

O-345-04

**TRADE MARKS ACT 1994**  
**IN THE MATTER OF**  
**APPLICATION NO. 22339163B**  
**BY LLOYDS TSB BANK PLC**  
**TO REGISTER A TRADE MARK**  
**IN CLASS 42**

## TRADE MARKS ACT 1994

### IN THE MATTER OF APPLICATION No 2339163B BY LLOYDS TSB BANK PLC TO REGISTER A TRADE MARK IN CLASS 42

#### DECISION AND GROUNDS OF DECISION

##### Background

1. On 29 July 2003 Lloyds TSB Bank plc of 25 Gresham Street, London, EC2V 7HN, United Kingdom applied to register the following series of 2 trade marks in classes 1, 4, 12, 35, 36, 38, 39, 41 and 42.



The colours green, blue, black and white are claimed as an element of the first mark in the series.

2. The application was subsequently divided into two applications. One was accepted and I need say no more about that section of the original application. The other divisional application, which is the subject of this decision, covers the following services in class 42:

“Design, drawing and commissioned writing, all for the compilation of web pages on the Internet; creating, hosting and maintaining websites”.

3. Objection was taken under Section 5(2) of the Act in respect of the following registered mark:

Number 2122348 for the mark **IDEAL**, **Ideal** (series of 2) in respect of the following services in Class 42:

“Advisory and consultancy services relating to computer services, computer network services, computer programming, computer systems analysis, computer rental, design, maintenance, development and updating of computer software; advisory, information and consultancy services relating to all the aforesaid

services provided via the Internet or other electronic means; advisory and consultancy services relating to computer hardware”.

4. At a hearing, at which the applicants were represented by Mr R. Mallinson of Linklaters, their trade mark attorneys, the objection was maintained.

5. Following refusal of the application I am now asked under Section 76 of the Act and Rule 62(2) of the Trade Mark Rules 2000 to state in writing the grounds of my decision and the materials used in arriving at it.

6. No evidence has been put before me, therefore no claim under Section 7 of the Act has been made.

## **DECISION**

### **The Law**

7. Section 5(2) of the Act reads as follows:

“(2) A trade mark shall not be registered if because -

- (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
- (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.”

8. An earlier trade mark is defined in Section 6(1) which states:

“6.-(1) In this Act an "earlier trade mark" means -

- (a) 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,”

9. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG*;

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*; 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 B.V.*;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*;

(d) 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*;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*;

(f) 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*;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*;

(h) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*.

### **Distinctive character of the earlier trade mark**

10. It is clear from the ECJ's judgment in the case of *Sabel BV v Puma AG* that there may be a greater likelihood of confusion where the earlier trade mark has a highly distinctive character. Furthermore, the similarity of the marks must be assessed by reference to the visual, aural and conceptual similarities of the marks, bearing in mind their distinctive and dominant components.

11. The earlier trade mark consists of the single word IDEAL / Ideal. At the hearing Mr Mallinson argued that the mark IDEAL has a low level of distinctiveness and therefore a

narrow scope of protection. I note that it is an ordinary dictionary word with laudatory connotations, therefore, in my view, its level of distinctiveness is relatively low. Nevertheless, the earlier mark is a registered trade mark, therefore it must be assumed that it is validly registered and so has not been found to be devoid of any distinctive character (Section 72 of the Act refers).

### **Similarity of the marks**

12. Since the trade mark of this application is not identical to the earlier trade mark, the matter falls to be decided under sub-section (b) of Section 5(2) of the Act. The question, therefore, is whether the mark of this application is so similar to the earlier trade mark that there exists a likelihood of confusion, which includes the likelihood of association on the part of the public.

13. The similarity of the marks must be assessed by reference to the visual, aural and conceptual similarities of the trade marks. It is clear from the judgement of the ECJ in the case of *Sabel BV v Puma AG* that I must assess the overall impressions created by the marks, bearing in mind their distinctive and dominant components.

14. Mr Mallinson said I must look at the applicants' mark as a whole, which contains the applicants' well-known and highly distinctive Black Horse logo house mark as a strong identifier. I have no evidence as to the reputation of the applicants' house mark, although I accept that it is a distinctive mark. However the fact that it is distinctive does not mean that no distinctiveness or trade mark significance should be attached to the word IDEAL / Ideal, which is visually and aurally dominant in the mark.

