O/0597/26

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. WO0000001802519
IN THE NAME OF VATLAB TECHNOLOGIES PTY LTD
TO PROTECT THE FOLLOWING INTERNATIONAL REGISTRATION:

VATLAB

IN CLASSES 35, 36, AND 42

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. OP450505
BY SANDORIAN HOLDING B.V.

Background and pleadings

1. VatLab Technologies Pty Ltd ("the holder") is the holder of the international trade mark registration 1802519 ("the holder's mark"), shown on the front cover of this decision. The holder's mark is registered with effect from 26 June 2024.[1] The request to protect the holder's mark in the UK was made on 26 June 2024. It was accepted and published for opposition purposes on 16 August 2024 in respect of the following services:

> <u>Class 35:</u> *Providing business information relating to taxes and custom duties; business advice and information; tax advice [accountancy]; taxation [accountancy] advice; taxation [accountancy] consultancy; tax consultancy [accountancy]; compilation of information relating to financial data; data collection; advice and consultancy relating to tax preparation; tax preparation and consultancy services; tax preparation and filing services; providing information relating to tax preparation and tax filing services; business data analysis services; business data analysis; data processing services; data processing; tax auditing services; tax auditing; tax preparation; tax preparation services; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.*
>
> <u>Class 36:</u> *Financial data analysis; financial advice relating to taxation; financial advice relating to tax; financial consultancy relating to taxation; financial advisory services relating to tax; financial advisory services relating to taxation; financial consultancy relating to tax; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.*
>
> <u>Class 42:</u> *Software as a service [SaaS] for: providing business information and advice relating to taxes and customs duties; tax and taxation [accountancy] advisory and consultancy services; tax preparation, filing and auditing services; business and financial data collection, compilation, processing and analysis services relating to tax and taxation; and financial advisory and consultancy*

[1] The IR claims priority from Australia (AU) 246117. However, it is noted that the priority date of 26 June 2024 is the same as the IR registration date.

services relating to tax and taxation; design and development of data processing software; design and development of data processing systems; computer programming for data analysis; computer programming services for data analysis; data mining services; data mining; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.

2. On 31 October 2024 Sandorian Holding B.V. (“the opponent”) opposed the protection of the holder’s mark in the UK on the basis of section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opposition is directed at all of the holder’s above services. The opponent relies upon its earlier International registration number 1778190 “**VATLY**” (“the opponent’s mark”). The opponent’s mark was registered on 17 November 2023 and became protected on 1 August 2024. The opponent’s mark stands protected for a range of goods and services in classes 9, 35, 36, 38, and 42. However, for opposition purposes, it relies on the following services:

<u>Class 35</u>*: business management; business administration; office functions; business organisational, business administrative, business strategy and business economics consultancy; business project management; commercial business management and consultancy relating to e-commerce and electronic payments; commercial consultancy and commercial management relating to it, ict, business intelligence systems and platforms, platform and computer software management, customer relationship management (crm), data migration, management, storage and data communication options; market canvassing, market research and market analysis; business advisory services relating to setting up and improving internal work processes; business consultancy and business management, including in the field of cloud solutions; preparation, compilation, systematisation, analysis, processing and management of data and databases; drafting of business reports; provision of computerised business statistics; conducting online research in the field of business management; provision of commercial information; providing business information by means of business meetings; consultancy and information regarding the aforesaid services; the aforesaid services also provided via electronic networks, such as the internet.*

<u>Class 36</u>: Financial affairs; monetary affairs and operations; financial transfers and transactions, and payment services; electronic payment services; financial payment services; contactless payment services; payment card services; payment administration services; payment processing; collection of payments for goods and services; consultancy and information regarding the aforesaid services; the aforesaid services also provided via electronic networks, such as the internet.

<u>Class 42</u>: Scientific and technological services and research and design services relating thereto; industrial analysis, industrial research and industrial design; design, creation and development of online shops and online payment systems; design and development services, in relation to the following goods: software, including software for making payments and settling VAT; services of it and ict specialists; design, development, testing, programming, installation, updating, upgrading, implementation, integration, maintaining, and providing of computer software, computer software applications, computer software packages, computer software systems, computer software applications, web applications, mobile applications, computer software for cloud solutions, computer programs for access to databases and portals, and databases; migration, integration, implementation and technical management of it-systems; cloud computing, including the providing of virtual computer systems and computer environments via cloud computing; providing temporary use of non-downloadable business software; providing temporary use of on-line non-downloadable software for processing electronic payments; process automation (computer software) services; providing of application services (application service providers - asps); platform as a service [paas]; infrastructure as a service [iaas]; software as a service (saas), including platforms for artificial intelligence as software as a service [SaaS]; data warehousing as a service (dwaas); data mining; data migration services; hosting of computer sites (websites); hosting computerized data, files, applications and information on a server; consultancy and information regarding the aforesaid services; including the aforesaid services provided via electronic networks, including the internet.

