

O/1126/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003571197

BY DAO ESTATE LIMITED

TO REGISTER THE FOLLOWING TRADE MARK:

UNITY REAL ESTATE LTD

IN CLASSES 36 AND 41

AND IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 425738

BY UNITY TRUST BANK PLC

BACKGROUND AND PLEADINGS

1. On 22 December 2020, DAO Estate Limited (“the applicant”) applied to register the trade mark shown on the cover page of this decision, in the UK. The application was published for opposition purposes on 23 April 2021 and registration is sought for the services shown in paragraph 20 below.

2. On 23 July 2021, the application was opposed by Unity Trust Bank PLC (“the opponent”) based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”).¹ Under section 5(2)(b) of the Act, the opponent relies upon the following trade marks:

UNITY

UKTM no. 3311510

Filing date 17 May 2018; registration date 17 August 2018

Relying on all services for which the mark is registered, namely:

Class 36 Banking, financial, investment, credit, saving, safe deposit, loan and insurance services; guaranteeing loans of others; underwriting; international trade services; pension fund and investment management services; credit card services; services offered by automated bank machines; financial and investment and advisory and consultancy services; unit trust services.

(“the First Earlier Mark”)

UNITY TRUST BANK

UKTM no. 2472953

Filing date 19 November 2007; registration date 2 May 2008

Relying on all services for which the mark is registered, which are identical to those for which the First Earlier Mark is registered.

(“the Second Earlier Mark”)

¹ The section 5(3) and 5(4)(a) grounds were withdrawn by the opponent’s previous representatives. However, they were reinstated by the Tribunal following confirmation that the opponent had not authorised the withdrawal. The same is also true of the opponent’s reliance upon the Second Earlier Mark.

(together “the earlier marks”)

3. The marks relied upon qualify as earlier marks pursuant to section 6 of the Act.

4. The opponent claims that the marks are similar and the services are identical or similar, with the result that there is a likelihood of confusion.

5. Under section 5(3) of the Act, the opponent relies upon both of the earlier marks and claims a reputation for all services for which the marks are registered. The opponent claims that use of the applicant’s mark would, without due cause, take unfair advantage of, and/or be detrimental to, the distinctive character and/or repute of the earlier marks.

6. Under section 5(4)(a) of the Act, the opponent relies upon the sign UNITY which it claims to have used throughout the UK since at least November 2007 in relation to the same services for which the earlier marks are registered. The opponent claims that use of the applicant’s mark would be contrary to the law of passing off.

7. The applicant filed a counterstatement denying the claims made and putting the opponent to proof of use of the Second Earlier Mark.

8. A hearing took place before me on 24 August 2023, by video conference. The applicant was represented by Allister McManus of Elkington & Fife LLP and the opponent was represented by Michelle Ward of Indelible IP Limited. Both parties filed skeleton arguments in advance of the hearing.

EVIDENCE AND SUBMISSIONS

9. The opponent filed evidence in chief in the form of the witness statement of Louise Pursglove dated 20 October 2022, which is accompanied by 9 exhibits (LP1 to LP9). Ms Pursglove is Head of Branding and Proposition for the opponent.

10. The applicant filed evidence in chief in the form of the witness statement of Robin Charles Woods dated 19 December 2022, which is accompanied by 4 exhibits (RW1 to RW4). Mr Woods is a Director of the applicant.

11. The applicant's evidence was accompanied by written submissions dated 20 December 2022.

12. The opponent filed evidence in reply in the form of the second witness statement of Ms Pursglove, which is accompanied by 5 exhibits (LP10 to LP14).

13. I have taken the evidence and submissions into account in reaching my decision and will refer to them below where necessary.

RELEVANCE OF EU LAW

14. 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 Act relied upon 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.

DECISION

My approach to the assessment

15. I explained at the hearing that the First Earlier Mark appears to me to represent the opponent's best case in respect of the section 5(2)(b) and 5(3) grounds. This is for the following reasons:

- a) The earlier marks' specifications are identical, meaning that neither offers the opponent an advantage over the other.
- b) The First Earlier Mark consists of the word UNITY solus. As this is the common element with the application, it must be closer to the applicant's mark than the

Second Earlier Mark, which has the additional (and different) element TRUST BANK.

- c) The Second Earlier Mark is subject to the use provisions of section 6A, meaning that the opponent would need to establish genuine use before being able to rely upon that mark. By contrast, the First Earlier Mark had not been registered for more than 5 years at the date of the application in issue and so is not subject to the use provisions of section 6A; consequently, the opponent can rely upon all of the services identified for the First Earlier Mark.

