it considers that the offers that it made in relation to the restriction of the use and specification of its registration were reasonable. I cannot see how this argument can have any validity. They did not offer to cancel in respect of all the services under attack and F&C has been successful in its attack. F&C has not even attacked in respect of the penumbra of its registration but only in respect of the umbra. I see no basis for freethcartwright's submission. F&C have requested that I make a maximum award of costs against freethcartwright. I presume by this it means the maximum on the published scale. F&C comment upon the voluminous nature of its evidence. However, a lot of this evidence was not of relevance, emanating from after the relevant date and being state of the register evidence, or of doubtful relevance, use dating from a considerable time before the relevant date and before the company had a name change in 1984. Consequently, I see no reason to make an award of costs outwith the norms.



**59) F&C Management Limited having been successful is entitled to a contribution towards its costs and I therefore order freethcartwright to pay it the sum of £1300. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.**

**Dated this 11 day of July 2003**

**David Landau  
For the Registrar  
the Comptroller-General**