

BL O/1213/23

TRADE MARKS ACT 1994

IN THE MATTER OF
TRADE MARK APPLICATION
NO. UK00003703871 CYLUS IN CLASSES 9, 42 & 45
IN THE NAME OF
CYLUS CYBER SECURITY LIMITED (“APPLICANT/RESPONDENT”)

AND OPPOSITION NO. OP000431659
BY CYLANCE, INC (“OPPONENT/APPELLANT”)

AND IN THE MATTER OF AN APPEAL FROM THE DECISION OF
MS. SUZANNE HITCHINGS (O/0325/23) DATED 3 APRIL 2023

MS. NORA FOWLER (of Kilburn & Strobe) appeared for the Opponent/Appellant.
MR. DARREN MEALE (of Simmons & Simmons) appeared for the Applicant/Respondent
Hearing date: 18 August 2023.

DECISION

Introduction

1. This is an appeal by Cylance, Inc (“the Opponent”) against decision BL O/325/23 of Ms Suzanne Hitchings, sitting as a Hearing Officer on behalf of the Registrar of Trade Marks, dated 3 April 2023.
2. The Applicant’s application NO. UK00003703871 CYLUS (“the Contested Mark”) was filed on 29 September 2021 with a twin priority dates of 8 and 13 February 2018. By the time the matter came before the Hearing Officer the specification was as follows:

Class 9

Data processing equipment for the cyber security of rail and metro companies; downloadable software for the cyber security of rail and metro companies.

Class 42

Software as a service for cyber security in rail and metro companies; computer services for the cyber security of rail and metro companies, including but not limited to: risk assessment, vulnerability assessment, penetration testing, system and code review, incident planning and response, technological consultation regarding effective cybersecurity requirements in tenders for rail and metro goods and services, including but not limited to: risk assessment, vulnerability

assessment, penetration testing, system and code review, incident planning and response; Security services for cyber security for rail and metro companies, including but not limited to risk assessment, vulnerability assessment, penetration testing, system and code review, incident planning and response; scientific and technological services, as well as research and design services in these areas all for the cyber security of rail and metro companies; design and development of software and computer equipment for the cyber security of rail and metro companies.

Class 45

Consulting services for tenders in the field of security services; security consultancy for protection of rails and metros; security inspection services for others; security monitoring services.

3. The applications were opposed by the Opponent based on section 5(2)(b) of the Trade Marks Act 1994 ("the Act").

4. This section provides as follows:

S.5 (2) (b)


5 Relative grounds for refusal of registration.

...

(2) A trade mark shall not be registered if because...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark

5. The Opponent relied on the following Earlier Trade Marks and goods/services:

- i) UK trade mark registration number 914887707  ('707)
Filing date: 07 December 2015
Registration date: 12 April 2016
Class 9: Downloadable software for use in preventing unauthorized access to computers and electronics systems that is accessible via a web interface;

downloadable Internet security software.

Class 42: Providing online non-downloadable Internet security software; consulting services for others in connection with computer forensics; consulting services for others in connection with Internet security hardware and software; computer security consulting services for others in connection with preventing unauthorized access to computers and electronics systems.

ii) UK trade mark registration number 911338662 CYLANCE ('662)

Filing date: 12 November 2012

Registration date: 16 February 2014

Class 9: Internet security software; software for preventing unauthorized access to computers and electronics systems; computer hardware for preventing unauthorized access to computers and electronics systems.

Class 42: Providing online Internet security software and software for preventing unauthorized access to computers and electronics systems; consulting services in the field of Internet security software; consulting services in the fields of the design, development, and implementation of computer hardware and software for preventing unauthorized access to computers and electronics systems.

6. Both parties filed evidence and written submissions. Neither requested a Hearing.
7. After considering the papers the Hearing Officer dismissed the Opposition in full.
8. On 2 May 2023 the Opponent filed a Notice to Appeal to the Appointed Person against the Decision under Section 76 of the Trade Marks Act 1994.
9. No Respondent's Notice was filed.

