O/0823/23

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF
APPLICATIONS NOS. UK00003776549 AND UK00003776551
BY STRIPE, INC.
FOR THE TRADE MARKS:

LINK

AND

link

AND

CONSOLIDATED OPPOSITIONS THERETO
UNDER NOS. 434936 AND 434937
BY SMARTCONTRACT CHAINLINK LIMITED

Background and pleadings

1. These proceedings concern two consolidated oppositions brought by SmartContract Chainlink Limited ("the opponent") against two trade mark applications filed by Stripe, Inc. ("the applicant").

2. On 12 April 2022, the applicant applied to register trade marks shown below:

(i) UK00003776549 ("the 549 mark")
LINK

(ii) UK00003776551 ("the 551 mark")

3. Registration of both marks is sought in relation to the following services:

> **Class 42:** *Providing temporary use of non-downloadable software for securely storing, accessing, and managing payment data and account information for processing ecommerce transactions; Providing temporary use of non-downloadable software for managing and tracking electronic payment information; Providing temporary use of non-downloadable software to facilitate distribution, adoption, and acceptance of payment methods via a global network of consumers and merchants; Providing temporary use of non-downloadable software in the form of an application programming interface for integration of payment software into a global network of consumers and merchants.*

4. The applications were published for opposition purposes on 13 May 2022.

5. On 12 July 2022, the opponent opposed the registration of the applications based upon Section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). In each opposition, the opponent relies upon the two trade marks set out below:

(a) UK00003619592 (“the first earlier mark”)

CHAINLINK LABS

Filing date: 31 March 2021; Registration date: 06 August 2021

Under this mark the opponent relies on all of the goods and services for which the mark is registered, namely:

Class 9: *Computer software, namely, downloadable middleware for use within a decentralized computer communications network which allows smart contracts in the nature of software that controls digital contracts to securely connect to external data sources*.

Class 42: *Computer services, namely services for developing middleware for use within a decentralized computer communications network which allows smart contracts in the nature of software that controls digital contracts to securely connect to external data sources and Software as a Service for use within a decentralized computer communications network which allows smart contracts in the nature of software that controls digital contracts to securely connect to external data sources.*

(b) UK00801398642[1] (“the second earlier mark”)

CHAINLINK

Filing date: 15 January 2018; Registration date: 28 September 2018

Priority date: 20 October 2017; Priority country: USA; TM from which priority is claimed: 87653484

Under this mark the opponent relies of all of the goods and services for which the mark is registered, namely:

Class 9: *Computer software, namely, downloadable middleware for use within a decentralized computer communications network which allows smart contracts in the nature of software that controls digital contracts to securely,*

[1] On 1 January 2021, the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing EUTM or IR designating the EU. As a result, the opponent’s earlier mark was automatically converted into a comparable UK trade mark. Comparable UK marks are now recorded on the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original filing dates remain the same.

quickly, and auditably connect to external data sources in the nature of data feeds featuring user-defined information, application programming interfaces (APIs) and bank payment infrastructure.

Class 42: *Computer services, namely, providing temporary use of online non-downloadable middleware for use within a decentralized computer communications network which allows smart contracts in the nature of software that controls digital contracts to securely, quickly, and auditably connect to external data sources in the nature of data feeds featuring user-defined information, application programming interfaces (APIs) and bank payment infrastructure; software as a service (SaaS) services featuring computer software for use within a decentralized computer communications network which allows smart contracts in the nature of software that controls digital contracts to securely, quickly, and auditably connect to external data sources in the nature of data feeds featuring user-defined information, application programming interfaces (APIs) and bank payment infrastructure.*

6. By virtue of their earlier filing dates, the trade marks upon which the opponent relies qualify as earlier trade marks pursuant to Section 6 of the Act. As the earlier marks had not completed their registration process more than five years before the date of the application in question, they are not subject to proof of use pursuant to Section 6A of the Act.