3. As the filing date of the opponent's mark is earlier than the filing date of the holder's mark, the opponent's mark constitutes an earlier mark in accordance with section 6 of the Act. However, as it had not been registered for five years or more at the filing date of the application, it is not subject to the proof of use requirements specified within section 6A of the Act. As a consequence, the opponent may rely upon all of the services identified without having to establish genuine use.

4. In its statement of grounds, the opponent argues that the competing marks are similar, and that the parties' services are identical or similar. On this basis, the opponent submits that there is a likelihood of confusion.

5. The holder filed a counterstatement denying the ground of opposition.

6. The opponent is professionally represented by Maguire Boss, and the holder is represented by Marco Vermaak, a litigant in person. Both the opponent and holder filed evidence. No hearing was requested, but both parties filed submissions in lieu of the same. This decision is taken following careful consideration of all the papers before me.

<u>Evidence</u>

7. The opponent's evidence consists of two witness statements provided by Mr David Tate, dated 19 May 2025 and 20 November 2025. Mr Tate is a trade mark attorney acting on behalf of the opponent. Mr Tate filed Exhibits DT1 to DT8 on 19 May 2025. These include screenshots of logos taken from the parties' websites, the EUIPO similarity tool, and screenshots showing examples of taxation advice taken from the UK government website and news articles. On 20 November 2025 Mr Tate filed Exhibits DT(2)1 to DT(2)4 showing use of the -LY and/or -LAB suffixes.

8. The holder's evidence consists of a witness statement provided by Mr Marco Vermaak, dated 29 September 2025, accompanied by six exhibits (MV1 to MV6). Mr Vermaak is the founder and director of the holder. The exhibits include screenshots of the website of the designer who designed the holder's logo, as well as invoices and correspondence with the designer. Mr Vermaak also files examples of companies using the -LY and -LAB suffixes.

9. I have taken all the evidence into account in reaching my decision and will refer to it below where necessary.

Preliminary issue

10. In his first witness statement, Mr Tate refers to the parties' current use of their respective marks and makes several statements in relation to the holder's current logo purportedly copying the opponent's logo and the level of visual similarity between the logos. On 20 June 2025, the opponent filed a request to add a ground under section 3(6) for bad faith. Although the Registry accepted this request on 4 July 2025, the opponent withdrew its ground of opposition under 3(6) on 20 November 2025. As such, I will not address the submissions and evidence filed in relation to bad faith or the ways in which the parties are currently using their marks. This is not only because the opponent's opposition under section 3(6) was withdrawn, but also the assessment of visual similarity should not take into account the purported current use of the marks. When assessing the likelihood of confusion in the context of registering a new trade mark, it is necessary to consider all the circumstances in which the mark might be used if it were registered.[2] As a result, even though the opponent has suggested the ways in which the parties are currently using their marks, my assessment must not be limited to that. It would therefore be inappropriate to factor in the current use of the parties' marks in combination with additional or differing components when assessing the marks' similarity, and as such, I have not taken these points into consideration.

Relevance of EU law

11. 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[3] 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.

Section 5(2)(b)

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

[2] *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*) Case C-533/06
[3] As amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023

"5(2) A trade mark shall not be registered if because –

(a)…

(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.

13. The following standard summary of the principles applicable to the assessment of the likelihood of confusion was approved by the Supreme Court in *Iconix Luxembourg Holdings SARL v Dream Pairs Europe Inc & Anor:*[4]

(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;

[4] [2025] UKSC 25

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

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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 greater 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 services

14. In *Canon,*[5] the Court of Justice of the European Union ("CJEU") stated, at paragraph 23 of its judgment, that when considering whether services are similar, all the relevant factors relating to the services should be taken into account. The CJEU stated that those factors include their nature, intended purpose, method of use and whether they are in competition with each other or are complementary.

[5] Case C-39/97

15. The relevant factors identified by Jacob J. (as he then was) in *Treat*[6] 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.

16. In *Kurt Hesse v OHIM,*[7] the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between services. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM),*[8] the General Court ("GC") stated that "complementary" means:

> "…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."

[6] [1996] R.P.C. 281
[7] Case C-50/15 P
[8] Case T-325/06

17. In *Gérard Meric v OHIM,*[9] the GC confirmed that even if services are not worded identically, they can still be considered identical if one term falls within the scope of another (or vice versa):

> "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 fur 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."

