

O/542/20

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATIONS NOS. 3303962**

**AND 3320966**

**IN THE NAME OF SWIFFPAY LIMITED**

**AND OPPOSITIONS THERETO NOS. 413337 AND 313049**

**BY SOCIETY FOR WORLDWIDE INTERBANK FINANCIAL TELECOMMUNICATION SCRL**

**IN THE MATTER OF AN APPEAL TO THE APPOINTED PERSON**

**FROM THE DECISION OF MS CLAIRE BOUCHER**

**DATED 14 JANUARY 2020**

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**DECISION**

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1. This is an appeal from a decision of Ms Claire Boucher, on behalf of the Registrar, BL O/019/20. The decision related to two trade mark applications made by Swiffpay Limited ("the Applicant") and opposed by the Society for Worldwide Interbank Financial Telecommunication SCRL ("the Opponent") on relative grounds. The Oppositions failed and the Opponent appeals.

**Background**

2. The Applicant first applied to register a series of two word marks, Swiffpay (in upper and lower case), on 15 April 2018 for a wide range of goods and services in Classes 9, 35, 36, 38 and 42. The full specification is annexed to the decision below and I need not set it out again. That application was opposed by the Opponent on the basis of sub sections 5(2)(b), 5(3) and 5(4)(a).
3. The Applicant then applied on 27 June 2018 for two stylised marks:

SWIFFPAY and SWIFFPAY

These were opposed on the same basis by the Opponent.

4. The Opponent relied in particular upon its earlier registered marks. First, it relied upon mark No. WE00001048048:



The Hearing Officer described this as the "048 Mark" but I will refer to it as the Device Mark. It is registered with a priority date of 16 November 2009 and with effect from 21 July 2011, for a range of goods and services in Classes 9, 16, 35, 36, 38, 41 and 42. Secondly, the Opponent relied upon EUTM 003838381, for the word SWIFT ("the Word Mark"), registered as of 16 October 2006 in the same classes as the Device Mark. Lastly the Opponent relied upon EUTM 002168482 for the word SWIFTNet, registered as of 26 February 2003 for goods and services in Classes 9, 38 and 42. The specifications were set out in Annex B to the decision below. It also claimed goodwill in SWIFT.

5. The Applicant put the Opponent to proof of use of the earlier marks in relation to the goods and services relied upon. Both parties filed evidence. There was no hearing, but both made written submissions through their professional advisers.
6. The Hearing Officer made the following findings, in summary:
  - a. She found that use of the Device Mark would serve as evidence of use of the Word Mark;
  - b. She found the Opponent's primary activity to be the provision of a secure financial messaging system. However, she found that the Device and Word Marks had been used for quite a wide range of goods and services, variously in Classes 9, 16, 35, 36, 38, 41 and 42. She found use of the SWIFTNet Mark only

for services in Class 38. She summarised her findings in tabular form at paragraph 70 of her decision and I have set that out in Annex A to this decision.

- c. She found that a number of the Applicant's goods and services were identical to goods/services for which the Opponent had proved use. These were set out at paragraph 74 of her decision. See Annex B below.
- d. She began by considering the case under s 5(2)(b) in relation to the identical goods/services. She found that the majority of those goods/services would be purchased by businesses and professionals, in many cases working in the financial sector. The average consumer would pay a high level of attention. The exceptions were computer software and hardware which could also be used by the general public, who would purchase software with a medium level of attention and hardware with a medium to high level of attention.
- e. Comparing the parties' marks, her findings included
  - i. That the eye is drawn to the word SWIFT in the Device mark, though the device also makes a contribution to it;
  - ii. The SWIFFPAY word marks will be seen as joining the words SWIFF to PAY; SWIFF is likely to be seen as a fanciful version of SWIFT and for most of the specification is the dominant element of the mark;
  - iii. The presentation of the SWIFFPAY device marks draws attention to the central FF and reinforces the idea that SWIFF is a fanciful variation of SWIFT;
  - iv. There was low visual similarity between the Device Mark and the Applicant's marks, low to medium aural similarity between them, and a medium level of conceptual similarity;
  - v. There was a greater degree of visual similarity between the Applicant's marks and the Word Mark and a greater degree of conceptual similarity "to at least a medium degree";
  - vi. There was a high degree of visual similarity between the SWIFTNet Mark and the Applicant's marks, and medium to high aural and conceptual similarity;
- f. The word SWIFT was of fairly low inherent distinctiveness but its distinctiveness had been enhanced through use to a medium level in relation

to messaging systems and associated goods and services among the professional public; use had also enhanced the distinctiveness of the Device Mark to a slightly higher than medium level;

