BL O/081/20

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO 3079118

BY VEGA FINANCE LTD TO REGISTER (SERIES OF 2)

IN CLASSES 35 AND 36

AND OPPOSITION THERETO (UNDER NO. 404074)

BY NATIXIS WEALTH MANAGEMENT

DECISION

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1. This is an appeal brought by the Opponent/Appellant, Natixis Wealth Management, against decision O-366-19 dated 1 July 2019. In that Decision the Hearing Officer, June Ralph, dismissed the opposition under s.5(2)(b) Trade Marks Act 1994 to the series of 2 marks represented above and sought to be registered by the Applicant/Respondent, Vega Finance Limited. The Applicant maintains that the Hearing Officer was correct for the reasons she gave.

2. The mark relied on by the Opponent is UK TM no. 3276944 for VEGA INVESTMENT MANAGERS in classes 35 and 36. The services relied on are.

> Class 35: Business consulting; business management; business administration; office functions; business consulting via the Internet; all of the aforesaid services in relation to financial issues.
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> Class 36: Financial consulting for business; corporate finance; financial services; financial services provided via the Internet.

3. The Opponent's UK trade mark had not been registered for five years or more at the publication date of the Applicant's mark, so was not subject to the proof of use requirements. The Applicant in this case has made an application for invalidation (cancellation no. 502524) which is currently in the evidence stage. Before the Hearing Officer the Applicant sought a stay of the proceedings pending the outcome of this cancellation application, but this application was not renewed before me, so I must take the Register as I find it.

4. Neither side filed evidence. Both parties filed written submissions in lieu of a hearing before the Hearing Officer. Before me the Opponent/Appellant was represented by Charlotte Blythe of Counsel, instructed by Walker Morris LLP. The Applicant/Respondent was represented by Janette Hamer of Forresters IP LLP.

STANDARD OF APPEAL

5. There was no dispute as to this and I refer to the principles set out in the decision of Daniel Alexander QC, sitting as the Appointed Person, in *TT Education Ltd v Pie Corbett Consultancy* [2017] RPC 17 at [52].

6. The Appellant also cited Lord Hodge in *Actavis Group PTC v ICOS Corporation* [2019] UKSC 1671 at [78]-[81] and particularly [80], submitting that where the decision below involves the making of a value judgment, the decision maker on appeal must be cautious about interfering with that judgment on appeal:

> "80. What is a question of principle in this context? An error of principle is not confined to an error as to the law but extends to certain types of error in the application of a legal standard to the facts in an evaluation of those facts. What is the nature of such an evaluative error? In this case we are not concerned with any challenge to the trial judge's conclusions of primary fact but with the correctness of the judge's evaluation of the facts which he has found, in which he weighs a number of different factors against each other. This evaluative process is often a matter of degree upon which different judges can legitimately differ and an appellate court ought not to interfere unless it is satisfied that the judge's conclusion is outside the bounds within which reasonable disagreement is possible: Assicurazioni Generali SpA v Arab Insurance Group (Practice Note) [2002] EWCA Civ 1642; [2003] 1 WLR 577, paras 14- 17 per Clarke LJ, a statement which the House of Lords approved in Datec Electronic Holdings Ltd v United Parcels Service Ltd [2007] UKHL 23; [2007] 1 WLR 1325, para 46 per Lord Mance."

7. I agree with this submission, and will apply it accordingly. In order to allow the appeal I must be satisfied that the decision is outside the bounds within which reasonable disagreement is possible.

