

**IN THE MATTER OF APPLICATION NUMBER 2191353
IN THE NAME OF LOMBARD NORTH CENTRAL PLC
TO REGISTER A TRADE MARK IN CLASSES 9, 35, 36, 37, 38 & 42**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 50256
BY LOMBARD RISK SYSTEMS LIMITED &
LOMBARD RISK CONSULTANTS LIMITED**

**IN THE MATTER OF application number 2191353
in the name of Lombard North Central Plc
to register a trade mark in Classes 9, 35, 36, 37, 38 & 42**

And

**IN THE MATTER OF opposition thereto under number 50256
by Lombard Risk Systems Limited
& Lombard Risk Consultants Limited**

Background

1. On 10 March 1999, Lombard North Central Plc filed an application to register the trade mark LOMBARD NETWORK SERVICES in Classes 9, 35, 36, 37, 38 & 42 in respect of the following goods and services:

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|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Class 9 | Computers and data processing apparatus and instruments, visual display units and printers for use with the aforesaid goods; modems; parts and fittings for all the aforesaid goods; computer programs and computer software; all included in Class 9. |
| Class 35 | Provision of business and commercial information services, advisory service relating thereto; provision of management information and data by means of printed matter and by computer and other electronic means. |
| Class 36 | Banking services; credit services; charge, credit and debit card services; financing services; securing funds for others; insurance services; credit protection insurance services; but not including institutional and private investment management and investment services; all included in class 36 |
| Class 37 | Installation, maintenance and repairs services; advisory services relating thereto; all the aforesaid services being provided in connection with the hire, leasing, rental and sales of computer equipment, all included in Class 37. |
| Class 38 | Telecommunications and other data transmission systems; advisory services relating thereto; all the aforesaid services being provided in connection with the hire, leasing, rental and sales of computer equipment, all included in Class 38. |
| Class 42 | Hire, leasing and rental of computers, data processing installations and ancillary equipment and of installations and apparatus for use therewith; all included in Class 42. |

2. On 7 October 1999, Lombard Risk Systems Limited and Lombard Risk Consultants Limited as joint opponents filed notice of opposition in which they say that they are the

proprietors of a number of trade marks, details of which can be found as an annex to this decision. The ground on which the opposition is based is in summary:

Under Section 5(2)(b) because the opponents= earlier trade marks and the application in suit include the distinctive element LOMBARD and the application is sought to be registered for goods identical or similar to those covered by these earlier trade marks, as a result there exists a likelihood of confusion on the part of the public.

3. The applicants filed a counterstatement in which they deny the ground on which the opposition is based. Both sides request that an award of costs be made in their favour.

4. Both sides filed evidence in these proceedings. The matter was scheduled to be heard on 22 November 2001, but at the request of the parties the hearing was postponed to allow for a settlement to be investigated. This proved not to be possible and both parties confirmed their agreement to a decision being reached from the evidence on file.

Opponents= evidence

5. This consists of a Statutory Declaration dated 14 August 2000 by Rebecca L Ferrari, a trade mark attorney in the employ of D Young & Co, the opponents=representatives in these proceedings.

6. Ms Ferrari says that the opponents are the proprietors of the four trade marks cited in the grounds of opposition and gives the particulars of these marks as exhibit RLF1.

Applicants= evidence

7. This consists of a Statutory Declaration dated 8 February 2001 by Paul Barratt, a solicitor employed by Lombard North Central Plc, a position he has held since January 1995. Mr Barratt confirms that he is authorised to make the Declaration and that the facts set out are drawn from the records of the applicants as well as from his own personal knowledge.

8. Mr Barratt states that the applicants= principal business is that of the provision of financial services and that they have a history of use of the name LOMBARD dating back more than 50 years. He goes on to give an outline of changes affecting his company from its formation in October 1971 by the merger of Lombard Banking Limited and the North Central Finance Group of companies and to list the other companies within the group of companies that have LOMBARD as part of their name and the trade marks that include the word LOMBARD that the applicants have registered.

9. Mr Barratt details the various activities carried out by this group which are carried out through a number of business units incorporating specialist subsidiaries trading in the following:

Contract hire & asset management	sourcing, financing, maintenance and disposal of business assets,
Vendor services	point of finance for business users,
Business asset finance	provision of finance for business, including the purchase and installation of computers and computer systems,
Trade debtor services	factoring and invoice discounting,
Direct financial products	provision of personal loans, credit cards, savings and general insurance.
Retail deposits	banking services.