16. Ms Ward acknowledged this but emphasised that the Second Earlier Mark might offer an advantage in terms of the use shown, particularly in relation to the 5(3) ground. For reasons that will become clear later on in my decision, I do not think that anything will turn on this. Consequently, I will begin by assessing the section 5(2)(b) and 5(3) grounds based upon the First Earlier Mark, returning to the Second Earlier Mark only if it becomes necessary to do so.

Section 5(2)(b)

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

“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.”

18. 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.”

19. 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 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 to mind the earlier mark, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of services

20. The competing services are as follows:

Opponent's services	Applicant's services
<u>Class 36</u> Banking, financial, investment, credit, saving, safe deposit, loan and insurance services; guaranteeing loans of others; underwriting; international trade	<u>Class 36</u> Real estate services; real estate agencies; rental of real estate and property; real estate agency services relating to the purchase and sale of land;

services; pension fund and investment management services; credit card services; services offered by automated bank machines; financial and investment and advisory and consultancy services; unit trust services.

real estate management services; valuation of real estate property; appraisal and evaluation of real estate; asset management; property asset management services; administration of property portfolios; real estate investment; real estate investment management; real estate investment advice; real estate property consultancy services; advisory services relating to real estate ownership; real estate property brokerage services; rental of offices [real estate]; real estate acquisition [on behalf of others]; commercial real estate agency services; provision of information relating to real estate; none of the aforesaid relating to student accommodation or student housing.

Class 41

News reporting services relating to real estate and property development; publishing of newsletters relating to real estate and property development; providing online newsletters in the field of real estate and property development; educational seminars and training relating to real estate services and property development; conducting workshops [training] relating to real estate services and property development; none of the aforesaid

	relating to student accommodation or student housing.
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21. When making the comparison, all relevant factors relating to the services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

22. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- (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.

23. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods and services. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court 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.”

24. 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.”

25. In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as the then was) stated that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

Class 36

Real estate investment; real estate investment management; real estate investment advice; none of the aforesaid relating to student accommodation or student housing.

26. In relation to these services, Mr McManus submitted that they are dissimilar to the opponent’s services. However, in my view, these services are plainly identical on the principle outlined in *Meric* to “[...] investment [...] services” in the specification of the First Earlier Mark.

Valuation of real estate property; appraisal and evaluation of real estate; none of the aforesaid relating to student accommodation or student housing.

27. Ms Ward’s position in relation to these services is that they are clearly financial in nature and that, therefore, they are similar to the opponent’s services. I accept that there may be some overlap at a very general level in that investment services are associated with financial assessments and so are these services. However, the purpose of the services differ, as the opponent’s services will be about securing and advising on investments, whereas the applicant’s services are for valuing real estate. I accept that there may be an overlap in user. However, I have no evidence before me to suggest that there would be an overlap in trade channels; to my knowledge, investment providers would not be in the business of valuing real estate themselves. This is something they would outsource to a relevant expert such as a chartered surveyor. The method of use differs. There is no competition or complementarity. I consider the services to be dissimilar.

Real estate agencies; rental of real estate and property; real estate agency services relating to the purchase and sale of land; real estate management services; asset

management; property asset management services; administration of property portfolios; real estate property consultancy services; rental of offices [real estate]; commercial real estate agency services; none of the aforesaid relating to student accommodation or student housing.

28. These are all estate agency services or services which involve the management/rental of properties. I do not consider this to be an investment service, even though it might involve the management of assets which are, for the owner, an investment. Ms Ward suggested that the fact that the properties in question would be an investment for the owner was a point of similarity. I do not consider that to be the case. There are any number of things that may be purchased that would be an investment for the user (a watch, for example) but that does not make them similar to investment services. The user will, of course, be the same. However, the purpose of the services differ; the applicant's services are for the management/rental/sale of property and the opponent's services are for the securing of/advising on investments. The method of use and nature of the services are likely to differ. Ms Ward made submissions at the hearing that there are real estate agencies owned by banks or other financial institutions and that it is common for estate agencies to have an in-house mortgage broker, but I have no evidence of this before me. I do not consider that to be a notorious fact and, absent any evidence to demonstrate otherwise, I do not consider that the trade channels are likely to coincide. The services are neither in competition (given their differing purposes) nor complementary (given their differing trade channels). I consider the services to be dissimilar.

