

O-210-08

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2405743
BY COMPUTER SOFTWARE GROUP PLC TO REGISTER THE
TRADE MARK**

The logo for CS GROUP is displayed in a large, bold, sans-serif font. The letters 'C', 'S', and 'G' are significantly larger than 'R', 'O', 'U', and 'P'. A stylized, curved graphic element, resembling a swoosh or a partial circle, is positioned behind the letters, starting under the 'C' and ending under the 'P'. The entire logo is rendered in a light gray, textured style.

IN CLASSES 9 & 42

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 94369 BY
CS COMMUNICATION & SYSTEMES (SOCIETE ANONYME)**

BACKGROUND

1) On 4 November 2005, Computer Software Group PLC applied to register the trade mark shown below:



2) Following examination the application was amended, and then accepted and published for opposition purposes in Trade Marks Journal No.6625 on 17 March 2006 for the following goods and services:

Class 9: Apparatus for recording, transmitting or reproducing of sounds, images and/or data, magnetic data carriers, calculating machines, data processing equipment; computers; notebook computers, sub-notebook computers, laptop computers; computer hardware, computer software, computer firmware, computer peripheral devices and components therefor, monitors, keyboards, printers, mice, modems; digital video disk drives, compact disk readers, cards and memory cards and devices for computers, memory boards and chips, electrical cables and connections; computer programmes, computer operating software and instruction manuals in electronic or machine readable form and/or optical recorded form sold together as a unit; telecommunications products and installations and apparatus; parts and fittings for all the aforesaid goods.

Class 42: Computer services; information, data, records, managed and provided online from a remote computer database or from Internet; creating and maintaining websites; consulting services in the field of design, selection, implementation, evaluation, operation and use of computer hardware and software systems; web-hosting and computer software application management services; provision of advice and information to the aforesaid services.

3) On 24 May 2006, CS Communication & Systemes (Societe Anonyme) filed a notice of opposition. This consists of a single ground based upon section 5(2)(b) of the Trade Marks Act 1994 (as amended) under which they rely on the following trade mark:

Trade Mark:	No.	Application date	Registration date	Classes
The logo for CS COMMUNICATIONS & SYSTEMS features the letters 'CS' in a large, bold, sans-serif font. A stylized, curved line arches over the 'S' and extends to the right. Below the 'CS' logo, the words 'COMMUNICATIONS & SYSTEMS' are written in a smaller, bold, sans-serif font. COMMUNICATIONS & SYSTEMS	E3150703	30.04.2003	14.01.2005	9, 16, 35, 37, 38 & 42. (See annex for full details.)

4) On 18 December 2006 the applicant filed a counterstatement in which they deny the ground on which the opposition is based. Having admitted that:

“..the goods and services of the registration [sic] and [the Opponent’s trade mark] are identical or similar”,

5) They go on to say:

“3. The applicant will claim that the opponent’s mark does not provide the opponent with the exclusive right to the non-distinctive letters CS which are used and known in the context of the particular service as indicating computer software, computer science or communication services.

4. The acronym CS or CS in conjunction with another letter or word are common to companies in the United Kingdom who provide computer services and/or communication services. Several companies use and have registered logos which incorporate the initial letters or acronym CS and each are distinguished by the particular logo or other words.

5. Companies with the word “Computer” plus a descriptor such as “Software”, “Solutions” or “Systems” are common to companies in the United Kingdom; and further it will be shown that it is common practice for companies to use acronyms of their company name.

6. The trade marks in question each include other words and are graphically quite easily distinguished and will claim that there has been no confusion in the past and there is no likelihood of confusion in the future.

7. The applicant and its direct predecessors in title first started to trade in the United Kingdom in 1984 under the name Computer Software Limited and from 1984 to date it has used the acronym CS in various logos as CS, CSL, CSG or now CS Group.

8. The applicant will further claim that the test for similarity will depend on the nature of the mark, the general business involved and the type of customer and that the typical or average customer who seeks computer software or computer software solutions will have regard to the nature of the market, the type of service, the product, the after sales support and will take considerably great care when using or buying the services or software products and is not likely a person will be easily confused because two companies use the common acronym CS.”

6) Both sides filed evidence. Both ask for an award of costs. Neither side wished to be heard but both provided written submissions which I shall refer to as and when relevant in my decision.