8. To this can be added the guidance set out in the decision of Ian Purvis QC, sitting as the Appointed Person in ROCHESTER Trade Mark (O-079-17), where he stated:

> 33. I fear that far too much ink has been already spilled by Appellate Courts on these issues with diminishing returns, and I therefore do not propose to say a great deal more. So far as the particular context of this appeal is concerned, I would simply add that the reluctance of the Appointed Person to interfere with a decision of a Hearing Officer on likelihood of confusion is quite high for at least the following reasons:
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> (i) The decision involves the consideration of a large number of factors, whose relative weight is not laid down by law but is a matter of judgment for the tribunal on the particular facts of each case
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> (ii) The legal test 'likely to cause confusion amongst the average consumer' is inherently imprecise, not least because the average consumer is not a real person
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> (iii) The Hearing Officer is an experienced and well-trained tribunal, who deals with far more cases on a day-to-day basis than the Appellate tribunal

(iv) The legal test involves a prediction as to how the public might react to the presence of two trade marks in ordinary use in trade. Any wise person who has practised in this field will have come to recognize that it is often very difficult to make such a prediction with confidence. Jacob J (as he then was) made this point in the passing off case *Neutrogena v Golden* [1996] RPC 473 at 482:

> 'It was certainly my experience in practice that my own view as to the likelihood of deception was not always reliable. As I grew more experienced I said more and more "it depends on the evidence."'

Any sensible Appellate tribunal will therefore apply a healthy degree of self-doubt to its own opinion on the result of the legal test in any particular case.

34. I shall therefore approach this appeal on the basis that in the absence of a distinct and material error of principle, I ought not to interfere with the decision of the Hearing Officer unless I consider that his view on the issue of likelihood of confusion was clearly wrong in the sense that it was outside the range of views which could have been reasonably taken on the established facts."

THE FINDINGS OF THE HEARING OFFICER

9. There is no dispute with the Hearing Officer's summary of the law which recited the familiar cases and principles relevant to the assessment of s.5(2)(b).

10. The first task to which the Hearing Officer turned was to compare the services between the mark applied for and the earlier mark. Again, there is no dispute as to this. The Hearing Officer determined that the services were identical as between the marks in both classes 35 and 36.

11. The next topic dealt with by the Hearing Officer was to identify the average consumer and purchasing process. She identified this as follows (emphasis added):

> 24. The average consumers for the contested services are likely to be businesses and in relation to financial services also members of the general public. Given the specialist nature of the services regarding business and financial matters, **these could not be regarded as casual purchases**. Consumers investing monies in the stock market or other investment schemes are **likely to be informed and educated** about factors such as interest rates, yield, risks etc. As such I would categorise the level of attention paid as **reasonably high**. As for the purchasing process for such services, I would consider this to be primarily a visual act as consumers are likely to seek information from printed matter or material from the internet to find suitable business consultancies or financial products for investments, stocks and bonds etc. There may also be an aural element whereby advice may be sought from business advisors or financial brokers during the purchasing process.

12. There is no challenge to this assessment on appeal.

13. The focus of the appeal was on the Hearing Officer's comparison of the marks. In relation to the Opponent's mark, the Hearing Officer held that the word VEGA was the dominant and distinctive element. As for the marks applied for, she held that the dominant and distinctive element of both marks lay in the presentational arrangements of the squares and letters therein.

14. The Hearing Officer then dealt with the Opponent's submission that in the marks applied for, the word VEGA was the dominant element. This is at the heart of the Opponent's appeal.

15. The Hearing Officer disagreed with this submission, holding as follows at §§30-32 (original emphasis):

> 30. I disagree with the opponent's submission that the stylised arrangement in the applied-for marks predominantly make up the word VEGA. Whilst the letters **v** and possibly **e** may be readable letters in the top two squares, it is less clear what the letters in the bottom two squares are, especially as the figurative element in the bottom right square resembles an inverted letter **v**. The non-linear presentation of the applicant's marks in the square device does not make them look like a word. Taking these factors into account and the differences in the words **Finance** and **Investment Managers,** albeit I have already found these word elements to be descriptive, then I find there is a visual similarity only to a low degree.
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> 31. In aural terms, I have already rejected the proposition that consumers are unlikely to perceive, and therefore pronounce, the applicant's marks as the word VEGA . If the device element is articulated at all, consumers are more likely to pronounce only those elements which are apparent as recognisable letters, namely **v** and **e**, either separately or as one sound, **vee**. The additional words **Finance** and **Investment Managers** will obviously be pronounced differently. Where the device is not articulated in any way, there is no aural similarity. Where the device is articulated either as "v-e" or "vee" , I find the aural similarity is low.
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> 32. Turning to the conceptual similarity, the opponent submits that VEGA has 'no obvious meaning' although a proportion of the public may recognise it as the name of a star in the constellation Lyra. I would say that it is likely to be only a small proportion of the public with an interest in astronomy who would know VEGA as the name of a star and agree that the majority are likely to see the mark as having no meaning. The applicant contends in its counterstatement that VEGA is a financial term used in the options market to measure sensitivity to volatility and supports its claim with references from online encyclopaedias. This would appear to be a very specialised term used by experts in the field of financial forecasting and unlikely to be known by the wider general public. However some average consumers may attribute such a meaning to the word. For those consumers who see the marks having no meaning I consider the marks to be conceptually neutral. For those consumers who see the marks are either the name of a star or as a forecasting term, then I find the marks are conceptually dissimilar.