Real estate services; none of the aforesaid relating to student accommodation or student housing.

29. At the hearing, the point was raised as to whether this term could be said to include real estate investment services. In my view, it would not. That is because the case law cited above makes it clear that it is the ordinary and core meaning of the term that should be taken into account. In my view, the ordinary and core meaning of this term is services for real estate i.e. services involved with the management/sale/rental of real estate. That is not the same as an investment service, which might relate to real estate as the investment (being the subject matter), but is ultimately concerned with

the investment of money for profit. Consequently, for the same reasons set out above, I consider this service to be dissimilar to the opponent's services.

Advisory services relating to real estate ownership; none of the aforesaid relating to student accommodation or student housing.

30. I bear in mind that specifications for services should not be construed broadly; they should be confined to the core meaning attributable to them. Consequently, I do not consider that these services are identical to the opponent's "financial and investment and advisory and consultancy services", as I interpret the latter as being advisory and consultancy services relating only to financial and investment matters. The provision of advice regarding real estate ownership is not the same as the provision of advice about the securing or merits of an investment (even if the subject matter of the investment is real estate). However, given that both are advisory services, I accept that there will be some overlap in nature and method of use at a general level. There will also be an overlap in user in some limited instances. I consider these services to be similar to a low degree.

Real estate property brokerage services; real estate acquisition [on behalf of others]; none of the aforesaid relating to student accommodation or student housing.

31. These are services provided by a broker who would act as an intermediary between someone who wants to purchase property and the seller of the property, for example. I have no evidence before me that this would be provided as part of an investment service. In my view, it is far more likely that an investment service provider would outsource the brokering of a deal to a specialist third party. I do not, therefore, consider there to be any coincidence in trade channels. The user of the services will overlap. However, the nature and method of use will differ. There is no competition or complementarity. I consider the services to be dissimilar.

Provision of information relating to real estate; none of the aforesaid relating to student accommodation or student housing.

32. I accept that real estate can be the subject of investments. However, this term does not involve the provision of information about investments, but rather, about the real estate itself. I do not, therefore, think it likely that there will be an overlap in trade channels with the opponent's investment services. The users will clearly overlap, but the nature and method of use of the services will differ. There is no competition or complementarity. I consider the services to be dissimilar. I do not consider there to be any other terms which put the opponent in a stronger position.

Class 41

News reporting services relating to real estate and property development; publishing of newsletters relating to real estate and property development; providing online newsletters in the field of real estate and property development; educational seminars and training relating to real estate services and property development; conducting workshops [training] relating to real estate services and property development; none of the aforesaid relating to student accommodation or student housing.

33. In relation to these services, at the hearing, Ms Ward submitted as follows:

“In relation to the class 41 services of the application, whilst these all relate to news reporting, newsletters, training and education, they are all specifically focused on the real estate and property development sectors. On the basis that the opponent's investment services are similar to real estate services and property development services, the news reporting, newsletters, education and training relating to real estate must have a degree of similarity to the investment services of the opponent”.

34. I agree with Ms Ward that there is clearly an overlap in user as all of these services might be used by those with an interest in investment in property. However, the nature of the services all clearly differ, as does the method of use and purpose (with the opponent's services being about advice on/securing of investments and the applicant's services being about education or information about real estate and property development). I have no evidence before me as to whether an investment service provider would also provide newsletters and education about property development

and the real estate itself; I consider it unlikely. An investment service provider is concerned with the potential returns on investment, the potential risks of the investment etc. A business concerned with providing information and education on property development or real estate itself is unlikely to be concerned with the same topics. In the absence of any evidence to the contrary, I do not consider there to be an overlap in trade channels. There is no competition or complementarity. I consider the services to be dissimilar.

35. As some degree of similarity of services is necessary for an opposition based upon section 5(2)(b), this ground must fail in respect of all services with the exception of:²

Class 36 Real estate investment; real estate investment management; real estate investment advice; Advisory services relating to real estate ownership; none of the aforesaid relating to student accommodation or student housing.

The average consumer and the nature of the purchasing act

36. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' services. I must then determine the manner in which the services are likely to be selected by the average consumer. 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.”

² *eSure Insurance v Direct Line Insurance* [2008] ETMR 77 CA

37. The average consumer for the services is most likely to be a member of the general public or a business user. The services are likely to involve an element of risk, cost and potential reward. The average consumer is likely to be concerned with factors such as quality of the service provider, customer service standards and security of financial information. Consequently, I consider that the average consumer (whether a business user or a member of the general public) will be paying a high degree of attention during the purchasing process for the services.