Opponent's evidence-in-chief

7) This consists of a witness statement, dated 8 May 2007, from Puravee Shah who is the opponent's Trade Mark Attorney. She confirms that she is authorised to make her statement on the opponent's behalf.

8) Ms Shah explains that the opponent is involved in the design, integration and operation of critical systems and secured infrastructures. She states that under their CS trade mark the opponent's provide services such as designing computer software for business solutions and adds that their goods and services are marketed in the aerospace, defence, energy, public, finance and transportation industries. Exhibit PS1 consists of various pages downloaded on 8 May 2007 from the opponent's website at www.uk.c-s.fr in which the letters CS in the form registered (but absent the words Communications & Systems) appear. I do however note that the pages contain the following text:

“© CS Communication & Systemes [2005]....”

9) Ms Shah states that using the Internet she carried out an investigation into the applicant's activities. She explains that these investigations revealed that the applicant has made use of the trade mark the subject of their application in fields common to those of the opponent. Exhibit PS2 consists of further pages (also downloaded on 8 May 2007) from both the opponent's website mentioned above and from the applicant's website www.computersoftware.com, from which Ms Shah concludes that both companies are active in the public, financial and transport sectors. She concludes her statement in the following terms:

“Therefore, we believe that the respective business converge on several levels and that there is a realistic chance of confusion arising.”

Applicant's evidence-in-chief

10) This consists of three witness statements. The first, dated 4 September 2007, is from Sarah Challenger who is the Group Legal Counsel responsible for overseeing intellectual property matters at Computer Software Group Ltd. Ms Challenger explains that the applicant at the time the application for registration was filed i.e. Computer Software Group Plc changed its name to Computer Software Group Ltd in June 2007; in this decision I shall refer to Computer Software Group Ltd as the applicant, although I note that the Trade Marks Register still shows that the application stands in the old name. Ms Challenger states that she has held her position since the merger of IRIS Software and Services with the applicant in July 2007. She adds that the information in her statement is from either her own knowledge, from company records, or from discussions with members of the management team able to provide relevant information; she confirms that she is authorised to make her statement on the applicant's behalf.

11) Ms Challenger explains that the applicant provides either directly or via resellers, computer software products and computer solutions for the legal, compliance, not for profit and business solutions industry sectors; the applicant also gives advice to companies on integrating computer systems with databases and provides technical consultancy advice to companies so that they can

implement and use systems and computer software provided by the applicant. Exhibit SLC01 consists of extracts taken from the applicant's website www.computersoftware.com (at it would appear some time in 2007) demonstrating the range of services it provides. I note that the applicant is referred to as: Computer Software Group (CS Group), CS Group and Computer Software Group.

12) Ms Challenger then provide details of the applicant's corporate history. She explains that the applicant or its predecessor in business first traded in the United Kingdom in 1984; at that time it was known as Computer Software Limited and a Certificate of Incorporation from the Companies Registration Office dated 2 December 1983 confirming that fact is provided as exhibit SLC02. It held this name from 1983 to 1999 when it changed its name to Computer Software Holdings Ltd and was the holding company for all companies that traded in the name Computer Software Limited. The name was changed to Computer Software Group Limited in June 2000. From August 2000 to May 2007 the applicant was listed on the AIM market (the London Stock Exchange's international market for smaller growing companies), and from May 2003 was known as Computer Software Group Plc.

13) Ms Challenger says that the consistent thread running through the various companies was the words Computer Software. She explains that in terms of distinguishing themselves from other computer software companies the name Computer Software was not ideal, but it is her understanding that that their customers knew and recognised them based on personal relationships. The business was, says Ms Challenger, built to sell software solutions and associated services to mid sized as well as large businesses where the typical cost of those services would range from £50k to £0.5m. As a result, whether the company name was Computer Software Limited or Computer Software Group Ltd was not, she says, a factor by which the applicant needed to identify themselves. Ms Challenger comments that there are many companies and many products both in the UK and globally which incorporate the words "computer software" either as a descriptor or in the company name.

14) Ms Challenger states that during the period up to 2002 the applicant was commonly known as and published materials and referred to themselves as CSL. She adds that the applicant went public in August 2000 adding that:

"..any website related references to CSL or CS Group were launched there in the middle of 2005".