7. Under Section 5(2)(b) the opponent claims that the marks are similar and that the goods and services are identical or similar, meaning that there is a likelihood of confusion.

8. The applicant filed two counterstatements in which it denies the claims made.

9. The proceedings were consolidated on 9 November 2022.

10. Both parties filed evidence. I shall refer to the evidence to the extent that I consider necessary.

11. The opponent is represented by Withers & Rogers LLP and the applicant by D Young & Co LLP. Neither party asked to be heard, but they both filed submissions in lieu. Both submissions in lieu contain material that I consider to be evidence, including extracts from dictionaries. However, neither party applied for leave to file additional evidence before filing such documents; as such, I will disregard anything in the parties' submissions in lieu that goes beyond written submissions and legal arguments. This decision is taken following a careful perusal of the papers.

EU Law

12. Although the UK has left the EU, Section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

The evidence

13. The opponent's evidence consists of a witness statement by Mark James Caddle, who is a UK Chartered Trade Mark Attorney and Partner at Withers & Rogers LLP, the firm representing the opponent in these proceedings. Mr Caddle's witness statement is dated 9 January 2023 and is accompanied by one exhibit (MJC1). His evidence goes to show how the opponent's goods and services are used.

14. The applicant's evidence consists of a witness statement by Rachel Pellatt, who is an Associate and Chartered Trade Mark Attorney at D Young & Co LLP, the firm representing the applicant in these proceedings. Ms Pellatt's witness statement is dated 2 March 2023 and is accompanied by five exhibits (RP1 – RP5). Ms Pellatt introduces 'state of the register' evidence and examples of use of "LINK" marks in commerce. State of the register evidence is usually considered to be irrelevant in trade mark proceedings.[2] The evidence about use of 'LINK' trade marks by other traders is

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[2] *Zero Industry Srl v OHIM*, Case T-400/06

a little more persuasive, however, it is difficult to gauge to what extent those marks have been used. In any event, the evidence of use does nothing more than confirming my impression that 'LINK' is, in itself, a very versatile word especially when used in trade marks because it can convey multiple meanings in relation to different goods and services. I shall return to this point below.

DECISION

Preliminary issue about the ownership of the earlier mark UK00003619592

15. In its submissions in lieu, the applicant raised an issue with regard to the ownership of the first earlier mark (UK00003619592) pointing out that the opponent (SmartContract Chainlink Limited) is no longer recorded as the owner of that trade mark, the current owner being recorded as SmartContract, Inc..

16. I have checked the UKIPO records. They show that on 1 December 2022 (after the present oppositions were filed) the opponent's representatives filed an application to rectify the register (form TM26R). The application was filed on behalf of SmartContract, Inc. requesting the name of the recorded owner (SmartContract Chainlink Limited) to be rectified on the basis that SmartContract, Inc. provided the incorrect entity on filing the application. It was also confirmed that there had been no official transfer of rights and it was merely a clerical error on the part of SmartContract, Inc.

17. On 5 December 2022, the UKIPO confirmed that the register had been rectified and that the owner of the trade mark no. UK00003619592 now appears as SmartContract, Inc.

18. Rectification is the legal procedure which allows anyone to apply to correct an error or omission to the recorded details of a registered trade mark. It is clear that the opponent's name SmartContract Chainlink Limited (which appeared on the register at the time when the oppositions were filed) was entered in error and that the opponent never had any earlier rights in the first earlier mark. The opponent did not respond to the applicant's observations. Consequently, I accept that the applicant's point is

correct, and that the opponent cannot longer rely on the first earlier mark. I will therefore proceed to consider the oppositions based on the second earlier mark only.

Section 5(2)(b)

19. Section 5(2)(b) of the Act is as follows:

> "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".

20. Section 5A of the Act is as follows:

> "5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only."

21. The following principles are gleaned from the decisions of the EU courts 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 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

22. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In *Canon Kabushiki Kaisha*, the Court of Justice of the European Union (CJEU) stated that:

> "23. 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 complementary."