38. The services are likely to be selected following perusal of signage on physical premises, websites or advertisements. Consequently, visual considerations will dominate the purchasing process. However, I do not discount an aural component given that word-of-mouth recommendations may play a part.

Comparison of trade marks

39. It is clear from *Sabel* that the average consumer normally perceives a trade 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 trade 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.”

40. 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.

41. The respective trade marks are shown below:

Opponent's trade mark	Applicant's trade mark
UNITY (the First Earlier Mark)	UNITY REAL ESTATE LTD

42. The First Earlier Mark consists of the word UNITY, in which the overall impression resides. The applicant's mark consists of the words UNITY REAL ESTATE LTD. The overall impression lies in the combination of these elements, with the word UNITY playing the more distinctive role as REAL ESTATE LTD will be seen as indicating the type of business (being a limited company) and the field within which it operates (being real estate).

43. The First Earlier Mark is replicated in its entirety at the beginning of the applicant's mark. The words REAL ESTATE LTD in the applicant's mark act as a point of visual difference. Bearing in mind that the word UNITY is the more distinctive element in the applicant's mark, I consider the marks to be visually similar to between a medium and high degree.

44. The word UNITY will be pronounced identically in both the First Earlier Mark and the applicant's mark. The words REAL ESTATE LTD will act as a point of aural difference. Bearing in mind that the word UNITY is the more distinctive element in the applicant's mark, I consider the marks to be aurally similar to between a medium and high degree.

45. The word UNITY will have the same meaning in both marks i.e. the state or quality of being one/whole.³ The words REAL ESTATE LTD in the applicant's mark will act as a point of conceptual difference, albeit not a distinctive one.

³ <https://www.collinsdictionary.com/dictionary/english/unity>

Distinctive character of the earlier trade marks

46. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, 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).”

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

48. The word UNITY is an ordinary dictionary word. Mr McManus submitted that it will be interpreted as referring to united financial services or financial services that bring unity in the context of the First Earlier Mark with the result that it is of low

distinctiveness. I do not consider that that meaning would be readily understood by the average consumer and, in any event, no explanation is provided as to what “united financial services” might mean. In my view, the word has no connection to the services in issue. It is inherently distinctive to a medium (or average) degree.

49. The opponent has filed evidence of use and so I will consider whether the distinctiveness of the First Earlier Mark has been enhanced through use. The use shown relates to the mark UNITY TRUST BANK. I do not consider that anything turns on this because the word UNITY is the most distinctive element of the mark used. Consequently, any use of UNITY TRUST BANK contributes to the distinctiveness of the First Earlier Mark, of which UNITY is the only element.

50. In terms of the use actually shown, the evidence filed demonstrates that the opponent essentially provides a banking service which is focused upon enabling organisations to create a clear social impact.⁴ The opponent lends money to businesses and organisations that share their goal of benefitting society and the opponent’s loans have enabled businesses to engage in property investments and transactions.⁵ The services that I have found to be similar to the application are investment services and investment advisory services. There is nothing in the evidence before me to suggest that the opponent provides these services. I accept that the opponent provides loans to businesses, who may then use that money for the purposes of investments, but that is the provision of a loan service, not an investment service. I do not, therefore, consider that the distinctiveness of the First Earlier Mark has been enhanced in relation to any of the relevant services that I have found to be similar to the applicant’s services.

Likelihood of confusion

51. 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

⁴ Exhibit LP2

⁵ Exhibit LP7

exists between the marks and the services down to the responsible undertaking being the same or related. 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 services may be offset by a greater degree of similarity between the respective marks and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the First Earlier Mark, the average consumer for the services and the nature of the purchasing act. In doing so, I must be alive to the fact 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 he has retained in his mind.

52. I have found as follows:

- a) The parties' services are identical or similar to a low degree.
- b) The marks are visually and aurally similar to between a medium and high degree.
- c) The word UNITY will convey an identical conceptual message in both marks, with the words REAL ESTATE LTD acting as a point of conceptual difference (but not a distinctive one).
- d) The average consumer for the services is a member of the general public or a business user who will pay a high degree of attention during the purchasing process for the services.
- e) The purchasing process will be predominantly visual, although I do not discount an aural component.
- f) The First Earlier Mark is inherently distinctive to a medium degree.