10. Mr Barratt says that in many of the areas the applicants and its subsidiaries are the market leaders, and he goes on to give the following details of their finances for the years 1993 through to 1996 in respect of new loans, customer balances and pre-tax profits.

11. Mr Barratt refers to exhibit PB1, which consists of extracts from the 1995 and 1996 accounts for the applicants. The accounts make frequent references to the applicants as LOMBARD and to be the largest finance house in the United Kingdom, gives details of a number of units within the LOMBARD group that use LOMBARD as part of their corporate identity and the locations of the LOMBARD subsidiaries throughout the United Kingdom. Mr Barratt goes to the applicants' promotional activities, saying that in 1999 a total of £23.67 million was spent on promotion and public relations. He introduces exhibit PB2, which consists of brochures, leaflets and other items of printed matter, the earliest dating from 1992. These are primarily vehicles for promoting the LOMBARD Group's financial services, some showing use of the name LOMBARD solus.

12. Mr Barratt says that in addition the applicants have promoted the name through many different publications and promotions, examples of which he shows as exhibit PB3. The exhibit shows use of LOMBARD solus and in conjunction with a separated AL@logo in relation to financial services.

13. Mr Barratt makes reference to use of the name LOMBARD on a hot air balloon in 1997 (a photograph of which can be seen in exhibit PB3) and on side banners for the 1996/97 season at the Harlequins Rugby Football ground. He goes on to refer to the

applicants having produced items of promotional material, mentioning T-shirts, sweatshirts, baseball hats, umbrellas, pens, mouse mats, paper holders, blotters and golf balls, although provides no corroborative evidence.

14. Mr Barratt goes on to mention his companies sponsorship of various events, including that of Steve Redgrave and Matthew Pinsent who represented Great Britain and gained the country's only gold medal in Atlanta, and also at the Sydney games in 2000. He gives further details of events and personalities that his company has sponsored, although gives no details of how this involved use of LOMBARD.

15. Mr Barratt says that much of the advertising material is no longer available although not why this is the case. He goes on to refer to exhibit PB4, which consists of schedules and copies of advertisements dating from 1996 promoting financial services, primarily loans, available under the name LOMBARD DIRECT with the AL@ logo. The details show the amounts expended to be significant and the promotion to have covered the United Kingdom.

16. Mr Barratt asserts that as a result of the use that the applicants have made of the word LOMBARD in relation to banking, asset finance and instalment credit services he considers the mark has become extremely well known to the public in the United Kingdom as denoting the applicants' services. He refers to market studies as having shown LOMBARD to be the best known finance house in the business but gives no specific details as to how or when these studies were conducted. He continues saying that in the personal market the word LOMBARD achieved 83% prompted awareness amongst adults, but again gives no specific details. Mr Barratt refers to the basis of the opponents' claims, saying that he considers the applicants to have a more legitimate claim to the word LOMBARD in goods and services relating to financial matters.

17. Mr Barratt next goes to the applicants' use of the name LOMBARD NETWORK SERVICES, noting that the company was formed in 1986 under the name Lex Systems Leasing Limited (changing to LOMBARD NETWORK SERVICES in 1994) the aim of the business being to provide business finance and services specifically in the IT field. He refers to exhibits PB5 and PB6, mentioning in particular the turnover, the description of its principal business as 'The company undertakes the supply of computer equipment both by sale and lease', to the formation and change of name to LOMBARD NETWORK SERVICES and the range of IT services provided by the company.

18. Mr Barratt says that the opposition is a prior claim to the word LOMBARD dating from May 1996 in relation to computer software, financial consultancy and financial training services. He says that much of the applicants' business has, for a number of years been conducted via computer, but that the financing and supply of computer equipment and software had been a significant part of their business for many years prior to May 1996, and had been providing financial consultancy and financial training long before that

date.

Opponents= evidence in reply

19. This consists of a Statutory Declaration dated 30 April 2001 and comes from Penelope Ann Nichols, a trade mark attorney in the employ of D Young & Co, the opponents= representatives in these proceedings. Ms Nichols states that where she makes reference to statements made by other persons or to any source of information not within her personal knowledge, she has stated this to be the case, identifies such person or source and believes the contents of such statements or sources to be true.