23. Guidance on this issue was also given by Jacob J (as he then was) in *British Sugar Plc v James Robertson & Sons Limited ("Treat")* [1996] RPC 281. At [296], he identified the following relevant factors:

(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.

24. The General Court (GC) confirmed in *Gérard Meric v OHIM*, Case T-133/05, paragraph 29, that, even if goods are not worded identically, they can still be considered identical if one term falls within the scope of another, or vice versa.

25. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU held that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods or services. The GC clarified the meaning of "complementary" goods or services in *Boston Scientific Ltd v OHIM*, Case T-325/06, at paragraph 82:

> "[…] 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."

26. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

> "… Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words

or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

27. In *Sky v Skykick* [2020] EWHC 990 (Ch), Lord Justice Arnold considered the validity of trade marks registered for, amongst many other things, the general term 'computer software'. In the course of his judgment he set out the following summary of the correct approach to interpreting broad and/or vague terms:

"…the applicable principles of interpretation are as follows:

(1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.

(2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.

(3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.

(4) A term which cannot be interpreted is to be disregarded."

28. Section 60A of the Act provides:

"(1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the "Nice Classification" means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1979."

29. The goods and services to be compared are as follows:

The applicant's services	The opponent's goods and services
Class 42: *Providing temporary use of non-downloadable software for securely storing, accessing, and managing payment data and account information for processing ecommerce transactions; Providing temporary use of non-downloadable software for managing and tracking electronic payment information; Providing temporary use of non-downloadable software to facilitate distribution, adoption, and acceptance of payment methods via a global network of consumers and merchants; Providing temporary use of non-downloadable software in the form of an application programming interface for integration of payment software into a global network of consumers and merchants.*	**Class 9:** *Computer software, namely, downloadable middleware for use within a decentralized computer communications network which allows smart contracts in the nature of software that controls digital contracts to securely, quickly, and auditably connect to external data sources in the nature of data feeds featuring user-defined information, application programming interfaces (APIs) and bank payment infrastructure.* **Class 42:** *Computer services, namely, providing temporary use of online non-downloadable middleware for use within a decentralized computer communications network which allows smart contracts in the nature of software that controls digital contracts to securely, quickly, and auditably connect to external data sources in the nature of data feeds featuring user-defined information, application programming interfaces (APIs) and bank payment*

	infrastructure; software as a service (SaaS) services featuring computer software for use within a decentralized computer communications network which allows smart contracts in the nature of software that controls digital contracts to securely, quickly, and auditably connect to external data sources in the nature of data feeds featuring user-defined information, application programming interfaces (APIs) and bank payment infrastructure.

30. The goods and services at issue are highly sophisticated.

31. The opponent states that the applicant's services in class 42 are highly similar to the opponent's goods and services in classes 9 and 42 as they are similar in nature, method of use, purpose, and end users. The opponent also relies on the witness statement of Mr Caddle to support the contention that the opponent's goods and services are all used in the financial services sector. Moreover, the opponent states that there is a degree of complementarity and competition between the opponent's goods in class 9 and the applicant's services in class 42 as the consumer could choose to purchase downloadable software or use non-downloadable software services.

32. The evidence filed by Mr Caddle shows how the opponent's goods and services are deployed and integrated into other companies' services. Copies of webpages from the opponent's website (https://chain.link/use-cases/defi) reproduce customer testimonials, some of which are shown below. They describe 'CHAINLINK' as a *"network oracle infrastructure*":

MONEY MARKETS

"The security provided by the Chainlink Network's oracle infrastructure has served the Aave protocol well, and now users of the Aave protocol can leverage Chainlink's off-chain service to participate in the Aave ecosystem as liquidators to secure the Aave protocol and its liquidity pools."

Stani Kulechov
Co-founder

DECENTRALIZED EXCHANGE

"Many people overlook the importance of oracles in their smart contract application. The reality that we see time and time again is that a smart contract application's security is only as strong as its oracle. That's why it was so important for our team to find an oracle that matched Trader Joe's strong commitment to security."