16. She went on to find that the Opponent's mark was distinctive to a high degree.

17. Finally, she turned to the likelihood of confusion. She cited Kitchin L.J. in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41 at §34(v) where he concluded "i*f, having regard to the perceptions and expectations of the average consumer, the court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then it may properly find infringement*." Applying this, she held:

> 40. …It is not therefore necessary to find that the majority of average consumers will be confused. However, if the most that can be said is that occasional confusion amongst a

few average consumers cannot be ruled out, then this is not sufficient. Rather the question is whether there is a likelihood of confusion amongst a significant proportion of the relevant public being the average consumers of these services.

18. She then went on to conclude:

> 42. Having weighed these factors, I find that the degree of visual difference between the marks is sufficient to rule out the likelihood of direct confusion even allowing for the notion of imperfect recollection, where the average consumer does not have the chance to make a direct comparison of the marks, but instead relies on the imperfect picture of them that they have kept in their mind. I do not believe that a significant proportion of the public will see the word VEGA, given the complex stylisation, in the applicant's marks. Whilst I accept that there may be some consumers who do perceive the mark in that way, my view is that those consumers who do identify VEGA in the later marks are likely to represent a very small proportion of consumers and insufficient numbers to warrant intervention. Occasional confusion by a small minority is not sufficient to find a likelihood of confusion. As I do not consider that a significant proportion of consumers will perceive the later marks as containing the word VEGA, I can see no reason why use of the later marks would result in indirect confusion.

THE APPEAL

19. Before me the Appellant focussed on the finding of the Hearing Officer that a significant proportion of the relevant public would not perceive or pronounce the marks applied for as the word VEGA. This was the main basis for her finding that there was no likelihood of confusion. The Appellant submitted that the Hearing Officer was plainly wrong to conclude as she did for five principal reasons.

20. First, it was said that the Hearing Officer was wrong to hold that the device would not be perceived as spelling out the word VEGA. It was suggested that it did not matter that the G and the A were reflections of the E and V respectively as they would be recognised as letters. Further it was said that this was emphasised by the letters in the word FINANCE appearing in one of the marks. I am not sure how much this last point assists the Appellant, as it could equally be argued that the presence of the word FINANCE would lead the average consumer not to attempt to "read" the symbols above as letters, but to treat them merely as decoration.

21. Nonetheless, I have found this first point the most tricky in the case. I accept that some members of the public will see the word VEGA spelt out in the device applied for. I can certainly see it myself. However, the question is not how I would have decided the question *de novo* but whether the Hearing Officer was wrong in principle to hold that a significant proportion of the relevant public would not perceive or pronounce the marks applied for as the word VEGA. This was based on her finding of low visual and aural similarity between the marks.

22. As to these assessments, I am reminded of the observations set out in the ROCHESTER case above, and in particular the difficulty of making a prediction as to how the public might react to the present of two trade marks in ordinary use in trade. As noted, any sensible appellate tribunal should apply a healthy degree of self-doubt to its own opinion on such matters.

23. The Appellant has not identified any distinct or material error of principle on the part of the Hearing Officer in relation to her assessment of the marks applied for. It is merely suggested that she was clearly wrong in the sense that her conclusion was outside the range of views which could reasonably have been taken.