53. Taking all of the above factors into account, I consider that there is potential for the average consumer to recall only the most distinctive component of the applicant's

mark (being the word UNITY) and to mistakenly recall or misremember the marks as each other when used on identical services. I do, of course, accept the applicant's submission that conceptual distinctions can counteract visual and aural similarities. However, in this case, the only conceptual distinction is a non-distinctive one. I consider that direct confusion is likely to arise notwithstanding the high degree of attention being paid, given that the marks are going to be used on identical services. There is a likelihood of direct confusion.

54. If I am wrong in this finding and the average consumer recognises the differences between the marks, they are likely to consider that the marks originate from the same or economically linked undertakings when used on identical services. This is because the common presence of the word UNITY will lead the average consumer to conclude that they are simply alternative marks or sub-brands, used by the same business. There is a likelihood of indirect confusion.

55. However, in relation to those services that I have found to be similar to only a low degree, the distance between the services is sufficient to offset the similarity of the marks. Consequently, I do not consider there to be a likelihood of direct or indirect confusion for those services that are similar to only a low degree.

56. The opposition based upon section 5(2)(b) succeeds in relation to the following services for which the application is refused:

Class 36 Real estate investment; real estate investment management; real estate investment advice; none of the aforesaid relating to student accommodation or student housing.

57. The opposition based upon section 5(2)(b) fails in relation to the following services that I have found to be dissimilar or similar to only a low degree:

Class 36 Real estate services; real estate agencies; rental of real estate and property; real estate agency services relating to the purchase and sale of land; real estate management services; valuation of real estate property; appraisal and evaluation of real estate; asset management;

property asset management services; administration of property portfolios; real estate property consultancy services; advisory services relating to real estate ownership; real estate property brokerage services; rental of offices [real estate]; real estate acquisition [on behalf of others]; commercial real estate agency services; provision of information relating to real estate; none of the aforesaid relating to student accommodation or student housing.

Class 41 News reporting services relating to real estate and property development; publishing of newsletters relating to real estate and property development; providing online newsletters in the field of real estate and property development; educational seminars and training relating to real estate services and property development; conducting workshops [training] relating to real estate services and property development; none of the aforesaid relating to student accommodation or student housing.

Final remarks

58. As the services that survived the 5(2)(b) ground of opposition are dissimilar or similar to only a low degree to those covered by the specifications of both the First and Second Earlier Mark and there is a greater distance between the marks, I do not consider that the opposition based upon the Second Earlier Mark would have put the opponent in any stronger position. Consequently, I decline to consider it any further.

Section 5(3)

59. Section 5(3) of the Act states:

“5(3) A trade mark which -

(a) is identical with or similar to an earlier trade mark, [...] shall not be registered if, or to the extent that, the earlier trade mark has a

reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.”

60. Section 5(3A) of the Act states:

“Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

61. The relevant case law can be found in the following judgments of the CJEU: *Case C-375/97, General Motors, Case 252/07, Intel, Case C-408/01, Adidas-Salomon, Case C-487/07, L’Oreal v Bellure and Case C-323/09, Marks and Spencer v Interflora and Case C383/12P, Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24*.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors, paragraph 26*.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29 and Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark’s reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel*, paragraphs 76 and 77 and *Environmental Manufacturing*, paragraph 34.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV*, paragraph 40.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and*

Spencer v Interflora, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

62. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the First Earlier Mark and the applicant's mark are similar. Secondly, the opponent must show that the First Earlier Mark has achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them in the sense of the First Earlier Mark being brought to mind by the later mark. Finally, assuming the first three conditions have been met, section 5(3) requires that one or more of the types of damage will occur. It is unnecessary for the purposes of section 5(3) that the services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

Reputation

63. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence

of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

64. As noted above, the opponent's evidence predominantly relates to the provision of a socially responsible banking and lending service. By April 2016, over 20,000 organisations banked with the opponent.⁶ The opponent's total income was over £9million in 2014, over £10million in 2015, over £12million in 2016, over £14million in 2017, over £18million in 2018 and over £22million in 2019.⁷ The opponent was awarded "Socially Responsible Lender of the Year" in 2020 and 2021 by the National Association of Commercial Finance Brokers". However, I note that the latter of these is after the relevant date. The opponent was set up in 1984.⁸ Whilst I recognise that use has been reasonably long-standing and the income figures are not insignificant, this is likely to represent a very small portion of the market for banking and lending services in the UK. This is supported by the applicant's evidence.⁹ I have no information about overall advertising and marketing expenditure. In my view, the opponent's best case is that it has a modest reputation for socially responsible banking and lending services.