The Hearing Officer's Decision

10. In summary, the Hearing Officer decided as follows:
 - a) The contested goods and services in classes 9 and 42 ranged from being identical to similar to at least a low-medium degree compared to the Opponent's goods and services.
 - b) The contested class 45 services were dissimilar to the Opponent's goods and services.
 - c) The average consumer for the competing goods and services would be professionals within the rail and metro industry, and those goods and services are likely to be sourced from specialist providers, by both visual and aural means. The degree of attention paid would be

“very high”.

- d) Visually ‘707 was similar to the Contested Mark to a “relatively low degree”, whilst ‘662 was similar to “no more than a medium degree”.
- e) Phonetically the Hearing Officer considered the competing marks to be aurally similar to a very high degree where the earlier marks were pronounced as SI-LUNSS, and to a high degree where voiced as SI-LANSS.
- f) The letters CY- common to the beginning of both parties’ marks would be taken by the average consumer to allude to “cyber”. Taking that into account the marks overall were conceptually similar to no more than a medium degree.
- g) The Earlier Marks were inherently distinctive to a medium degree, and there was no enhanced distinctiveness.
- h) Taking everything into account, including the average consumer’s high level of attention and the niche market for the Contested services there was no likelihood of either direct or indirect confusion.
- i) The opposition failed in full.

11. As the unsuccessful party, the Opponent was ordered to pay costs of £1200.

Grounds of Appeal

12. The grounds of appeal were essentially as follows:

- 1) The Hearing Officer erred in finding that there is no similarity between the goods and services in Classes 9 and 42 and the Class 45 services of the Contested Mark.
- 2) The Hearing Officer placed too much weight on the high level of attention paid by consumers, at the expense of other factors, in particular imperfect recollection.
- 3) the Hearing Officer erred in discounting the importance of the very high level of aural similarity between the trade marks in circumstances where aural recommendations are likely to play an important role in the selection process of identical or similar goods and services.
- 4) The Hearing Officer erred in finding that the Earlier Trade Marks possess no more than a medium level of inherent distinctive character. The Earlier Trade Marks must be considered to have at least a normal or medium inherent level of distinctiveness overall.

Standard of Review

13. The parties were in agreement as to the appropriate standard. An appeal is by way of review, not re-hearing. Numerous cases set out the standard and authorities in equally numerous and

occasionally nuanced ways. The judgment of Joanna Smith J. in *Axogen Corporation v Aviv Scientific Limited* [2022] EWHC 95 (Ch) at [24] is an appropriate summation:

"24. Although I was referred to numerous cases on the subject the approach of the appeal court to a statutory appeal under section 76(1) of the TMA is uncontroversial. I bear the following principles, relevant to the issues before me, firmly in mind:

i) The appeal is by way of a review, not a rehearing;

ii) The appeal court will allow an appeal where the decision of the lower court was "wrong" (see CPR 52.11). Neither surprise at a Hearing Officer's conclusion, nor a belief that he or she has reached the wrong decision suffices to justify interference;

iii) The decision of the lower court will be "wrong" if the judge makes an error of law, which might involve asking the wrong question, failing to take account of relevant matters or taking into account irrelevant matters. Absent an error of law, the appellate court would be justified in concluding that the decision of the lower court was wrong if the judge's conclusion was "outside the bounds within which reasonable disagreement is possible";

iv) The approach required by the appeal court depends on a number of variables including the nature of the evaluation in question. There is a "spectrum of appropriate respect for the Registrar's determination depending on the nature of the decision", with decisions of primary fact at one end of the spectrum and multi-factorial decisions (of the type which the parties agree were made in this case by the Hearing Officer) being further along the spectrum.

v) In the case of a multifactorial assessment or evaluation, involving the weighing of different factors against each other, the appeal court should show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. Special caution is required before overturning such decisions.