20. Ms Nichols goes to Mr Barratt= Declaration in which he gives the principal business of the applicants to be the provision of financial services, asserting that specific claims relating the significance of the applicants= company and corporate group as being irrelevant, noting the lack of any evidence to support the claim that the applicants are known as LOMBARD solus, and that much of the evidence does not relate to LOMBARD NETWORK SERVICES and is therefore also irrelevant.

21. Ms Nichols refutes the applicants= assertion that they have a more legitimate claim to use of the word LOMBARD in relation to goods and services relating to financial matters and goes on to explain why the word LOMBARD is non-distinctive in respect of financial services, namely, that Lombard Street is a street in the City of London that had acquired its name because of its relationship with bankers from the Italian province of Lombardy. She refers to exhibit PAN1 that consists of dictionary extracts and a print from the Internet showing LOMBARD to have the historical significance ascribed by Ms Nichols. Ms Nichols refers to exhibits PAN2 and PAN3 which, she says show that LOMBARD is also known in banking circles as the name for the central bank determined interest rate in Germany and that the terms LOMBARD LOAN, LOMBARD FACILITY and LOMBARD POLICY are generic terms.

22. Ms Nichols notes that Mr Barratt says that the change of name from Lex Leasing Limited to Lombard Network Services took place in 1994, and whilst acknowledging that LOMBARD NETWORK SERVICES appears in the Directors Report & Financial Statement for the years ending December 1994 and 1996, this is as a company name not as a trade mark. She comments on the lack of evidence to substantiate the applicants= claim to have conducted business via computer systems and databases, or to the financing and supply of computer equipment and associated software as having been part of the applicants= business. Ms Nichols says that the fact that the applicants may have provided financial advice as an adjunct or ancillary service to the provision of finance is not evidence that they have provided financial consultancy per se, and that the in-house training services referred to, relates to the training of employees not the provision of training in the course of trade.

That concludes my review of the evidence insofar as it is relevant to these proceedings.

Decision

23. Turning to the ground on which the opposition is based. Section 5(2)(b) of the Act reads as follows:

A5.-(2) A trade mark shall not be registered if because **B**

(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.®

An earlier trade mark is defined in Section 6 of the Act as follows:

A6.- (1) In this Act an earlier trade mark® means **B**

(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.®

24. In my consideration of a likelihood of confusion or deception I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] 45 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 of them he has kept in his

mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel 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 KabushikiKaisha 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*,
- I. but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*

25. The opponents rely on four trade marks, two for the words LOMBARD RISK (Community Trade Mark (CTM) 272302 and United Kingdom (UK) 2100513) and two for the words LOMBARD RISK GROUP OF COMPANIES (CTM 265199 and (UK) 2100514). The goods and services covered by all four marks are the same, the only difference being in the classification of financial training services; the CTMs showing these in Class 36, the UK trade marks in Class 41.

26. The applicants are seeking registration in respect of a wide range of goods and services, some of which may be obtained by personal selection, be it by sight of the goods or promotional matter, others may well be acquired by word of mouth such as by personal recommendation. Consequently, I would say that the visual and aural similarity should be regarded as being of equal standing.

27. The mark applied for consists of the words LOMBARD NETWORK SERVICES. Sel- evidently this mark and the opponents= earlier marks LOMBARD RISK and LOMBARD RISK GROUP OF COMPANIES have the word LOMBARD in common so at least to that extent have some visual, aural and conceptual similarity. However, whilst in any comparison it is inevitable that particular elements of a mark will be referred to, and should be if they are the distinctive and dominant components, from the cases above it is clear that the average consumer normally perceives a mark as a whole and that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks. Even elements that are, in themselves devoid of distinctive character can have an effect on the look, sound and idea created by a mark, and whilst they are undoubtedly identical in respect of one element, as a whole they are different.

28. The applicants have submitted evidence to show that in respect of financial services at least, the word LOMBARD has, and would be recognised as having some descriptive relevance, and particularly so when combined with LOAN, FACILITY and POLICY. Whilst this may well be the case to those engaged in the financial services sector, particularly banking, I consider this would not be so in respect of the average consumer. The remaining parts of the marks, NETWORK SERVICES, RISK and RISK GROUP OF COMPANIES are ordinary descriptive words, the relevance of which in relation to the services would be plain to see. Network services can describe, for example, services that are provided to a network of businesses, or organisations that have a network such as interlinked computer systems or intranets. The term ARISK@ is used in various fields, for example, finance, to describe activities such as risk management, risk assessment. The meaning of the word GROUP OF COMPANIES is self explanatory. Accordingly, I find that the distinctive and dominant element of each mark (as much by its positioning at the beginning) is the word LOMBARD.

