

O-241-16

TRADE MARKS ACT 1994

**IN THE MATTER OF THE APPLICATION BY
HORIZON RISK SOLUTIONS LIMITED
UNDER NO 3111956 FOR THE TRADE MARK**



AND

**IN THE MATTER OF OPPOSITION NO. 404902 THERETO BY
ECI SOFTWARE SOLUTIONS, INC.**

THE BACKGROUND AND THE PLEADINGS

1) On 5 June 2015 Horizon Risk Solutions Limited (“the Applicant”) filed application no. 3111956 to register the following mark:



The application was published for opposition purposes on 26 June 2015. During the course of the present proceedings the Applicant amended its original specification, so that the specification now applied for is as follows:

Class 42: *Computer programming; computer software design; information technology [IT] consultancy; computer system design; installation of computer software; computer system analysis; maintenance of computer software; computer software consultancy; electronic data storage.*

2) On grounds under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) ECI Software Solutions, Inc. (“the Opponent”) opposes the registration of the Applicant’s mark for all the services for which the Applicant seeks registration.

3) For the purposes of its claim the Opponent relies on UK trade mark no. 2631672 (“the earlier mark”), as shown below:

HORIZON

The earlier mark is registered for the following goods and services, all of which are relied on for the purposes of the present opposition proceedings:

Class 9: *Computer software for use in enterprise resource planning, accounting, order processing, and inventory control for the office products and office supplies industry and for maintaining an online website for others to facilitate the online sale of office supplies and office products.*

Class 42: *Providing online non-downloadable software for use in enterprise resource planning, accounting, order processing and inventory control for the office products and office supplies industry; application service provider, namely, hosting computer software applications for others, in the office products and office supplies field.*

4) The earlier mark was registered on 23 November 2012, which is less than five years before the publication date of the opposed mark. The significance of these dates is that (1) the earlier mark constitutes an “earlier mark” for the purposes of

section 5(2)(b) of the Act, and (2) the proof of use provisions in section 6A of the Act do not apply in respect of it.

5) The Applicant filed a notice of defence and counterstatement, denying the grounds of opposition. Neither party filed evidence. The Opponent filed written submissions in the evidence rounds and in lieu of a hearing. Neither side requested a hearing. I therefore give this decision after a careful review of all the papers before me.

SECTION 5(2)(b)

The law

6) Section 5(2)(b) of the Act reads 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”.

7) I have taken into account the guidance provided by the Court of Justice of the European Union (“CJEU”) in a number of judgments. The following principles are gleaned from the decisions 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:

(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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of the goods and services

8) In the judgment of the 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”.

The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity also included users and channels of trade of the respective goods.

9) As regards complementarity (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*) the General Court stated in *Boston Scientific Ltd v OHIM* Case T- 325/06:

“It is true that goods are complementary if 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 (see, to that effect, Case T-169/03 Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI) [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P Rossi v OHIM [2006] ECR I-7057; Case T-364/05 Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL) [2007] ECR II-757, paragraph 94; and Case T-443/05 El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños) [2007] ECR I-0000, paragraph 48).”

10) In *Sanco SA v OHIM*, Case T-249/11, the GC explained that the purpose of examining whether there is a complementary relationship between goods and services is to assess whether the relevant public are liable to believe that responsibility for those goods and services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together”.

11) In its counterstatement the Applicant states that the services it provides in Class 42 are “*basically banking Risk Solutions*”, and it contrasts these with the services of the Opponent, the latter being offered in the office products and office supplies field. It is settled law, however, that in assessing whether there is a likelihood of confusion I must make my comparison on the basis of notional and fair use over the whole range of services covered by the Applicant’s and (since the earlier mark is not subject to proof of use under section 6A of the Act) the Opponent’s respective specifications. It is the inherent nature of the services of the specifications which I have to consider; current use and business strategy are irrelevant to this notional comparison (see the comments of the General Court in *Devinlec Développement Innovation Leclerc SA v OHIM* Case T- 147/03). This is because they may change over time. As a result of future use and business strategies, the marks may be used to target the same consumers. Consequently, I am required to consider the likelihood of confusion “in all the circumstances in which the mark applied for might be used if it were to be registered” (see the comments of the CJEU in Case C-533/06, *O2 Holdings v Hutchison 3G UK* at paragraph 66). I shall make my comparison of the goods and services and my assessment of the average consumer, as I am required to do, on the notional basis explained above.