18. The services to be compared are as follows:

The opponent's services	**The holder's services**
<u>*Class 35*</u>*: business management; business administration; office functions; business organisational, business administrative, business strategy and business economics consultancy; business project management; commercial business management and consultancy relating to e-commerce and electronic payments; commercial consultancy and commercial management relating to it, ict, business intelligence systems and platforms, platform and computer software management, customer relationship management (crm), data migration, management, storage and data communication options; market canvassing, market research and*	<u>*Class 35:*</u> *Providing business information relating to taxes and custom duties; business advice and information; tax advice [accountancy]; taxation [accountancy] advice; taxation [accountancy] consultancy; tax consultancy [accountancy]; compilation of information relating to financial data; data collection; advice and consultancy relating to tax preparation; tax preparation and consultancy services; tax preparation and filing services; providing information relating to tax preparation and tax filing services; business data analysis services; business data analysis; data processing services; data processing; tax auditing services; tax auditing; tax preparation;*

[9] Case T- 133/05

market analysis; business advisory services relating to setting up and improving internal work processes; business consultancy and business management, including in the field of cloud solutions; preparation, compilation, systematisation, analysis, processing and management of data and databases; drafting of business reports; provision of computerised business statistics; conducting online research in the field of business management; provision of commercial information; providing business information by means of business meetings; consultancy and information regarding the aforesaid services; the aforesaid services also provided via electronic networks, such as the internet. *<u>Class 36</u>: Financial affairs; monetary affairs and operations; financial transfers and transactions, and payment services; electronic payment services; financial payment services; contactless payment services; payment card services; payment administration services; payment processing; collection of payments for goods and services; consultancy and information regarding the aforesaid services; the aforesaid services also provided via*	*tax preparation services; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.* *<u>Class 36:</u> Financial data analysis; financial advice relating to taxation; financial advice relating to tax; financial consultancy relating to taxation; financial advisory services relating to tax; financial advisory services relating to taxation; financial consultancy relating to tax; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.* *<u>Class 42:</u> Software as a service [SaaS] for: providing business information and advice relating to taxes and customs duties; tax and taxation [accountancy] advisory and consultancy services; tax preparation, filing and auditing services; business and financial data collection, compilation, processing and analysis services relating to tax and taxation; and financial advisory and consultancy services relating to tax and taxation; design and development of data processing software; design and development of data processing systems; computer programming for data analysis; computer programming services for data analysis; data mining*

electronic networks, such as the internet. Class 42*: Scientific and technological services and research and design services relating thereto; industrial analysis, industrial research and industrial design; design, creation and development of online shops and online payment systems; design and development services, in relation to the following goods: software, including software for making payments and settling VAT; services of it and ict specialists; design, development, testing, programming, installation, updating, upgrading, implementation, integration, maintaining, and providing of computer software, computer software applications, computer software packages, computer software systems, computer software applications, web applications, mobile applications, computer software for cloud solutions, computer programs for access to databases and portals, and databases; migration, integration, implementation and technical management of it-systems; cloud computing, including the providing of virtual computer systems and computer environments via cloud computing; providing temporary use of non-downloadable business software;*	*services; data mining; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.*

providing temporary use of on-line non-downloadable software for processing electronic payments; process automation (computer software) services; providing of application services (application service providers - asps); platform as a service [paas]; infrastructure as a service [iaas]; software as a service (saas), including platforms for artificial intelligence as software as a service [SaaS]; data warehousing as a service (dwaas); data mining; data migration services; hosting of computer sites (websites); hosting computerized data, files, applications and information on a server; consultancy and information regarding the aforesaid services; including the aforesaid services provided via electronic networks, including the internet.	

19. In its statement of grounds, the opponent highlights several areas of overlap between the holder's class 35 services and its own business, advisory, and consultancy services. It also highlights the overlap between the holder's class 36 services and its own *financial affairs* services. Additionally, it highlights the overlap between the parties' services in class 42 which I will refer to below as I see necessary. In the alternative, the opponent submits that the parties' services are nonetheless "closely similar, or similar as they may be complementary or in competition, and/or they may coincide in their nature, intended purpose, method of use, distribution channels, relevant public and/or producers or providers".

20. In its counterstatement, the holder agrees that "there is overlap between the respective services" but argues that "this acknowledgement should be considered in

the context of (a) the sophisticated nature of the services in question; (b) the clear conceptual visual and oral differences between the marks; and (c) the high level of attention paid by the relevant public when selecting such services”.

21. For the purposes of comparing services, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons.[10] I have therefore assessed the holder’s services by dividing the terms into groups as set out below.

Class 35:

> *Providing business information relating to taxes and custom duties; business advice and information; tax advice [accountancy]; taxation [accountancy] advice; advice and consultancy relating to tax preparation; providing information relating to tax preparation and tax filing services; taxation [accountancy] consultancy; tax consultancy [accountancy]; tax […] consultancy services; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.*

22. It is my view that the holder’s services above relating to the provision of business and tax information and consultancy are included within the opponent’s wider terms *provision of commercial information* and *providing business information by means of business meetings* (which are both subject to the limitations *consultancy and information regarding the aforesaid services* and *the aforesaid services also provided via electronic networks, such as the internet*). It is my view that both these services would cover a range of commercial and business areas, including information and advice on taxation. As such, they are identical as per the principle in *Meric.* However, if I am wrong in this finding, then I find in the alternative that the respective services are similar to a high degree on the basis that they are likely to share a similar purpose and can coincide in end users and producers.