vi) An error of principle is not confined to an error as to the law but extends to certain types of error in the application of a legal standard to the facts in an evaluation of those facts. The evaluative process is often a matter of degree upon which different judges can legitimately differ and an appellate court ought not to interfere unless it is satisfied that the judge's conclusion is outside the bounds within which reasonable disagreement is possible;

vii) Another variable to be taken into account will be "the standing and experience of the fact-finding judge or tribunal". Expert tribunals are charged with applying the law in the specialised fields and their decisions should be respected unless it is quite clear that they have misdirected themselves in law. Appellate courts should not rush to find such misdirections simply because they might have reached a different conclusion on the facts.

viii) The appellate court should not treat a judgment as containing an error of principle simply because of its belief that the judgment or decision could have been better expressed; "The duty

to give reasons must not be turned into an intolerable burden". The reasons need not be elaborate. There is no duty on a judge, in giving her reasons, to deal with every argument presented by counsel in support of his case. It is sufficient if what she says shows the basis on which she has acted. The issues the resolution of which were vital to the judge's conclusions should be identified and the manner in which she resolved them explained.

ix) In evaluating the evidence, the appellate court is entitled to assume, absent good reason to the contrary, that the first instance judge has taken all of the evidence into account".

14. I keep these principles, in particular (v) and (vii), in mind.

Merits

Ground 1

15. By Ground 1 the Opponent claimed the Hearing Officer erred in finding that the Applicant's class 45 services were dissimilar to the Opponent's goods and services.

16. In determining this issue the Hearing Officer said, at [43-47]:

"Class 45

43. The opponent submits that the contested Class 45 services are similar to the opponent's Class 9 goods and Class 42 services as they share the same purpose (security and prevention of attacks), and share the same end users and are compatible.

Consulting services for tenders in the field of security services; security consultancy for protection of rails and metros.

44. I consider that the applicant's aforementioned consulting services in Class 45 would involve the provision of expert advice to the consumer in relation to physical security, although they may also utilise computer software in the provision of those services. However, in Commercys AG v OHIM Case T-316/07, the Board of Appeal ("BOA") found that just because goods are used by an undertaking in order to provide its services, the respective goods and services are targeted at different consumers, and as such, there can be no complementary connection between them. As per Commercys, although the opponent's "downloadable Internet security software" (Class 9, Mark 1) and "Internet security software" (Class 9, Mark 2) may support the provision of the applicant's "Consulting services for tenders in the field of security services; security consultancy for protection of rails and metros", they are different in nature, method of use, intended purpose and target user. The same can be said for the earlier online internet

security software covered under the opponent's services in Class 42. Consequently, I consider the respective goods and services to be dissimilar.

Security inspection services for others; Security monitoring services.

45. As per the criteria outlined earlier in Boston Scientific, I do not consider the applicant's above listed services to be complementary in a trade mark sense to any of the opponent's goods and services. For the same reasons as given above under paragraph 44, I consider the applicant's "Security inspection services for others; Security monitoring services" to be dissimilar to all of the opponent's earlier goods and services.

46. A degree of similarity between the goods and services is essential for there to be a finding of likelihood of confusion: see paragraph 49 of eSure Insurance v Direct Line Insurance, [2008] ETMR 77 CA.

47. In relation to the services which I have found to be dissimilar, being Class 45 in its entirety, as there can be no likelihood of confusion under section 5(2)(b), I will take no further account of such services, with the opposition failing to that extent.

17. There was no suggestion that the Hearing Officer misdirected herself on the law and principles. Instead the Opponent put its case thus in its skeleton argument:

"As the Appellant has previously submitted, Class 45 services are similar to the Opponent's Class 9 and Class 42 goods and services, as they serve the same purpose (security and prevention of attacks), and share the same end users, and are complementary. In today's digital world, there is a close overlap between security monitoring services and security inspection and consultancy services and internet security goods and services and goods and services for preventing unauthorised access. Security monitoring services will generally involve the use of various types of security software. In many cases internet security software (which can be used for monitoring unauthorised access) will be indispensable to the security services in Class 45 (Boston Scientific Ltd v OHIM, Case T-325/06). The services are therefore similar."