29. Apart from making reference to their earlier trade mark registrations the opponents are silent on the use that they may have made and rights that they consider that they are entitled to claim in their marks, instead directing their evidence to dismantling the statements and claims in the applicants= evidence. Consequently, I am unable to say whether their earlier trade marks are any more distinctive by virtue of the use they may have made of them.

30. The opponents= earlier marks are in respect of computer software, financial training and financial consultancy services. Computer software and computer programs are specifically mentioned in the application so clearly identical goods are involved, at least in part. The remainder of the goods in this class are all computers or computer peripherals. Although there is no evidence that a trader in software also trades in hardware, I would consider that they are so closely allied that they would be considered as similar goods.

31. Class 35 of the application covers a range of business information services, which,

given the synergy between the business and financial aspects of the management of a commercial undertaking would, in my view be considered capable of being provided by one and the same undertaking and therefore, are similar services.

32. Class 36 of the application covers a range of financial services all of which in my view are capable of involving consultancy, and where not, are closely allied, and consequently, identical and similar services are involved.

33. The services in Classes 37 and 38 involve a range of services for the installation maintenance, repair and use of computer hardware. This would not include any services relating to software, which would properly fall in Class 42. Consequently, I consider the services in Classes 37 and 38 of the application to be different services, but that the Class 42 of the application covers similar services.

34. Neither the opponents' earlier mark nor the specifications of the application are limited in any way, so notionally at least I have to proceed on the basis that there is commonality in the channels and means by which the respective goods and services reach and appear in the market, and also in the relevant consumer.

35. Taking all of the above factors into account and applying the guidance of the cases referred to, I come to the view that given the similarity, inter alia, in the respective marks, overlap in the goods and services, the identity in respect of the trade and consumer, that should the applicants use the mark applied for, the public will wrongly believe that the respective goods/services come from the same or economically linked undertakings and that there is a likelihood of confusion. The objection under Section 5(2)(b) succeeds accordingly.

36. My finding in respect of Section 5(2)(b) does not end the matter. That section requires that the trade mark for which registration is sought be at least similar to an earlier mark and to be registered in respect of goods or services that are identical or similar for which the earlier mark is protected. It is clear from my comments above that I do not consider the services covered by classes 37 and 38 of the application to be similar, and consequently not open to objection.

37. There is also the matter that the earlier marks relied upon by the opponents are not yet registered. Although Section 6(1) states that pending applications qualify as earlier marks, the proviso in sub-section (2) says that if the earlier mark is not yet registered its status as an earlier mark is subject to it being registered. My decision under Section 5(2)(b) is therefore stayed pending the registration, or otherwise of the earlier marks cited in the grounds of opposition. Accordingly, I direct that this decision will not take effect until one month following the date of registration of any of trade mark numbers CTM 272302, CTM 265199, UK 2100513 and UK 2100514. Should any of the earlier trade marks achieve registration the application is still free to proceed for the services covered by

Classes 37 and 38, and in such an event the applicants are required to file a Form TM21 requesting the deletion of Classes 9, 35, 36 and 42 from the application. However, if none of the opponents' earlier marks achieve registration the application will be free to proceed as published.

38. In the event that any of the earlier trade marks become registered, I order that the applicants pay the opponents the sum of , 835 as a contribution towards their costs. 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 16th day of August 2002

**Mike Foley
for the Registrar
The Comptroller General**

Annex

Number	Mark	Class	Specification
272302 (CTM)	LOMBARD RISK	9	Computer software.
		36	Financial training and financial consultancy services.
265199 (CTM)	LOMBARD RISK GROUP OF COMPANIES	9	Computer software.
		36	Financial training and financial consultancy services.
2100513	LOMBARD RISK	9	Computer software.
		36	Financial consultancy services.
		41	Financial training services
			.
2100513	LOMBARD RISK GROUP OF COMPANIES	9	Computer software.
		36	Financial consultancy services.
		41	Financial training services.