

O-148-05

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2339162B
BY LLOYDS TSB BANK PLC
TO REGISTER A TRADE MARK IN CLASS 42**

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DECISION AND GROUNDS OF DECISION

Background

1. On 29 July 2003 Lloyds TSB Bank plc of 25 Gresham Street, London, EC2V 7HN, applied to register LLOYDS TSB IDEAL and IDEAL FROM LLOYDS TSB as a series of two trade marks in classes 1, 4, 12, 35, 36, 38, 39,41 and 42.

2. The application was subsequently divided into two separate applications. One divisional application was accepted and I need say no more about it. The other, which is the subject of this decision, covers the following services in class 42:

“Design, drawing and commissioned writing, all for the compilation of web pages on the Internet; creating, hosting and maintaining websites”.

3. Objection was raised against the application under Section 5(2) of the Act in respect of the following series of two registered trade marks:

Number	Mark	Specification
2122348	IDEAL Ideal	Advisory and consultancy services relating to computer services, computer network services, computer programming, computer systems analysis, computer rental, design, maintenance, development and updating of computer software; advisory, information and consultancy services relating to all the aforesaid services provided via the Internet or other electronic means; advisory and consultancy services relating to computer hardware.

4. At the hearing, attended by Mr R Mallinson of Linklaters, the applicant’s trade mark attorneys, the Hearing Officer, Mrs A Pritchard maintained the objection.

5. Following refusal of the application, and under Section 76 of the Act and Rule 62(2) of the Trade Marks Rules 2000 (as amended), the applicant requested a statement in writing of the grounds of the decision and the materials used in arriving at it. By the time the request was made, Mrs Pritchard had retired. I therefore wrote to the applicant to enquire whether it was content for the statement of grounds to be written by another Hearing Officer or whether it wished to be heard afresh. The applicant has confirmed that it is content for the statement of grounds to be written by another Hearing Officer. This I now do.

6. No evidence has been put before me, therefore no claim under Section 7 of the Act has been made.

Decision

The Law

7. The objection against the application is founded in Section 5(2) of the Act. This reads:

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

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

(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.”

8. An “earlier trade mark” is defined in Section 6(1) of the Act, which states:

“6.-(1) In this Act an “earlier trade mark” means-

(a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,”

9. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723. It is clear from these cases that :

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors: *Sabel BV v Puma AG*;

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question: *Sabel BV v Puma AG*, 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 he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen B. V.* ;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details: *Sabel BV v Puma AG* ;

- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki v Metro-Goldwyn-Mayer Inc*;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*;
- (h) further, 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; *Marca Mode CV v Adidas AG*.

Distinctive character of the earlier trade mark

10. It is clear from the ECJ's judgement in *Sabel BV v Puma AG* that there may be a greater likelihood of confusion where the earlier trade mark has a highly distinctive character. Furthermore, the similarity of the marks must be assessed by reference to the visual, aural and conceptual similarities of the marks, bearing in mind their distinctive and dominant components.

11. The earlier trade mark consists of the single word IDEAL/Ideal. At the hearing Mr Mallinson argued that the mark IDEAL/Ideal has a low level of distinctiveness and therefore a narrow penumbra of protection. The word is an ordinary dictionary word with laudatory connotations. In view of this, its level of distinctiveness is relatively low. Nevertheless, the earlier trade mark is registered and therefore it must be assumed that it is validly registered and so has not been found to be devoid of any distinctive character (Section 72 of the Act refers).

Similarity of marks

12. The trade mark applied for is not identical to the earlier trade mark and therefore the matter falls to be decided under the provisions of Section 5(2)(b) of the Act. The issue to be decided is whether the mark of this application is so similar to the earlier mark that there exists a likelihood of confusion, which includes the likelihood of association on the part of the public.

13. The similarity of marks must be assessed by reference to the visual, aural and conceptual similarities of the respective trade marks. It is clear from the judgements of the ECJ that I must assess the overall impressions created by the mark, bearing in mind their distinctive and dominant components.

14. Mr Mallinson argued that the applicant's mark should not be dissected but should be considered as a whole. He said that the mark contains the applicant's well known and distinctive Lloyds TSB element and this made the two marks different.

15. No evidence as to the reputation of the applicant's Lloyds TSB mark has been filed, although it is accepted that it is a distinctive mark. But the fact that it is distinctive does not mean that the word IDEAL, should have no distinctiveness or trade mark significance attached to it.