24. I cannot accept that submission, albeit that this is one of those cases in which I accept that different tribunals could reasonably have come to different conclusions on this issue. It is not in dispute that some consumers will see the word VEGA in the Applicant's marks. However, I am unable to say that the Hearing Officer was wrong to conclude that such a cohort would make up an insignificant proportion of the whole. I bear in mind Lord Hodge's guidance in *Actavis v ICOS* in this regard.

25. The second point was to suggest that the consumer would look to form a word from the symbols shown in order to give the trading entity a name by which it could be identified. As the Appellant accepted at the hearing, this is really a reiteration of the first point and my conclusion is the same.

26. Next, emphasis was placed on the fact that the Applicant had not itself suggested that the Marks would not be interpreted as VEGA marks. Indeed, the further point was made that the Applicant had actually submitted to the contrary in its written materials below and referred to the mark as the VEGA logo. This was said to be indicative of the way in which the Applicant would educate the average consumer and/or the way in which the average consumer would perceive and pronounce the Marks.

27. I have reviewed the Applicant's TM8 upon which the Appellant sought to rely on in this regard. I do not think it assists the Appellant, and certainly not as much as was suggested. True it is that the Applicant refers to its name as VEGA FINANCE, but it could hardly do otherwise. Moreover, the test under s.5(2)(b) requires a comparison of the mark applied for with the earlier mark, not a comparison of the Applicant's name with the earlier mark. Although the Applicant's name might be relevant to a consideration of notional and fair use, this was all part and parcel of the Hearing Officer's decision and she nonetheless concluded that she did not believe that a significant proportion of the public would see the word VEGA, given the complex stylisation, in the Applicant's marks. I detect nothing in the TM8 which undermines the findings of the Hearing Officer and no error of principle generally in this regard.

28. In addition, it was said that the Opponent had only had limited opportunity to make this point before the Hearing Officer because cases were exchanged in writing only. I have no sympathy for such a submission. The parties chose to have the matter determined on the papers below. Even then, the Opponent could have filed a further written submission once it had read the written submissions of the Applicant. The first instance hearing is not designed to be a practice run for the appeal. It is the main hearing, and the appeal can only consider errors made based on the submissions before the hearing officer. It is only in rare circumstances that a party would be allowed to raise new points on appeal, and those circumstances do not apply to the present case.

29. Nor do I place weight on the submission that the Applicant's mark might be referred to as the VEGA logo. Even if that were the case, it does not necessarily mean that the average consumer will read the word VEGA from the mark – compare references to the

"Nike Swoosh" which does not contain any lettering at all, but is still referred to in this way, as discussed at the hearing.

30. Finally, it was submitted that the finding of the Hearing Officer that some consumers would perceive the device as the word Vega was sufficient to conclude that there was a likelihood of confusion because such a proportion was not just de minimis. It was submitted that the test was qualitative not quantitative and that on the facts of the present case the qualitative threshold was crossed.

31. I do not accept that submission either. The Hearing Officer expressed herself in terms wholly consistent with the leading authority. Whatever may be the difference between "some" and "a significant proportion", the Hearing Officer made it clear that she did not consider that the required hurdle of the latter had been reached. Further, she had the additional considerations to take into account, such as the relative sophistication of the average consumer and the fact that purchases in this field are likely to be entered into with considerable care. For the reasons given above there is no reason for me to interfere with her overall conclusion, and I decline to do so.

CONCLUSION

32. For the reasons given above I dismiss the appeal.

COSTS

33. The appeal has failed and in the usual way costs should follow the event.

34. Taking into account the steps taken by the Applicant/Respondent on appeal, I assess the costs of this appeal payable by the Appellant/Opponent to be £1000.

35. This should be added to the sum of £123.50 already ordered by the Hearing Officer (when the Applicant/Respondent was not professionally represented), all of which should be paid within 21 days of the date of this decision.

Thomas Mitcheson QC
The Appointed Person
31 January 2020