0xMurloc
Co-founder

33. Copy of an online article titled *"SWIFT Partners With Crypto Data Provider CHAINLINK on Cross-Chain Protocol in TradFi Play"* states:

> *"SWIFT, the interbank messaging system that allows for cross-border payments, is working with Chainlink, a provider of price feeds and other data to blockchains, on a cross-chain interoperability protocol (CCIP) in an initial proof-of […illegible]*
> *[…] The partnership between Chainlink and SWIFT in cross-chain interoperability will help bridge the gap between traditional and digital assets for TradFi institutions […]""*

34. Another online article states (emphasis added):

> *"Get ready for another long list of partnership related to a project that has an incredible amount of potential, Chainlink (LINK). I've been working on a few pretty long list of partnerships of major crypto players, more of which you should see in the upcoming days.*
>
> *I'll jump straight into the list of partners but, before that, <u>here's a quick summary of what Chainlink does: it's a decentralised oracle provider. That means it</u>*

connects external data in a decentralised manner to blockchain networks so that the two can work together to realise new products"

35. Further examples of references to the opponent's decentralised oracle network being used in the context of blockchain systems are shown below:

July 2019: Credits and Chainlink announce that they "will develop the next key transformational and technological advancements for blockchain solutions." The partnership sees Credits using Chainlink's oracle network to secure smart contract data and maintain reliability. Credits throughput of 50,000 TPS and low transaction cost of $0.001, coupled with Chainlink's securing data, is expected to help foster the growth of the technology among businesses and financial institutions.

Credits is a blockchain software protocol that also offers a series of blockchain products and infrastructure development tools, and wallets. The team states that it is best used fo data storage, and both micro and macro payments

June 2019: Chainlink and Oracle announce that they would work together to help startups using Chainlink's oracles monetize their APIs on the Oracle Blockchain Platform. This is a pretty big partnership that sees Chainlink work with yet another major tech player.

Oracle is a famous software company, mainly known for their database management systems, though they work with many other technologies. It has shown keen interest in blockchain technology - which is essentially a decentralized database.

June 2019: Chainlink and Google Cloud announce that the two would work together to make it easier for developers to develop technologies by letting them access cloud data, among other things, on public blockchains using Chianlinks oracles. In the official statement, a Google official also explained specific use cases that could be developed.

June 2019: Chainlink and Reserve partner with the focus of bringing more reliable data feeds to smart contracts, specifically with the intention of helping Reserve's stablecoin. The oracle services will ensure that the stablecoin protocol behaves as reliably as possible.

Reserve is a stablecoin project that features two tokens, the Reserve and Reserve Rights. The first is a stablecoin and the second is for the stabilization of the stablecoin.

May 2019: Chainlink and Shyft announce that they will work together to allow the handling of Personally Identifiable Information (PII) by oracles on Chainlink. This feature allows only certain data to be accessed if and when necessary. Additionally, API users can choose what data sources they can work with using this identifiable information.

Shyft is a public blockchain protocol that is focused on collecting data, and ensuring that it can be trusted. It works across both public and private blockchains. Identity, validity and credibility of data is a focus of Shyft.

36. Although, as I have said, I have disregarded the late evidence filed by the parties with their submissions in lieu, I have accessed, on my own motion, English online dictionaries. Two dictionaries define 'blockchain' as follow:

> *"Blockchain is a system for storing records of transactions using digital currencies, that can be accessed by linked computers"*

> *"Blockchain*
> *A system used to make a digital record of all the occasions a cryptocurrency (= a digital currency such as bitcoin) is bought or sold, and that is constantly growing as more blocks are added"*

37. I am not familiar with oracle networks, or indeed blockchain technology. However, I do not think that it is necessary for present purposes to explain in detail how these services work.