[10] *Separode Trade Mark* (BL O/399/10) and *BVBA Management, Training en Consultancy v. Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs 30 to 38

Compilation of information relating to financial data; data collection; business data analysis services; business data analysis; data processing services; data processing.

23. It is my view that the holder's services above are all included within the opponent's wider term *preparation, compilation, systematisation, analysis, processing and management of data and databases; consultancy and information regarding the aforesaid services; the aforesaid services also provided via electronic networks, such as the internet.* The parties' services are therefore identical under the principle in *Meric.*

Tax preparation […] services; tax preparation and filing services; tax auditing services; tax auditing; tax preparation; tax preparation services; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.

24. The holder's services above relate to the actual preparation of tax and auditing. In its statement of grounds, the opponent argues that the holder's "various tax-related services… fall within or overlap with the Opponent's various "*business"* services (in particular business administration and business economics consultancy) and "*office functions"*. However, it is my view that, whilst they are not included within the opponent's services (which, in my view, are not wide enough to cover the actual preparation of taxes), they are similar to the opponent's *provision of commercial information.* The users will overlap, as they will be used broadly by professionals and members of the public who need assistance with taxation, but they will differ slightly as the opponent's services will also be used by those needing advice on other commercial issues. Their nature and purpose will also overlap, as the parties' services are financially related services which may both cover taxation, although the opponent's services will also cover other areas of commerce. They are likely to be offered through the same trade channels, and given the potential overlap for the opponent's services to cover taxation issues, may appear within close proximity within those trade channels. I do not consider them to be complementary, as one is not essential to the other. However, there may be a degree of competition where users choose between using the holder's services to prepare taxes and audits for them, or the opponent's services which advise on a range of commercial information including taxation (in

order for the user to prepare their own taxes). Taking these factors into account, I find that there is a high degree of similarity between them.

Class 36:

> *Financial data analysis; financial advice relating to taxation; financial advice relating to tax; financial consultancy relating to taxation; financial advisory services relating to tax; financial advisory services relating to taxation; financial consultancy relating to tax; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.*

25. It is my view that the holder's terms above fall within the opponent's wide terms *financial affairs* and *monetary affairs and operations* (which are both subject to the limitations *consultancy and information regarding the aforesaid services; the aforesaid services also provided via electronic networks, such as the internet).* It is therefore my view that the parties' services are identical as per the principle in *Meric.* However, if I am wrong in my finding and the holder's terms do not fall within the opponent's services, then in the alternative, I find the services to be highly similar on the basis that they share a similar purpose and can coincide in users, providers and channels of trade.

Class 42:

> *Software as a service [SaaS] for: providing business information and advice relating to taxes and customs duties; tax and taxation [accountancy] advisory and consultancy services; tax preparation, filing and auditing services; business and financial data collection, compilation, processing and analysis services relating to tax and taxation; and financial advisory and consultancy services relating to tax and taxation; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.*

26. It is my view that the above is one complete term. Whilst the subcategories following *Software as a service [SaaS]* should have commas to separate them,[11] it is

[11] Although I recognise that commas are also be acceptable for separating discrete terms within a class, this is where solely commas are used within a specification. Where a specification uses both commas

my view that the terms following *Software as a service [SaaS]* are clearly intended to be subcategories rather than discrete terms in class 42, given that services such as *tax and taxation [accountancy] advisory and consultancy services; tax preparation, filing and auditing services; business and financial data collection compilation, processing and analysis services relating to tax and taxation* do not fall within class 42. I have therefore proceeded on this basis.

27. In its statement of grounds, the opponent highlights the overlap with its term *software as a service (saas), including platforms for artificial intelligence as software as a service [SaaS].* I agree with the opponent, as it is my view that the holder's narrower term, which specifies the taxation-related context of the services, falls within the opponent's wider term *software as a service (saas), including platforms for artificial intelligence as software as a service [SaaS].* Whilst this specifies that it includes platforms for AI, I am of the view that it is broad enough to encompass the services above. I therefore find the parties' services are identical as per the principle in *Meric.*

> *Design and development of data processing software; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.*

28. I am of the view that the holder's term is included in the opponent's *design [and] development […] of computer software*. On this basis, I find that the services are identical under the principle in *Meric*.

> *Design and development of data processing systems; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.*

29. I am of the view that the holder's term is included in the opponent's *services of it and ict specialists*, which, in my view, is wide enough to incorporate the design and development of data processing systems. However, if I am wrong in this finding, I am of the view that the holder's services are similar to the opponent's *design [and] development […] of computer software*. The services will likely have the same users,

---

and semi-colons, the semi-colons denote separate terms within the class, and commas separate the sub-categories within the term.

who are those seeking specialist services in relation to the design and development of IT-related products. The services' nature and purpose overlap, although they will differ as the opponent's services are specifically undertaken in relation to computer software, whereas the holder's services are specific to data processing systems, which broadly speaking, are integrated computer-based systems comprising hardware and/or software used to collect, store, organise, process and output data for a particular purpose. Given the overlap in nature and purpose, the services are likely to be offered through the same trade channels. I do not find that they are complementary, as one is not essential to the other, nor do I find the services to be in competition. Taking these factors into account, I find that the services are similar to a medium degree.