12) The Applicant’s *computer programming, computer software design, installation of computer software* and, *maintenance of computer software* in Class 42 all relate to the writing of computer programs, these being sets of coded instructions to enable a

computer to perform a desired sequence of operations. The *opponent's computer software for use in enterprise resource planning, accounting, order processing, and inventory control for the office products and office supplies industry and for maintaining an online website for others to facilitate the online sale of office supplies and office products* in Class 9 and its *software in providing online non-downloadable software ... [for the same purposes]* in Class 42 are composed of programs, routines and symbolic languages that control the functioning of the hardware and direct its operation are therefore closely linked to the Applicant's services in Class 42. This is because producers and providers of software will also commonly provide software-related services (e.g. as a means of keeping the system updated). Although the nature of the goods and services is not the same, both the relevant public and the usual producers or providers of the goods and services coincide. Furthermore, these goods and services are complementary. Software will not exist without the programming services that will create it. Moreover, it is the end result of a software design and development process; the relationship between software and its design and development, installation and maintenance, is such that the average consumer will regard it as likely that responsibility for these goods and services lies with the same undertaking. This is also true of the Applicant's broader *information technology [IT] consultancy, and computer software consultancy*, which include its other Class 42 services mentioned above and which, together with its *computer system design and computer system analysis*, are commonly provided as part of a palette of services by the same enterprise to the same end users through the same channels of trade. There is at least a medium degree of similarity between the Applicant's Class 42 services mentioned above and the Opponent's goods in Class 9 and services in Class 42.

13) Electronic data storage includes online third party electronic data storage. Businesses often outsource some or many aspects of their information technology needs. These will commonly include electronic data storage and hosted software applications, which may serve the same basic business purpose. One may be indispensable or important for the use of the other in such a way that customers think the responsibility for them lies with the same undertaking. The Applicant's *electronic data storage* services will often be provided by the same providers as those offering the hosting of computer software applications for others such as those covered by the Opponent's *application service provider, namely, hosting computer software applications for others, in the office products and office supplies field* in Class 42; the average consumer of these services would be the same and they are offered through the same channels of trade. There is at least a medium degree of similarity between them.

The average consumer and the purchasing process

14) 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*. 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. 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.”

15) The average consumer for all the goods and services for which the earlier mark is registered will consist of a business; the express limitations in the Opponent’s specification make explicit that the consumers in question will be businesses in the office products and office supplies field. Some of the Applicant’s services – such as IT or computer software consultancy, installation or maintenance of computer software, and electronic data storage – cover a very wide potential spectrum, ranging from relatively straightforward and commonplace services to highly complex and bespoke solutions, and with consumers ranging from the general public, through small and medium-sized firms to large organisations. The average consumer for services such as programming, software design, or system design and analysis is likely to be a business.

16) The degree of attention of a member of the general public or small business buying a relatively inexpensive routine IT service will obviously be less than that of a large concern awarding a substantial contract for the delivery of a big IT project. Even members of the general public and small businesses purchasing routine services, however, will normally wish to ensure that the service offered is suitable for their needs and that it is compatible with the hardware and software of their system. Such purchases will normally be made with a reasonably high degree of attention, and are likely to follow, for example, a perusal of material such as advertisements, brochures, websites, catalogues, directories and trade publications. Business users in particular may also have held exploratory meetings or conversations with, or invited tenders from, potential suppliers. The selection of such services is likely to be predominantly a visual process, but oral dealings may also play a part, and aural considerations will also be considered in my assessment.

Comparison of the marks


17) 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.”

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.

18) The marks to be compared are shown below:

The opposed mark	The earlier mark
	<p data-bbox="1031 913 1254 958">HORIZON</p>

19) The earlier mark consists exclusively of the word HORIZON which, by virtue of being the sole component of the mark, is its dominant and distinctive element. As the earlier mark is a word mark not limited to colour, the colours in which the opposed mark appears are not relevant. For the purposes of comparison of the respective marks, therefore, the opposed mark will be drained of colour, in accordance with the observations of Mann J in *Specsavers International Healthcare Limited & Others v Asda Stores Limited* [2010] EWHC 2035 (Ch).

20) The opposed mark consists of the word HORIZON, in which the first O is slightly raised and has a centre gradated in tone, suggestive of a sphere or, perhaps, of a rising sun. Three simple swoop figures in light tone appear above the word HORIZON, and one, in the same dark tone as the word, below. To accommodate the lower swoop figure, the bases of the H and the N are set at a slight angle. At the bottom of the mark, in much smaller print, are the words RISK SOLUTIONS. These words are descriptive of services covered by the Applicant’s specification and will be perceived as such. Their minor significance is reflected in their relative size. Although not negligible in the overall impression of the mark, they will receive limited attention when the mark is encountered visually, the focus lying on the word HORIZON. The figurative elements are graphically quite simple and their contribution to the overall impression of the mark is also a relatively minor one. The distinctive weight of the mark lies heavily on the clearly dominant word HORIZON.