38. At a general level, the evidence indicates that the opponent provides a decentralised oracle network. This, I understand, is a software that works as an infrastructure connecting and securing external data to a database that is used for digital transactions (i.e. blockchain network). The dictionary definition also indicates that blockchain networks can be used for trading; this means that the opponent's software can be used by providers of blockchain-based trade services.

39. I bear in mind that I am required to carry out the comparison of goods and services based on the terms as they are appear in the marks' specifications. Whilst the segments of the market on which the parties have so far chose to trade is irrelevant, given that the nature of the goods and services involved, which are highly sophisticated, I will consider the evidence filed by the opponent as an aid to the interpretation of the registered terms, but only insofar as it seems to be naturally consistent with the terms for which the earlier mark is registered.

40. The applicant submits that the opponent's services are narrowly defined, pointing out that they contain the following limitations: *"for use within a decentralized computer communications network which allows smart contracts in the nature of software that*

controls digital contracts to securely, quickly, and auditably connect to external data sources in the nature of data feeds featuring user-defined information, application programming interfaces (APIs) and bank payment infrastructure”. It states:

> *“It is clear that the goods and services covered by the Opponent's Marks protect software and computer services for use with a decentralized computer communications network which allows smart contracts - in other words, blockchain middleware. Conversely, the Applicant's Marks do not identify blockchain middleware; rather, as outlined in the specifications, they identify software which allows consumers to securely save (and then reuse) their payment information (such as credit-card information) for faster, easier, secure checkouts/purchases on Link-enabled websites. The goods and services therefore have different purposes and are dissimilar.”*

41. The applicant’s services are:

> *Providing temporary use of non-downloadable software for securely storing, accessing, and managing payment data and account information for processing ecommerce transactions; Providing temporary use of non-downloadable software for managing and tracking electronic payment information; Providing temporary use of non-downloadable software to facilitate distribution, adoption, and acceptance of payment methods via a global network of consumers and merchants; Providing temporary use of non-downloadable software in the form of an application programming interface for integration of payment software into a global network of consumers and merchants.*

42. The applicant’s services relate to the provision of software which can be used for (a) securely storing, accessing, and managing payment data and account information for processing ecommerce transactions; (b) managing and tracking electronic payment information; (c) facilitating distribution, adoption, and acceptance of payment methods via a global network of consumers and merchants and (d) integration of payment software into a global network of consumers and merchants. The terminology of the applicant’s specification seems to be consistent with the applicant’s

interpretation of the services as aimed at *"allowing consumers to securely save (and then reuse) their payment information (such as credit-card information) for faster, easier, secure checkouts/purchases on Link-enabled websites"* and appears to cover types of software that would be used by businesses in relation to payments made by their own customers and/or to their suppliers.

43. Insofar as the opponent's specification is concerned, the terminology used is:

> *"Computer services, namely, providing temporary use of* ***online non-downloadable middleware*** *for use within a* ***decentralized computer communications network*** *which allows* ***smart contracts*** *in the nature of* ***software that controls digital contracts to*** *securely, quickly, and auditably* ***connect to external data sources in the nature of data feeds featuring user-defined information, application programming interfaces (APIs) and bank payment infrastructure****; software as a service (SaaS) services featuring computer software for use within a* ***decentralized computer communications network*** *which allows* ***smart contracts*** *in the nature of* ***software that controls digital contracts to*** *securely, quickly, and auditably* ***connect to external data sources in the nature of data feeds featuring user-defined information, application programming interfaces (APIs) and bank payment infrastructure****"*

44. Middleware is defined as *"a software that acts as a bridge between an operating system or database and applications, especially on a network*". I understand that smart contracts are digital contracts that find application in blockchain platforms. Although the terminology used is, admittedly, a bit of a mouthful for a trade mark specification, I understand the words to refer to a software whose function is to connect blockchain-based smart contracts with external (off-chain) data sources including bank payment infrastructures.

45. If my understanding is correct, there no overlap between the parties' services. The applicant's services are payment-related services, whereas the opponent's services provide a platform/network/bridge that connect smart contracts within blockchain networks with external data sources.