> *Computer programming for data analysis; computer programming services for data analysis; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.*

30. It is my view that the above services are also included within the opponent's wide term, *services of it and ict specialists,* given that one would reasonably presume that these types of computer programming services would be undertaken by IT or ICT specialists. I therefore find that the parties' services are identical under the principle set out in *Meric.* However, if I am wrong in this finding, I am of the view that the holder's services are similar to the opponent's *programming […] of […] computer programs for access to databases and portals, and databases*. The services will likely have the same users, who are those seeking specialist programming services in relation to data. The services' nature and purpose will overlap as they both broadly address programming in relation to data, although they differ as the opponent's services are specifically undertaken in relation to programs for access to databases, whereas the holder's services are specific to data analysis. Given the overlap in purpose, the services are likely to be offered through the same or similar trade channels. However, it is my view that, notwithstanding the overlap in nature and purpose, the services are not complementary as one is not essential to the other. They may at times be in competition, as users may choose whether to use the holder's services for data analysis, or whether to use the opponent's services for accessing databases when

undertaking data analysis tasks. Taking these factors into account, I find that the services are similar to a medium degree.

> *Data mining services; data mining; all of the aforesaid services relating to business tax and taxation, including Value Added Tax (VAT) and customs duties.*

31. The holder's services above fall within the opponent's broad term *data mining.* The services are therefore identical under the principle in *Meric.*

Average consumer and the purchasing act

32. In *Iconix Luxembourg Holdings SARL v Dream Pairs Europe Inc & Anor*,[12] the Supreme Court approved the comments of Arnold LJ in *Lidl Great Britain Ltd & Anor v Tesco Stores Ltd & Anor (Rev1)*,[13] where he pointed out that*:*

(a) Consumers who are ill-informed or careless, or consumers with specialised knowledge or who are excessively careful are excluded from consideration;

(b) The average consumer provides a standard which enables the courts to strike a balance between the competing interests involved, such as trade mark owners, their competitors and consumers;

(c) The average consumer is neither a single hypothetical person nor a mathematical average; assessment from the perspective of the average consumer does not involve a statistical test. There is no single meaning rule and if, having regard to the perceptions and expectations of the average consumer, the court considers that a significant proportion of the relevant public is likely to be confused, a finding of infringement may properly be made;

(d) Assessment from the perspective of the average consumer is intended to facilitate adjudication of trade mark disputes by providing an objective criterion, by promoting consistency of assessment and by enabling courts

[12] [2025] UKSC 25
[13] [2024] EWCA Civ 262

and tribunals to determine such issues so far as possible without the need for evidence;

(e) The average consumer's level of attention varies according to the category of goods or services in question; and

(f) the average consumer rarely has the opportunity to make direct comparisons between trade marks (or between trade marks and signs) and must instead rely upon the imperfect picture of the trade mark they have kept in their mind.

33. In its statement of grounds, the opponent argues that "the services in question are directed at businesses and the public in general, and the level of attention would be average". In its counterstatement, the holder argues that the services would be directed at "professional users… financial controllers… business owners, [and] IT decision-makers". It therefore argues that "the relevant public will generally exercise a high degree of care and attention when selecting these services". In response to this, Mr Tate filed Exhibits DT6 and DT7 to demonstrate that the services would be also aimed at the public at large rather than solely professional users.

34. I agree with the opponent on this issue, and I find that the average consumer for the services will be professional users as well as members of the public who are seeking tax-related services. The cost of purchase is likely to vary, depending on the type of services at issue. Several factors may influence consumers, such as the expertise and reputation of the organisation providing the services, the availability of the provider, and the suitability for their needs. Although the opponent argues that the average consumer will pay an "average" degree of attention, it is my view that due to the specialised nature of the services, the average consumer is likely to pay between a medium and high degree of attention, with professionals at the higher end of the scale.

35. The consumer will choose the services after seeing the mark on signage or on the premises. They may also select the services after seeing advertisements or reviews in printed publications or online via websites and/or social media. The visual component is therefore likely to dominate the selection process, but I also do not discount the role that aural selection may play, especially when receiving word-of-

mouth recommendations and when discussing the services with others via the telephone.

Comparison of marks

36. 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 CJEU stated at paragraph 34 of its judgment in *Bimbo SA v OHIM*[14] 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."

37. 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.