Viewing the mark as a whole, there is a reasonably high degree of visual similarity with the earlier mark.

21) Aurally, it is unlikely that the words RISK SOLUTIONS will normally be articulated in trade, because they will be perceived as descriptive and the mark can be referred to much more simply by its distinctive dominant element HORIZON, making the marks aurally identical. Even if the words RISK SOLUTIONS are included in oral use, however, I consider that there is still a reasonably high degree of aural similarity between the marks. Similarly, the words RISK SOLUTIONS add a conceptual element not present in the earlier mark but, being descriptive, their impact on the attention of the consumer will be limited in comparison with the heavily dominant and distinctive word HORIZON. Insofar as the simple figurative elements might be seen as evoking a sunrise motif, I think this concept will itself be seen as closely associated with, and alluding to, that of the word HORIZON. There is a reasonably high degree of conceptual similarity between the marks.

The distinctiveness of the earlier mark

22) The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark (on the basis either of inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). 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 *Windsurfing Chiemsee 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).”

23) I have no evidence of acquired distinctiveness to consider. This leaves the question of inherent distinctive character. The word HORIZON is an ordinary word with a well-known meaning, but it is not descriptive or allusive of any of the goods and services of the earlier mark. It has an average degree of inherent distinctive character.

Likelihood of confusion

24) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

25) I have found a reasonably high degree of visual, aural and conceptual similarity between the competing marks, and at least a medium degree of similarity between their respective goods and services. I have also found the earlier mark to have an average degree of inherent distinctive character. I have noted that the figurative elements of the contested mark are graphically quite simple and that, if perceived as a sunrise motif, they will be seen as closely associated conceptually with the meaning of the heavily dominant word HORIZON. The words RISK SOLUTIONS will be regarded as descriptive. Even bearing in mind my findings on the average consumer, the purchasing process, and the reasonably high degree of attention with which purchases will be made, and given that consumers will not usually have the opportunity to compare the marks side by side, I nevertheless think it likely that the differences in the competing marks will go unnoticed by a significant portion of the relevant public, who will thus directly confuse them. Even on the assumption that the differences are registered, however, they will not in any case be perceived as indicating a different trade origin from that of the earlier mark; rather, in the light of the strongly dominant and distinctive word HORIZON, the contested mark will be seen simply as a variant of the earlier mark. The average consumer will believe that the respective goods come from the same or economically linked undertakings. Thus, there is a likelihood of direct confusion; however, even if the differences between the marks are noticed, there remains in any case a likelihood of indirect confusion in respect of all the services of the contested mark. Accordingly, **the opposition succeeds in its entirety.**

27) I would add that I have given some thought to whether the Applicant could propose an amended specification to avoid a likelihood of confusion. I have already noted that the Applicant states in its counterstatement that the services it provides in Class 42 are “*basically banking Risk Solutions*”, and it contrasts these with the services of the Opponent, the latter, it says, being offered in the office products and office supplies field. However, the Applicant did not avail itself of the opportunities provided in these proceedings to follow up this vague and ill-defined statement with submissions or evidence to provide a more precise delineation of its target consumers, or to clarify the specific nature and ambit of the “banking risk” referred to. It is not clear exactly who the consumers of the “banking risk solutions”, which the Applicant says its services “basically” consist of, are; it is by no means obvious that they would be confined to banks, for example. There is opportunity for consumer overlap, and an amended specification would need to ensure not only that the competing goods and services of the Opponent were excluded from the amended specification, but also that *all* services which were *similar* to the goods and services of the Opponent were also excluded.

28) In the letter issued by the Tribunal to the parties when the proceedings were ready for substantive determination the Applicant was invited to make clear whether it had a fall-back position in the form of a limited specification. No fall-back position was submitted, and the Applicant gave no indication of interest in specific amendments of this kind beyond the amendment it had already undertaken during the course of the proceedings. Taking all this into account, and bearing in mind the increased costs and delay which would be involved, I have concluded that it is not appropriate to afford the Applicant an opportunity to offer further amendments.

Costs

29) ECI Software Solutions, Inc has been successful and is entitled to a contribution towards its costs. I hereby order Horizon Risk Solutions Limited to pay ECI Software Solutions, Inc the sum of £700. This sum is calculated as follows:

<i>Opposition fee</i>	£100
<i>Preparing a statement and considering the other side's statement</i>	£300
<i>Written submissions</i>	£300

The above sum should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 17th day of May 2016

**Martin Boyle
For the Registrar,
The Comptroller-General**