16. Overall consideration of the respective marks must take into account that the earlier mark is the word IDEAL/Ideal whereas the applicant's trade mark consists of the words LLOYDS TSB IDEAL/IDEAL FROM LLOYDS TSB. I bear in mind the following extract from *BULOVA* 1969 RPC 102:

“Particularly having regard to the fact the BULOVA is the house name of the applicants and has a significance other than as a trade mark, its addition before the word ACCUTRON does not in my judgement serve to prevent the deception or confusion which would in the view of the Court of Appeal have been caused but for that adoption. As the Assistant Registrar remarks in his decision: “As BULOVA and ACCUTRON do not hold together as a phrase or present a wholly different meaning to the separate components. I think that their combination will be taken by many persons on first impression as an indication that the manufacturer of the watches is using two separate trade marks in connection with his products.” I would add that the combination of the two words is likely to be taken by other persons on first impression as an indication that the part of the trade mark which consists of BULOVA is a house name of the marketers of the watches, that the trade mark is ACCUTRON and that they will confuse them with watches marketed under the trade mark ACCURIST simpliciter.”

17. Visually and aurally, the marks are distinguishable because of the presence in the applicant's marks of the words LLOYDS TSB. But these words are likely to be seen as a house mark and the word IDEAL as a separate component of the composite mark. The respective marks share a common element in that they consist of or contain the word IDEAL. There is therefore visual, aural and conceptual similarity between the marks such that the respective trade marks are considered to be similar.

Similarity of the services

18. In determining whether the services covered by the application are similar to the services covered by the earlier trade mark, the following guidelines formulated by Jacob J (as he then was) in *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 (the *Treat* case) at pages 296 and 297 are relevant:

“the following factors must be relevant in considering whether there is or is not similarity:

- (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.”

19. Whilst it is acknowledged that in view of the *Canon-MGM* judgement by the ECJ (3-39/97) the *Treat* case may no longer be wholly relied upon, the ECJ has said the factors identified by the UK government in its submissions (which are those listed in *Treat*) are still relevant in respect of a comparison of goods and/or services.

20. The application covers the following services in class 42:

“Design, drawing and commissioned writing, all for the compilation of web pages on the Internet; creating, hosting and maintaining websites.”

The Internet is a computer network. Each of the applicant’s services relate to web pages and websites which are part of the Internet and therefore could be said to be a sub-set of “computer network services” as covered by the earlier mark. The respective services would be identical. If I am wrong in this then, at the very least, the services are closely similar because they are complementary services. Similarly, the applicant’s services are closely similar to the “Advisory and consultancy services relating to computer services”, “design, maintenance, development and updating of computer software” and “advisory, information and consultancy services relating to all the aforesaid services provided via the Internet or other electronic means” of the earlier mark because they are complementary services. They are of lesser similarity to the remainder of the services included within the specification of the earlier mark.

Likelihood of confusion

21. The marks have been found to be similar and the services include closely similar if not identical services. It is clear that where there is a lesser degree of similarity between the trade marks this may be offset by a greater degree of similarity between the services and vice versa (see *Lloyd Schuhfabrik Meyer*).

22. Furthermore, it is now well established that the matter must be determined by reference to the likely reaction of an average consumer of the services in question, who is deemed to be reasonably well informed, reasonably observant and circumspect. The average consumer generally relies upon the imperfect picture of the earlier trade mark that he has kept in his mind and must therefore rely upon the overall impression created by the trade marks in order to avoid confusion. In this case, there is, at least, close similarity of the services which, in conjunction with the degree of distinctive character of the marks and the similarity between them is sufficient to give rise to a likelihood of confusion within the meaning of Section 5(2)(b) of the Act.

23. I therefore conclude that there is a likelihood of confusion which includes the likelihood of association. In reaching this conclusion I bear in mind that it is sufficient if an average consumer encountering the respective marks would assume that they identify a single undertaking or undertakings with an economic connection.

Conclusion

24. In this decision, I have considered all the documents filed by the applicant and all the arguments submitted in relation to this application. For the reasons given, it is refused under the terms of Section 37(4) of the Act because it fails to qualify under Section 5(2)(b) of the Act.

Dated this 3rd day of June 2005

**Ann Corbett
For the Registrar
The Comptroller-General**