38. The respective trade marks are shown below:

The opponent's mark	The holder's mark
VATLY	VATLAB

39. In its submissions in lieu, the opponent argues that ""VAT" in the respective marks is not "clearly descriptive" as claimed by the Holder". Instead, it reiterates its view that the term would be "merely obliquely allusive at best" in relation to non-VAT services. In its counterstatement, the holder argues that the word "LAB" "is a common

[14] Case C-591/12P

abbreviation of the word “laboratory” and merely informs potential consumers where the services are provided”. In its submissions in lieu, the holder submits that “[t]he distinctiveness of each mark must therefore reside in its suffix: "LAB" (denoting innovation and research) versus "LY" (an abstract tech-branding suffix)”.

40. The opponent’s mark is a plain word mark written in upper case. Whilst I acknowledge that the mark may be perceived as allusive due to the presence of ‘VAT’ in the mark, it is my view that the average consumer would perceive the mark in totality as an invented word and would not dissect the mark into constituent parts. As such, I find the overall impression of the opponent’s mark resides in the mark as a whole.

41. The holder’s mark is also a plain word mark written in upper case.[15] It is my view that a significant proportion of average consumers will likely recognise that the mark consists of the identifiable acronym VAT and the word LAB conjoined on the basis that, although consumers normally perceive a mark as a whole and do not proceed to analyse its various details, when perceiving a verbal sign, they will likely break it down into elements which, for them, have a real meaning or which resemble words known to them.[16] However, even though VAT may be perceived as allusive or descriptive in terms of the services at issue, it is my view that the mark’s overall impression, resides in the combination of the two elements ‘VATLAB’, i.e. in the mark as a whole.

Visual comparison

42. In its statement of grounds, the opponent submits that the marks are visually similar as they “coincide in the prefix “VATL–” and differ in length by only one letter”. It also argues that they “only differ in their endings, where differences tend to be comparatively less noticeable”. In its counterstatement, the holder submits that the marks are “distinctly different… [v]isually, through VATLAB’s symmetrical compound structure versus VATLY’s asymmetrical pattern”.

43. The competing marks are visually similar as they both contain the same first four letters “VATL”. The competing marks differ visually as the opponent’s mark ends with “Y” and the holder’s mark ends with “AB”. Whilst I acknowledge the opponent’s

[15] On the holder’s registration, he declares that he wishes the mark to be considered as a word-only mark
[16] *Usinor SA v OHIM* (Case T-189/05) and *Mundipharma v OHIM — Altana Pharma (RESPICUR)*, T-256/04 T-256/04, paragraph 57)

submissions in relation to the competing marks' differences occurring at the ends of each mark, I am also mindful that "when faced with short signs, the relevant public is likely to perceive the differences between them more clearly".[17] Although I acknowledge that there is no special test for short marks, differences may be more noticeable in marks that are of a shorter length,[18] which I find to be the case with the parties' competing marks. Bearing in mind my analysis of the marks' overall impressions, I am of the view that the marks are visually similar to between a low and medium degree.

Aural comparison

44. In its statement of grounds, the opponent submits that the marks are aurally similar on the basis that they "differ only in their endings, which may be slurred in speech and where differences tend to be comparatively less noticeable". In its counterstatement, the holder submits that the competing marks are "distinctly different… [a]urally, through VATLAB's balanced rhythm and clear articulation versus VATLY's flowing pronunciation".

45. It is my view that a significant proportion of consumers will articulate the "VAT" component within the parties' marks as the one-syllable acronym "VAT" rather than spell out the individual letters as three separate syllables ("V-A-T"). On this basis, the opponent's mark will be pronounced as the two-syllable term "VAT-LEE" and the holder's mark will be pronounced as the two-syllable term "VAT-LAB". The competing marks are therefore aurally similar as they both begin with the same first syllable "VAT". The competing marks differ aurally as the opponent's mark's final syllable is "LEE" and the holder's mark's final syllable is "LAB". Bearing in mind my analysis of the marks' overall impressions, I am of the view that the marks are aurally similar to between a low and medium degree.

46. However, if I am wrong in my view of how the average consumer will articulate the "VAT" element within the marks, then the opponent's mark will be pronounced as the four-syllable term "V-A-T-LEE" and the holder's mark will be pronounced as the four-syllable term "V-A-T-LAB". The competing marks are therefore aurally similar as they

[17] The General Court in *El Corte Ingles* (Case T-241/16)
[18] *Robert Bosch GmbH v Bosco Brands UK Limited*, BL O/301/20

both begin with the same three syllables “V-A-T”. The competing marks differ aurally as the opponent’s mark’s final syllable is “LEE” and the holder’s mark’s final syllable is “LAB”. Bearing in mind my analysis of the marks’ overall impressions, I am of the view that the marks are aurally similar to a medium degree.

<u>Conceptual comparison</u>

47. As stated above, the opponent has submitted several arguments in relation to the meanings of the competing marks’ components. In addition to these, in its statement of grounds, the opponent submits that the parties’ marks “coincide in the concept of “vat” and differ in the elements -LY and -LAB”.