46. The facts that both services are in class 42 does not necessarily mean that they are similar, as clearly stated by Section 60 of the Act. Likewise, the fact that the services are both software-related services does not mean that they ought to be found to be similar, otherwise there would be similarity every time competing specifications concern software services, even if the services belong to completely different fields of activity.

47. In my view, that is the case here. The most that can be said is that by allowing blockchain-based smart contracts to connect with external bank payment infrastructures, the opponent's software effectively allows the transfers of funds. However, this is not the purpose of the opponent's services, the purpose being that of providing a secure channel though which information and data relating to smart contracts can travel from a blockchain network to external sources, including bank infrastructures – which will then process the information and implement the transaction. In addition, the evidence and the dictionary definitions suggest that blockchain and smart contracts are associated with crypto currency rather than standard currency (to which the applicant's services relate). Whilst the terminology in the specification suggests that crypto currency use banking payment infrastructures, there is no evidence that digital payments using crypto currency are managed, tracked and processed in the same way as electronic payments that use traditional currency. The services have a different nature and purpose and targets different users, namely businesses who require a network to operate their blockchain technology and businesses who require traditional payment-related services. The services are neither complementary nor in competition and there is no evidence that providers of middleware for blockchain networks also provide payment-related services. These services are dissimilar.

48. As I found that the services at issue are dissimilar, the opponent's claims under Section 5(2)(b) are bound to fail. In *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, Lady Justice Arden stated that:

> "49........... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be

> shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity.

49. Accordingly, the oppositions under Section 5(2)(b) fail.

50. However, if I am wrong in this finding, I will go on to consider the remaining aspect of the Section 5(2)(b) grounds.

Average consumer

51. 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 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. (as he then was) 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."

52. The average consumer of the opponent's software services is a business user that operates in the blockchain industry. The applicant's services might target any business seeking payment-related services, including businesses that operate in the blockchain industry.

53. There will be various factors taken into consideration during the selection process such as cyber-security, the reliability of the software and ease of use. The purchase of the services is likely to be infrequent and the cost will be reasonably high. I also bear in mind that the applicant's services are financial in nature, a factor which would usually attract a higher degree of attention. It is my view that the level of attention paid during the selection process of the services will be high.

54. The services are likely to be obtained by visiting the seller's physical premises or their website. Visual considerations will, therefore, dominate the selection process. However, as advice may also be sought from a sales assistant and word-of-mouth recommendations will also play a part, I do not discount an aural component to the purchase.

Comparison of marks

55. 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 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."

56. It would be wrong, therefore, to artificially dissect the trade marks, 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. The respective marks are shown below:

The applicant's mark	The opponent's mark
LINK (word-only mark) link (figurative mark)	CHAINLINK

57. The applicant's word-only mark consists of the word 'LINK' presented in a standard typeface with no other elements to contribute to the overall impression.

58. The applicant's figurative mark consists of the word 'link' presented in a slightly stylised font; the most distinctive element of the mark is the word itself whilst the stylisation contributes very little to the overall impression.

59. The opponent's mark consists of the word 'CHAINLINK' presented in standard capital letters. Although the mark is presented as one word, the average consumer would recognise the ordinary dictionary words 'CHAIN' and 'LINK' within the opponent's mark. Neither word is visually more prominent than the other, but the opponent states that since the word 'CHAIN' will be understood as referring to 'blockchain', it has a lower visual impact, and the average consumer would consider it to indicate that the registered services are used in connection with blockchain technology.

60. I agree with the opponent that the word 'CHAIN' will be considered by the average consumers of the services (who are familiar with 'blockchain' technology) as coinciding with the second word of the term 'blockchain'. However, the word 'CHAIN' is not the same as the word 'blockchain' and it is blended with the word 'LINK' to form a neologism or new word in which the word 'CHAIN' will be seen as referring to

‘blockchain technology’ and the word ‘LINK’ will be seen as descriptive of the function of the services, i.e. to link smart contracts to external sources. Hence, both elements are very low in distinctiveness, and contribute in equal measure to the overall distinctiveness of the mark.