18. For the Opponent Ms Fowler doubled down on this at the hearing, going so far as to say the outcome was *"a completely unreasonable conclusion to come to when considering what the criteria for complementarity is, which is the close connection between the goods and services in the sense that one is indispensable or important for use of the other."* Indeed, she went so far

as to suggest that I could take judicial notice of the inter-indispensable nature of these goods and services.

19. For the Applicant, Mr. Meale submitted that the Opponent's case identified no error of law or principle and that it was no more than a complaint that the Hearing Officer simply got it wrong. As he put it "At its worst, it is a late and inadmissible attempt to give evidence on "today's digital world". He also submitted that judicial notice could not be taken of the nature of the security industry.
20. Taking the "judicial notice" point first, I agree with Mr. Meale. I cannot take judicial notice of the state or nature of the security industry. There is no basis for doing so and none was advanced. Insofar as the Opponent's written and oral submissions strayed into evidence, I ignore them.
21. I also agree with Mr. Meale/the Applicant that this ground of appeal is mere disagreement.
22. I note that in its written submissions to the Hearing Officer, whilst noting the general principle of complementarity, all the Opponent said on this specific issue was:

"The contested Class 45 services are similar to the Opponent's Class 9 and Class 42 goods and services, as they serve the same purpose (security and prevention of attacks), and share the same end users, and are compatible."

23. In my view this is simply a case of "Appellant's remorse". The Hearing Officer was left to make an evaluation of matters, including complementarity, as they appeared before her on the papers, and she was in the position of an experienced tribunal in doing so. There is no complaint that the Hearing Officer erred in law or principle as such, and it was acknowledged by Ms Fowler that the Hearing Officer directed herself correctly. If the Opponent had wanted the Hearing Officer to consider any specific matter in this respect, it should have addressed it through specific argument or evidence at the time. Having failed to do it can scarcely complain that the Hearing Officer did not read its mind but instead reached her own conclusion based on her experience. The Hearing Officer's assessment is, in my view, unimpeachable.
24. It follows that Ground 1 fails.

Ground 2

25. By Ground 2 the Opponent complains that the Hearing Officer placed too much weight on the high level of attention paid by the average consumer, at the expense of other factors.

26. In its skeleton, the Opponent argued that *“bearing in mind the interdependency principle (Canon C-39/97) in particular, even a high level of attention paid by the relevant public cannot counteract identical or a high level of similarity between goods and services in combination with a medium to very high level of similarity between the trade marks in question. These considerations must **inevitably** lead to a likelihood of confusion for, at least, a substantial part of the relevant public” (emphasis added).*
27. Before me Ms Fowler submitted that this was, in effect, a principle. She also submitted that *“Of course, one does take into consideration the level of attention of the relevant public, but that cannot completely override the likelihood that they are going to confuse it if they are relying on imperfect recollection”.*
28. Mr. Meale, naturally enough, disagreed and in my view he was correct. The assessment is a multifactorial one and it is not “inevitable” that similarities of marks/goods, or even imperfect recollection, must outweigh the level of attention or vice versa. It is certainly not a “principle”. The case law teaches that each individual case requires its own overall assessment of the established elements.
29. Further, as Mr. Meale also observed, *“none of the Hearing Officer’s findings on similarity, attentiveness and so on are appealed. They are accepted. What is complained about is that when the Hearing Officer put them together to make a multifactorial assessment, she came up with an answer that the Respondent does not like.”*
30. The Hearing Officer set out this assessment at [83-84]:
- “83. Earlier in this decision, I found identity/similarity between the opponent’s goods and services and the applicant’s goods and services in classes 9 and 42, although I found the contested services in Class 45 to be dissimilar to the earlier goods and services. I considered the average consumer of the goods and services in common to be professionals within the rail and metro industry, where the level of attention paid during the selection process would be very high. I found the competing marks to be visually similar to a relatively low degree for the earlier Mark 1 and to no more than a medium degree for Mark 2; aurally, I considered the marks to be similar to a very high degree where the earlier marks are pronounced as “SI-LUNSS”, and to a high degree when voiced as “SI-LANSS”. In my conceptual comparison of the marks, I considered that the professional UK consumer would assume that the letters in common “CY” allude to the word “cyber”, being suggestive of the type of goods and services at issue, and as such, I found*

the marks as a whole to be conceptually similar to no more than a medium degree. Overall, I considered the earlier Mark 2 to be inherently distinctive to no more than a medium degree, and that the stylisation of Mark 1 did little to elevate it beyond the degree of distinctiveness of Mark 2. I found no evidence of enhanced distinctiveness through use in the UK.