48. In its counterstatement, the holder submits that the opponent’s mark is an example of where “a descriptive term is combined with “-LY” to suggest a service relating to that term”, and that it “creates no independent conceptual meaning beyond suggesting a connection to the descriptive prefix “VAT””. It argues that “LAB” “denotes an innovative approach rather than a physical location”, and that this “creates a clear and distinct conceptual impression that clearly differentiates VATLAB from VATLY’s abstract suffix”.

49. Whilst the opponent’s mark “VATLY” is an invented word, and the holder’s mark “VATLAB” comprises the acronym “VAT” and the ordinary dictionary word “LAB” conjoined, neither mark has a clear meaning as a whole. However, bearing in mind the financial services at issue, I find that the average consumer is likely to perceive the element “VAT” in both marks as the commonly understood acronym for “Value Added Tax”. That element is therefore likely to be perceived as alluding to taxation or tax-related financial matters.

50. In the holder’s mark, the element “LAB” is likely to be perceived as referring to a laboratory or place of development/testing, as I agree with the opponent that the average consumer would understand the word “LAB” as an abbreviation of the dictionary-defined word “laboratory”. However, I disagree with the opponent that it would indicate the place where the services are provided from, given its specific meaning in relation to science. Instead, it is my view that the average consumer would consider the word “LAB” as fanciful in relation to the holder’s services, given that they

are all tax-related rather than scientific in nature, and therefore the word does not denote the place from which the services are offered.

51. Accordingly, as both marks contain the element "VAT", which is likely to evoke the concept of Value Added Tax in the context of the relevant services, I find that they are conceptually similar to between a low and medium degree.

Distinctive character of the earlier mark

52. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV,*[19] 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)."

53. Registered trade marks possess various degrees of inherent distinctive character; marks which are suggestive or allusive of a characteristic of the services tend to be at the lower end of the scale, whereas invented words with no allusive qualities tend to

[19] Case C-342/97

be at the higher end of the scale. A range of marks will fall in between, such as dictionary words with no obvious connection to the services.

54. Although the distinctiveness of a mark can be enhanced by virtue of the use made of it, the opponent has not filed any evidence of use. As such, I have only the inherent position to consider.

55. Both parties have filed submissions regarding the distinctive character of the earlier mark. Whilst I do not propose to reproduce those here, I have taken them all into consideration in reaching my decision".

56. The opponent's mark consists of the invented word 'VATLY'. As previously stated, whilst not directly descriptive, I find that, due to the presence of 'VAT' in the mark, it may be perceived as allusive in relation to the financial services at issue, i.e. that they are tax related. I am reminded that invented words usually have the highest degree of distinctive character, whereas words which are descriptive of the services relied upon normally have the lowest. Accordingly, as I am of the view that the mark 'VATLY' may be perceived as allusive in relation to some of the services, I find that the earlier mark has a medium degree of inherent distinctive character.

Global assessment – conclusions on likelihood of confusion

57. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the services down to the responsible undertakings being the same or related. There is no set formula for establishing a likelihood of confusion between marks; it is a global assessment where a number of factors need to be borne in mind.

58. One such factor is the interdependency principle, i.e. a lesser degree of similarity between the competing marks may be offset by a greater degree of similarity between the respective services, and vice versa. As mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the services, and the nature of the purchasing process. In doing so, I must be mindful that the average consumer rarely has the opportunity to make direct comparisons

between trade marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

59. In its submissions in lieu, the opponent submits that the identical or similar nature of the services, the similarity of the marks, and the "VAT" element's lack of descriptiveness results in "a likelihood of confusion (both direct and indirect). The opponent also refers to Exhibit DT(2)1 which shows the example on page 4 of Gitaly which is used by Gitlab, and also DT(2)2 which shows two further companies (Calendly and Scopely) who "either have connections with third party -LAB trade marks… or have their own "lab"". He also refers to DT(2)4, which shows examples of businesses using -LAB suffixes. The opponent submits that these examples show that "there are clearly numerous ways in which the respective trade marks VATLY and VATLAB, if not directly confused, might be presumed by the relevant public to relate to the same or economically related undertakings".

60. In its submissions in lieu, the holder submits that the marks' "suffixes are visually, aurally and conceptually different", and therefore, "[c]ombined with the above-average attention of the relevant public", it denied that there is a likelihood of confusion between the competing marks. Furthermore, it also argues against the examples cited by the opponent, and submits that these examples do not assist given the difference in users, and the lack of economic connection to each other.

61. I have taken into account the parties' submissions and evidence regarding the other undertakings using -LY and -LAB suffixes. However, the examples cited in DT(2)1 to DT2(3) by the opponent do not persuade me that a significant proportion of consumers would even be aware of these undertakings, or even if they were, that there is a common trend of using -LY and -LAB by the same undertaking to denote related services. It is my view that these examples are very limited in number, and it is highly likely that a significant proportion of consumers would not be aware of them or would not view these examples as establishing a common theme in branding. Furthermore, whilst I recognise that DT2(4) provides examples of more well-known companies (such as Google and Apple) using "LABS" within their marks, it is my view that consumers are more likely to understand these marks as coincidentally using the same fanciful references to "LAB" within their marks. Furthermore, the examples in DT2(4) demonstrate where the entire mark appears with the word "LABS", rather than

where part of the mark is used in conjunction with "LABS". I therefore do not view the examples cited in DT2(1) to DT2(4) as a significant factor when assessing the likelihood of confusion between the parties' marks.