15) She adds that when the applicant was renamed Computer Software Group in 2003, they used the acronym CSG as a recognition that a group of companies now existed as opposed to a single limited entity. Ms Challenger then says:

"Because CS and/or Computer Software were not necessarily particularly distinctive from other companies in the same field who would also be entitled to use the name "Computer Software" and/or the accepted abbreviation CS. We attempted to identify ourselves by a specific logo rather than the letters alone.."

16) An example of the logo which consists of the letters CSG and a device element similar to that which appears in the application for registration is provided as exhibit SLC03. This logo was, she states, used for a reasonable period of time, but explains that in 2004/05 another computer software company established in the United States was also referring to themselves as CSG Systems. A decision was taken to move from the use of CSG to CS Group. A copy of the logo designed is provided as exhibit SLCO4 and, I note, corresponds with the form of the trade mark shown in the application for registration.

17) Ms Challenger explains that when the applicant first went public and it was referred to on the AIM market, it was unable to use the acronym CSG so the abbreviation CSW was used. She adds:

“...In fact, from 1984 to the time that the application, to which the statement relates, was filed in 2005 we have in some format as the original company or as the group, always used CS(L)/(G) as part of the trading title of the company, because this has been an accepted and widely used abbreviation for “computer software” by the [applicant] and is well recognised by our customers and the industry alike.”

18) Turnover has been as follows:

Year	Turnover (£m)
2001	1,323,000
2002	3,030,000
2003	3,584,000
2004	6,253,000
2005	14,072,000
2006	25,156,000

19) Given that the application for registration was filed in November 2005, I am only able to take into account part of the figure provided for that year, and none of the figure provided for 2006. Insofar as promotion is concerned, Ms Challenger explains that given the nature of the applicant’s business they do not have a large marketing or advertising budget. That said, she confirms that approximately 2% of turnover is budgeted to promote the business via websites, other events, publications and related activity. Figures are provided for 2006 and 2007 but as these are both after the material date in these proceedings it is not necessary for me to record them here.

20) Finally, Ms Challenger explains that the applicant has been an IBM business partner since 2000, adding that in the documents produced in conjunction with IBM the applicant was referred to as CSL. Exhibit SLC05 consists of what appears to be an undated copy of a document entitled “Customer Relationship Management” on page 9 of which I note the applicant is referred to as Computer Software Limited (CSL). She concludes her statement in the following terms:

“The [applicant] has traded in the United Kingdom since 1984. We sell our software and related services to many companies and have used, as an identifier, the acronym CSL,

CSG or currently CS Group and during that time we have had no instances of any new, old or potential customers referring to us or confusing us with [the opponent].”

21) The second witness statement, dated 27 November 2007, is also from Sarah Challenger. Ms Challenger explains that exhibit SLC01 to her second statement consists of: (i) documents prepared by Customer Service Quality Ltd an external marketing company, dating from 2001, 2002 and 2003, and which show the applicant being consistently referred to as CSL, (ii) a newsletter from the applicant from 2003 which shows the applicant’s old Computer Software logo in use and which shows the applicant referring to itself as CSL, and (iii) a document prepared by an external marketing company called Triangle relating to a marketing campaign in which the applicant is consistently referred to as CSL. Exhibit SLC02 consists of a copy of an invitation dating from 2004 that the applicant sent to prospective customers in which, Ms Challenger points out, the applicant uses the CSG logo.

22) The third and final witness statement, dated 30 November 2007, is from Thomas Albertini the applicant’s Trade Mark Attorney. He confirms that the information in his statement comes from his own personal knowledge and that he is authorised to make his statement on the applicant’s behalf. He provides five exhibits and comments on them; these are as follows:

- Exhibit TA1 consists of two searches for the letters CS on the websites www.acronymfinder.com and <http://acronyms.thefreedictionary.com> conducted by him on 8 and 29 November 2007. He notes that the letters CS are an acronym for many two word expressions, among them computer software, computer science, computer services and communications systems.
- Exhibit TA2 consists of the result of a search undertaken by Mr Albertini on 30 November 2007 of the register held at Companies House for the letters CS; he comments that the initials CS form part of many currently active company names, including companies which he says appear likely to operate in the information technology sector.
- Exhibit TA3 consists of selected results of trade mark searches of the UK, Community and (insofar as it relates to the UK and EU) International databases, for the letters CS in classes 9, 38 and 42 conducted by Mr Albertini using the Marquesa database on 29 and 30 November 2007. He explains that the results consist only of those trade marks that cover computer software, telecommunications and/or computer services related goods in classes 9, 38 and 42 and which are registered or pending. Of these results Mr Albertini says:

“..It will be seen that the initials CS form part of a number of companies trade marks, often with the letters being depicted in a stylised way, or in combination with a logo element or in combination with another word. In a number of cases, the initials CS are clearly acronyms for the companies name..”

- Exhibit TA4 consists of: (i) the first ten pages of a Google Internet search conducted by Mr Albertini on 30 November 2007 for the initials CS, which he says shows various uses of CS including as an acronym for computer science, and (ii) extracts from the web pages

of various companies who use the initials CS as part of their company name or trade mark in relation to computer software or communications related goods and services, and who also use CS as an acronym.

- Exhibit TA5 consists, explains Mr Albertini, of extracts from the web pages of various companies who have the term Computer Services or Computer Solutions as part of their company name, but who also refer to themselves by acronyms that include the letter combination CS.

23) Mr Albertini concludes his statement in the following terms:

“8. It is my belief that these materials demonstrate that a large number of companies use the initials CS as an acronym for wholly descriptive terms such as computer software, computer services, computer science and communication services in the fields of information technology and telecommunications.”

Opponent’s evidence-in-reply

24) This consists of a further witness statement, dated 3 April 2008, from the same Puravee Shah mentioned above. Ms Shah’s statement consists of submissions on the applicant’s evidence rather than evidence of fact. As such, it is not strictly necessary for me to summarise it here. That said, the main points emerging from Ms Shah’s statement are, in my view, as follows:

- that the applicant has used different variants of the letters CS i.e. CSL, CSG and CS Group which would, in her view, be perceived as being unrelated marks because of the different elements they contain;
- that in her view the applicant has failed to show any use of the mark CS;
- that as a result of these changes it is unclear in which variant the goodwill resides and for which variant the sales figures provided refer;
- that exhibit TA1 does not show that CS is an abbreviation in the opponent’s field and does not prove that CS is a recognised abbreviation in the relevant field in the UK;
- that the results contained in exhibit TA2 are: (i) ambiguous because they cover all fields, and (ii) only revealed company names, which does not show that in the marketplace these names are being used as trade marks, if at all;
- that the results contained in exhibit TA3 have no bearing in these proceedings as the marks revealed are different to the marks in questions;
- that the results contained in exhibit TA4 do not show that CS is a well known term in the communication field;

- that the results contained in exhibit TA5 do not show use of CS alone but with other elements.

25) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

26) The sole ground of opposition is based upon section 5(2)(b) of the Act. This reads:

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

(a)

(b) it is similar to an earlier 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.”

27) An earlier right is defined in section 6 of the Act, the relevant parts of which state:

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

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) 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,”

28) In these proceedings the opponent is relying on one trade mark, registration No: E3150703 which has an application date of 30 April 2003 and a registration date of 14 January 2005; it clearly qualifies as an earlier trade mark under the above provisions. The application was published for opposition purposes on 17 March 2006; as such, the opponent’s earlier trade mark is not subject to The Trade Marks (Proof of Use, etc) Regulations 2004.

29) In reaching a decision I take into account the following cases: *Sabel BV v. Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Matratzen Concord GmbH v. OHIM* [2004] ECr I-3657, *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH* [2005] ECr I-8551 and *OHIM v. Shaker di L. Laudato & C. Sas* [2007] ECR I-4259.

30) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods and services which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgments mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks,

evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods and services, the category of goods and services in question and how they are marketed. Furthermore, I must compare the applicant's mark and the mark relied upon by the opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods and services covered within the respective specifications.

31) The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was considered by David Kitchen Q.C. sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchen concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

32) The opponent has shown no use of its mark. I have to consider whether the opponent's mark has a particularly distinctive character arising from the inherent characteristics of the mark. In my opinion, the opponent's mark CS Communications & Systems (and device) is inherently distinctive for the mix of goods and services in Classes 9 and 42, which are the only two classes relevant in this opposition.