Link

65. As I noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks

The First Earlier Mark and the applicant's mark are visually and aurally similar to between a medium and high degree. The word UNITY will have an identical

⁶ Exhibit LP7

⁷ Exhibits LP3 and LP4

⁸ Exhibit LP7, p.46

⁹ Exhibit RW2

conceptual message in both marks, and the words REAL ESTATE LTD act as a point of conceptual difference (but not a distinctive one).

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

For the services that survive the section 5(2)(b) ground of opposition, I accept that the same users may purchase both parties' services. However, the nature, method of use and purpose of the services clearly differ. I have no evidence before me to suggest that there is an overlap in trade channels; I do not think it likely that the relevant public will expect banks/loan providers to offer real estate services or information/education about real estate or property development. There is no competition or complementarity. I consider the services to be dissimilar.

The strength of the earlier mark's reputation

The First Earlier Mark has a modest reputation for socially responsible banking/lending services (at best).

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

The First Earlier Mark is inherently distinctive to a medium degree. In relation to socially responsible banking/loan services, I consider there to be a modest degree of enhancement as a result of the use shown, which takes the distinctiveness of the mark overall to between a medium and high degree.

Whether there is a likelihood of confusion

Given the distance between the services covered by the application and those for which the opponent has demonstrated a reputation, I do not consider it likely that there would be a likelihood of confusion.

66. Taking all of the above factors into account, I am not satisfied that a link would be made in the mind of the relevant public. This is particularly the case given the distance between the parties' respective services and the only modest reputation of the opponent. Whilst there has been some enhancement to the distinctiveness of the First Earlier Mark, this is at only a modest level. Even if a link is made, it will be too fleeting to result in damage arising.

67. The opposition based upon section 5(3) is dismissed in its entirety.

Final remarks

68. As the Second Earlier Mark is more distant from the application in terms of similarity of the marks and all other factors are equal, it would not have put the opponent in any stronger position than it is based upon the First Earlier Mark. Consequently, I decline to consider the section 5(3) ground based on this mark any further.

Section 5(4)(a)

69. Section 5(4)(a) of the Act states as follows:

“5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

aa)...

b) ...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark”.

70. Subsection (4A) of section 5 of the Act states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

71. I can deal with this ground relatively swiftly. I accept that the opponent had a modest (but protectable) goodwill in relation to socially responsible banking/lending services and that the sign UNITY is distinctive of that goodwill at the relevant date. However, given the distance between the opponent’s field of activity and the services covered by the applicant’s specification, I do not consider that this ground of opposition would put the opponent in any stronger position than it is under the section 5(2)(b) ground. Consequently, I need not consider it any further.

CONCLUSION

72. The opposition succeeds in relation to the following services for which the application is refused:

Class 36 Real estate investment; real estate investment management; real estate investment advice; none of the aforesaid relating to student accommodation or student housing.

73. The opposition fails in relation to the following services for which the application may proceed to registration:

Class 36 Real estate services; real estate agencies; rental of real estate and property; real estate agency services relating to the purchase and sale of land; real estate management services; valuation of real estate property; appraisal and evaluation of real estate; asset management; property asset management services; administration of property portfolios; real estate property consultancy services; advisory services relating to real estate ownership; real estate property brokerage services; rental of offices [real estate]; real estate acquisition [on behalf of others]; commercial real estate agency services; provision of information relating to real estate; none of the aforesaid relating to student accommodation or student housing.

Class 41 News reporting services relating to real estate and property development; publishing of newsletters relating to real estate and property development; providing online newsletters in the field of real estate and property development; educational seminars and training relating to real estate services and property development; conducting workshops [training] relating to real estate services and property development; none of the aforesaid relating to student accommodation or student housing.

COSTS

74. As the applicant has enjoyed the greater degree of success it is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. I have made a reduction to take account of the only partial success. With that in mind, I award the applicant the sum of **£1,950**, calculated as follows:

Preparing a counterstatement and considering the Notice of opposition	£350
Considering the opponent's evidence and preparing evidence	£800

Preparing for and attendance at hearing

£800

Total

£1,950

75. I therefore order Unity Trust Bank PLC to pay DAO Estate Limited the sum of **£1,950**. This sum is to be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 27th day of November 2023

S WILSON

For the Registrar