62. Earlier in this decision I found that the holder's services range from identical to similar to a medium degree to the opponent's services. The average consumer of the services will be professional users and members of the public. The average consumer is likely to pay between a medium and high degree of attention when selecting the services. The services will primarily be selected through visual means, although I do not discount an aural element to the selection process. I have found the marks to be visually and conceptually similar to between a low and medium degree, and aurally similar to between a low and medium degree or similar to a medium degree (depending on how the 'VAT' element within the competing marks is articulated). The earlier mark has a medium level of inherent distinctive character.

63. It is my view that, even when accounting for imperfect recollection, the average consumer, especially when paying a medium to high degree of attention, would not overlook the visual, aural and conceptual differences between the two competing marks. Despite the coinciding "VAT" element and its allusive nature, I do not consider that it plays an independent, distinctive or dominant role within either mark. Rather, although both marks may allude to VAT-related matters, the average consumer is likely to perceive "VATLY" and "VATLAB" as two distinct invented words. Furthermore, the different endings, namely "-LY" in the opponent's mark and "-LAB" in the holder's mark, are sufficient to distinguish one mark from the other. I make this finding even in respect of identical services when taking into account the interdependency principle and the differences between the marks. Consequently, I find that there is no likelihood of direct confusion.

64. I now go on to consider indirect confusion. In *L.A. Sugar Limited v By Back Beat Inc,*[20] Mr Iain Purvis Q.C., as the Appointed Person, explained that:

> "16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it

[20] BL O/375/10

is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: 'The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark'.

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)."

65. I bear in mind that these categories are not intended to be an exhaustive list. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors*[21], Arnold LJ approved Mr Purvis's formulation but added:

"13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/219/16) at [16] 'a finding of a likelihood of indirect

[21] [2021] EWCA Civ 1207

confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion'. Mr Mellor went on to say that, if there is no likelihood of direct confusion, 'one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion'. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."

66. It is not sufficient that a mark merely calls to mind another mark (as per *Duebros Limited v Heirler Cenovis GmbH*[22]). This is mere association not indirect confusion. A finding of indirect confusion should not be made merely due to a shared element within marks. As per *L.A. Sugar Limited v By Back Beat Inc*[23] (set out above), indirect confusion should be identified in cases where the average consumer is likely to notice the differences between the competing marks but assume an economic link between the two undertakings based on their similarities.

67. In order to find indirect confusion in this case, it would be necessary to conclude that the average consumer will notice the common element "VAT" in the marks, while at the same time recalling the differences between them, yet assume that the marks originate from the same or economically linked undertakings. However, I do not think that this is likely.

68. The shared element "VAT" is not so strikingly distinctive that consumers would assume that only one undertaking is using the term. Furthermore, the visual and aural differences between the marks are not indicative of a brand extension or sub-brand of a house mark, and I do not consider that they are likely to be interpreted in this manner by the average consumer. In particular, I do not consider that the average consumer would assume that an undertaking would retain the allusive element "VAT", remove the element "LY", and replace it with "LAB", resulting in a different mark. Rather, it is my view that consumers would either consider the marks as originating from unrelated undertakings offering VAT-related services, or attribute the common element to coincidence, rather than to any economic connection between them. Whilst I recognise that the considerations set out in *L.A. Sugar* are not exhaustive, I see no reasonable basis for finding that the competing marks will be indirectly confused for one another.

[22] BL O/547/17
[23] BL O/375/10

I therefore find that there is no likelihood of indirect confusion between the two marks, even in respect of identical services.

Conclusion

69. The opposition under section 5(2)(b) has failed in its entirety. Subject to any successful appeal, the holder’s mark will proceed to protection for the full range of services for which it has applied.

Costs

70. The holder has been successful and is entitled to a contribution towards its costs. As the holder has not instructed professional representatives, it is entitled to make a request for an award of costs, including accurate estimates of the number of hours spent on a range of given activities relating to the opposition proceedings. However, I note that the holder has not been provided with a cost proforma. As a result, I am unable to deal with the issue of costs at this stage.

71. Accordingly, a copy of the cost proforma will be provided to the holder upon the issuance of this decision. The holder is hereby invited to file a completed cost proforma to the Tribunal within 14 days of the date of this decision. Once this is received, I will issue a supplementary decision dealing with the issue of costs. In the event that the holder fails to file a cost proforma within 14 days of the date of this decision, I still propose issuing a supplementary decision dealing with the issue of costs.

Dated this 9th day of July 2026

K SERRAVALLE

For the Registrar