33) I have to determine who is the average consumer of the goods in question. The applicant's goods and services include minor items of computer equipment and services that would be purchased by individuals and also goods and services which would be purchased by companies. I do not accept the applicant's contention that the consumers of both parties goods and services would be restricted to information technology professionals. To my mind, the average consumer must be regarded as the whole population of the UK, including businesses.

34) It was accepted by the applicant that the specifications were identical or similar.

35) I therefore turn to the marks of the two parties. For ease of reference I reproduce them below:

Applicant's mark	Opponent's marks
 The logo for the applicant consists of the word "CSGROUP" in a bold, sans-serif font. The letters "C" and "S" are significantly larger than the other letters. A stylized, curved line arches over the "S" and "G", and another similar line is positioned below the "C".	 The opponent's marks consist of a large, stylized "CS" logo where the letters are intertwined. Below this logo, the words "COMMUNICATIONS" and "& SYSTEMS" are written in a smaller, all-caps, sans-serif font, stacked on two lines.

36) Undoubtedly there are visual and aural differences between the marks. However, these are far outweighed by the similarities between the two marks. The applicant contended that the letters "CS" would be seen and understood to mean computer software, computer services, computer sciences or communications systems and not taken as an indication of trade origin. They have provided some evidence of use by others. However, this evidence is not, to my mind, conclusive. It is dated after the relevant date and much of it consists of "state of the Register" evidence.

37) I do not believe that either mark can be said to have any conceptual meaning given the wide range of goods and services offered and the contention that the letters can stand for a number of different words.

38) Taking account of all of the above when considering the marks globally, I believe that there is a likelihood of consumers being confused into believing that the goods and services provided by the applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2)(b) therefore succeeds.

39) As the opponent has been successful it is entitled to a contribution towards its costs. I order the applicant to pay the opponent the sum of £1,200. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 21st day of July 2008

**George W Salthouse
For the Registrar,
the Comptroller-General**

ANNEX

Class 9: Apparatus and instruments for the supply, distribution, transformation, accumulation, regulation or control of electric current; Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life saving and teaching apparatus and instruments; apparatus for recording, transmission and reproduction of sound or images; magnetic data carriers, recording discs; Automatic vending machines and mechanism for coin operated apparatus; calculating machines, data-processing equipment and computers; computer memories, modems, interfaces; data carriers, in particular optical or magnetic data carriers; intercommunication apparatus, software, software packages, telecommunications apparatus and telecommunications peripheral apparatus; software products; smart cards, electronic circuit boards, electronic identification cards; telecommunications control equipment, apparatus for storage, conversion, processing and transmission of data, information and signals; optical reading apparatus and instruments for encoded data; multimedia servers; control and steering software; scientific and technical software; sensors, detectors, electronic alarm systems; access identification systems; video-surveillance systems; electromagnetic information systems, information and command systems (security), electronic pricing systems.

Class 16: Newspapers, books, magazines, prospectuses and handbooks (manuals) in the field of computing and telecommunications; instructional and teaching material (except apparatus) in the field of computing and telecommunications.

Class 35: Commercial or industrial management assistance, consultancy relating to business information or enquiries, compilation of information, consultancy in relation to the selection and use of computer and telecommunications and security equipment, production or implementation work in the fields of industry, telecommunications, analysis, programming, computer operation; computer load relief, computer management, business security consultancy, computer organisation consultancy; administration and supervision of telecommunications networks and multimedia networks.

Class 37: Installation services; repair services; installation and maintenance of optical, electric and electronic apparatus and devices, telecommunications, computers and computer programs.

Class 38: Telecommunications services provided by multiservice business networks; secure messaging systems; data transmission services accessible by access code or by terminals; interconnection of networks for businesses; consultations and technical advice in the field of telecommunications.

Class 42: Design and development of computer systems; design and development of high speed equipment for public network operators and companies; engineering relating to applications on large and medium-sized computer systems, software engineering, computer management and information management, assistance with operating and supervising computer networks; consultancy and technical advice in the field of computing; development of communications systems for air traffic control, network engineering; design or implementation in the field of telecommunications and computer analysis, programming and operation, interconnected information systems (the Internet, extranets, intranets).