84. I have weighed up each of the competing factors in my decision, not least the differences as well as the similarities between the competing marks, including the degree of aural and visual similarity between them, as identified above, both of which play a part. While allowing that the average consumer is unlikely to see the marks side-by-side and will therefore be reliant on the imperfect picture of them they have kept in their mind, in my view, given the very high level of attention paid by the average consumer to the purchasing process of the goods and services, and the niche target market, I consider it unlikely that they would mistake one mark for the other. Overall, I do not consider there to be any likelihood of direct confusion.” (emphasis added).

31. This reasoning also led to the rejection of indirect confusion.
32. Essentially, this is a matter of weight and as noted by Mr Iain Purvis KC in BL O/106/20 GREYBOX at [23] “ *disagreements about the precise ‘weight’ to be given to a factor in the overall assessment, (are) something which the Courts have consistently rejected as a proper ground of Appeal”.*
33. From the above it can be seen that the Hearing Officer considered each factor carefully, giving particular attention to the relative weighting of imperfect recollection and the high level of attention paid by the average consumer. This was a well-executed multifactorial evaluation and there is no basis for me to interfere with it.
34. Ground 2 fails.

Ground 3

35. It was said the Hearing Officer failed to take account of the fact that, when the selection is made based on aural recommendations, the very high degree of aural similarity between the trade marks must necessarily lead to a likelihood of confusion when applied to identical or similar goods and services.

36. As Ms Fowler acknowledged, this is once again a matter of weight, but she submitted that the Hearing Officer failed to give full weight to the high level of aural similarity in the overall assessment.
37. For his part Mr. Meale submitted this was exactly the point – as a “weight” issue it was not amenable to appeal (see *GREYBOX*).
38. I agree. I have set out the Hearing Officer’s evaluation of the various factors above and endorsed it. Even if I might be personally slightly surprised that the level of aural similarity did not carry more weight, that is not enough for me to interfere.
39. Ground 3 therefore fails.

Ground 4

40. The complaint is that Hearing Officer erred in finding that the Earlier Trade Marks possess no more than a medium level of inherent distinctive character. It is said that if the Earlier Trade Marks are viewed as a whole, and as a whole they consist of fanciful terms, the Earlier Trade Marks must be considered to have at least a normal or medium inherent level of distinctiveness overall.
41. In its skeleton the Opponent said:
“It is submitted that, ... the inherent distinctiveness of the Earlier Marks must be considered normal, and that the Hearing Officer erred in her finding that the distinctiveness was no more than a medium degree”.
42. It seems to me that this is simply splitting hairs about relative, nuanced levels of distinctiveness, and like any debate on whether such levels should or should not be above or below medium or should be “normal” it is largely fruitless, being (yet again) simply a matter of weight. As Mr Purvis KC said in *GREYBOX* at [26]:
“I do not consider that points like this can amount to an error of principle, even if it was considered sensible to debate them on Appeal.”
43. Ground 4 therefore fails.

Conclusion

44. The Appeal has failed in full. The Contested Mark may proceed to registration for the goods and services specified.

Costs

45. The Applicant has been successful and is entitled to its costs.
46. Below, the Hearing Officer awarded the Applicant £1200.
47. As regards the Appeal, I award the Applicant £1600.
48. The total sum of £2800 is to be paid by the Opponent to the Applicant within 21 days of the date of this Decision.

Philip Harris

Appointed Person

29 December 2023