15. Overall consideration of the marks must take into account that the earlier mark is the word IDEAL / Ideal whereas the applicants' mark consists of the Black Horse logo plus the word IDEAL / Ideal. The Black Horse logo may be seen as a house mark or another mark of which the consumer was previously unaware which is now being used with the logo. The circumstances can be compared with those pertaining in *BULOVA ACCUTRON* 1969 RPC 102 where it was said:

“Particularly having regard to the fact that BULOVA is the house name of the applicants and has a significance other than as a trade mark, its addition before the word ACCUTRON does not in my judgment serve to prevent the deception or confusion which would in the view of the Court of Appeal have been caused but for that adoption. As the Assistant Registrar remarks in his decision: “As BULOVA and ACCUTRON do not hold together as a phrase or present a wholly different meaning to the separate components, I think that their combination will be taken by many persons on first impression as an indication that the manufacturer of the watches is using two separate trade marks in connection with his products”. I would add that the combination of the two words is likely to be taken by other persons on first impression as an indication that the part of the trade mark which consists of BULOVA is a house name of the marketers of the

watches, that the trade mark is ACCUTRON and that they will confuse them with watches marketed under the trade mark ACCURIST simpliciter.”

16. Aurally the two marks are identical. Conceptually I do not consider that the applicants’ mark in totality holds together or presents a wholly different meaning to its separate components. The marks are distinguishable visually by the presence of the logo in the applicants’ mark, but because there is no conceptual identity to the mark in totality, the logo is likely to be seen as a house mark and the word IDEAL / Ideal as the trade mark. I consider the trade marks at issue to be similar.

### **Similarity of the services**

17. In determining whether the services covered by the application are similar to the services covered by the earlier trade mark I have considered the guidelines formulated by Jacob J in *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 (the *Treat* case) at Pages 296, 297 as set out below:

“The following factors must be relevant in considering whether there is or is not similarity:

- (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 services;
- (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 particular 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. Whilst I acknowledge that in view of the *CANON-MGM* judgement by the European Court of Justice (3-39/97) the *Treat* case may no longer be wholly relied upon, the ECJ said the factors identified by the UK government in its submissions (which are listed in *TREAT*) are still relevant in respect of a comparison of goods and/or services.

19. The application covers the following services in class 42:

“Design, drawing and commissioned writing, all for the compilation of web pages on the Internet; creating, hosting and maintaining websites”.

The Internet is a computer network. Bearing in mind the advice given by Jacob LJ in *Reed v. Reed* [2004] EWCA (Civ.) 159 on the importance of identifying the core activities of the provider when interpreting specifications, it seems to me that these services must include computer services, computer network services and computer

programming and therefore, using the *Treat* test, are closely similar services to the “Advisory and consultancy services relating to computer services, computer network services, computer programming” covered by the earlier mark, and of lesser similarity to the remainder of the services covered by the earlier mark.

### **Likelihood of confusion**

20. I must, of course, bear in mind that a mere possibility of confusion is not sufficient. (See eg *React* Trade Mark [2000] RPC 285 at page 290.) The Act requires that there must be a likelihood of confusion. I have already found that the services contain closely similar services. It is clear that where there is a lesser degree of similarity between the trade marks this may be offset by a greater degree of similarity between the services (and vice versa) - see *Lloyd Schuhfabrik Meyer & CO GmbH v Klijsen Handel BV*.

21. Furthermore, it is now well established that the matter must be determined by reference to the likely reaction of an average consumer of the services in question, who is deemed to be reasonably well informed, reasonably observant and circumspect. The average consumer generally relies upon the imperfect picture of the earlier trade mark that he or she has kept in his or her mind and must therefore rely upon the overall impression created by the trade marks in order to avoid confusion. In this case I believe the close similarity of the services that I have identified, in conjunction with the degree of distinctive character of the marks and the similarity between them, is sufficient to give rise to a likelihood of confusion within the meaning of Section 5(2)(b) of the Act.

22. I therefore conclude that there is a likelihood of confusion which includes the likelihood of association. In reaching this conclusion I bear in mind that it is sufficient if an average consumer encountering the respective marks would assume that the marks identify a single undertaking or undertakings with an economic connection.

### **Conclusion**

23. In this decision I have considered all the documents filed by the applicants and all the arguments submitted to me in relation to this application and, for the reasons given, it is refused under the terms of Section 37(4) of the Act because it fails to qualify under Section 5(2)(b) of the Act.

**Dated this 19<sup>th</sup> day of November 2004.**

**Anne Pritchard**

**For the Registrar  
The Comptroller-General**