61. Visually and aurally the marks coincide in the element ‘link’ and differ in the element ‘CHAIN’ which has no counterpart in the applicant’s mark. The stylisation of the figurative mark has very little visual impact, especially taking into account that the opponent’s mark is a word-only mark and, as such, it can be presented in any type of font and typeface. The marks are visually and aurally similar to a medium degree.

62. Conceptually, the opponent’s mark will be perceived as conveying two concepts, both of which are descriptive or allusive of the fact that the services concerned provide a link or connection between blockchain networks and external sources.

63. The applicant’s mark will only convey the concept of a link which is defined *as “a connection between two people, things, or ideas”* and will be perceived by at least a significant proportion of the average consumers as referring to the fact that the applicant’s payment-related services “link” payment and account information to global networks and ecommerce websites. In my view there is a low degree of conceptual similarity.

Distinctive character of earlier mark

64. 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 *WindsurfingChiemsee* 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)."

65. Registered trade marks possess various degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use made of it.

66. The opponent has not claimed enhanced distinctiveness and has not provided evidence of use of the mark in the UK prior to the relevant date. Hence, I have only the inherent position to consider.

67. As I have said, the mark 'CHAINLINK' will be seen as a neologism incorporating the word 'CHAIN' and the word 'LINK' both of which will be seen as descriptive and/or allusive or the registered services. Whilst this might create a mark which, as a whole, is distinctive to a medium degree, the distinctiveness of the singular components of the mark remains low.

Likelihood of confusion

68. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be

borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective services and vice versa. As I 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 alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

69. Confusion can be direct or indirect. The difference between these two types of confusion was explained in *L.A. Sugar Trade Mark,* BL O/375/10, where 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 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)."

70. Earlier in this decision I found that:

- the services are dissimilar. If I am wrong and they are similar, it must be to a low degree;
- the relevant consumers of the services are business users paying a high degree of attention. The purchasing process will be predominantly visual although I do not discount aural considerations;
- the marks are visually and aurally similar to a medium degree and conceptually similar to a low degree;
- the opponent's mark as a whole is inherently distinctive to a medium degree although the shared component 'link' is, in itself, low in distinctiveness.

71. Given (a) the differences between the services, (b) the low distinctiveness of the shared element 'LINK' within the opponent's mark, which results in a low degree of conceptual similarity between the marks, and (c) the high level of attention involved, I am satisfied that it is unlikely that the average consumer will directly confuse the marks.

72. As regards indirect confusion, given my finding about how the word ‘LINK’ will be perceived in the context of the respective services, I do not think that the common element is of such a level of distinctiveness, due to its descriptive and/or allusive connotation, that the average consumer would believe that only one undertaking would use it. It is more likely to be viewed as a coincidence rather than economic connection. Even if the applicant’s mark were to call to mind the opponent’s mark, that would be mere association not indirect confusion.[3]

73. There is no likelihood of confusion.

74. The oppositions under Section 5(2)(b) fail.

OUTCOME

75. The oppositions have failed, and the applied-for marks will be registered.

COSTS

76. As the applicant has been successful, it is entitled to a contribution towards its costs. Based upon the scale in Tribunal Practice Notice 2/2016, I award the applicant the sum of £1,500 as a contribution towards the cost of the proceedings. This sum is calculated as follows:

Preparing a statement and considering the applicant’s statement:	£600 (£300x2)
Filing evidence: And considering the opponent’s evidence:	£600
Preparing submissions	£300
Total	£1,500

[3] *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17

77. I therefore order SmartContract Chainlink Limited to pay Stripe, Inc. the sum of £1,500. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of the proceedings if any appeal against this decision is unsuccessful.

Dated this 30th day of August 2023

Teresa Perks
For the Registrar