- g. She rejected the objection under s 5(2)(b), finding that the marks would not be mistaken one for the other, so there was no likelihood of direct confusion, and there was no likelihood of indirect confusion because the average consumer, recognising that the marks were different, would not assume there was any connection between the undertakings;
- h. She found that the Device Mark and the Word Mark had a reputation for the purposes of s 5(3) in relation to financial messaging systems and associated goods and services and some of the Applicant's goods and services were identical or highly similar to those goods and services;
- i. The earlier marks would not be brought to mind when the average consumer sees the Applicant's marks so there would be no "link" and the opposition under s 5(3) also failed;
- j. The opposition based upon s 5(4)(a) was rejected for lack of any misrepresentation, on the same basis that the Hearing Officer found no likelihood of confusion.

7. The main points of the Opponent's lengthy Grounds of Appeal were:

- A. The Hearing Officer erred in assessing proof of use, in particular in relation to Class 36;
- B. The Hearing Officer erred in her assessment of the average consumer;
- C. The Hearing Officer erred in assessing the distinctiveness of the earlier marks and did not give sufficient weight to the descriptiveness of the word PAY in the Applicant's marks;
- D. The Hearing Officer's assessment of the likelihood of confusion was wrong, especially in failing to find any likelihood of indirect confusion;
- E. The Hearing Officer erred her analysis of the similarity/identity of the goods and services for the purposes of s 5(3);
- F. The Hearing Officer erred in finding that there would be no link between the parties' marks used in relation to those goods and services; and

G. The Hearing Officer should have found that there would be a misrepresentation by use of the Applicant's marks.

8. The Applicant filed a Respondent's Notice, raising two points. First, it said that the Hearing Officer had been wrong to disregard the fact that the Opponent had not opposed another trade mark application made by the Applicant for the word SWIFFGIVING. That point was not pursued before me. Secondly, it said that the Hearing Officer was wrong to disregard its evidence as to other businesses using the word SWIFT as part of their name.

### **Standard of appeal**

9. The standard of appeal is by way of review. A decision of a hearing officer on an issue of this kind should not be overturned unless this tribunal is satisfied that the approach adopted to evaluation was incorrect in law or approach or that the application of the correct principles led to a decision that was wrong. Neither surprise at a Hearing Officer's conclusion, nor a belief that he or she has reached the wrong decision suffice to justify interference in this sort of appeal. The principles relevant to this appeal are well established and I do not need to set them out in detail. They are derived from *Reef Trade Mark* [2003] RPC 5 and, more recently, *Actavis Group PTC v. ICOS Corporation* [2019] UKSC 1671 at [78] to [81]).
10. Where the decision below involves the making of a value judgment the decision maker on appeal must be especially cautious about interfering with that judgment (see *Actavis* at [08]). In *ROCHESTER Trade Mark*, BL O/049/17 Mr Iain Purvis QC sitting as the Appointed Person said:

“33. ... the reluctance of the Appointed Person to interfere with a decision of a Hearing Officer on likelihood of confusion is quite high for at least the following reasons: (i) The decision involves the consideration of a large number of factors, whose relative weight is not laid down by law but is a matter of judgment for the tribunal on the particular facts of each case (ii) The legal test ‘likely to cause confusion amongst the average consumer’ is inherently imprecise, not least

because the average consumer is not a real person (iii) The Hearing Officer is an experienced and well-trained tribunal, who deals with far more cases on a day-to-day basis than the Appellate tribunal (iv) The legal test involves a prediction as to how the public might react to the presence of two trade marks in ordinary use in trade. Any wise person who has practised in this field will have come to recognize that it is often very difficult to make such a prediction with confidence ... Any sensible Appellate tribunal will therefore apply a healthy degree of self-doubt to its own opinion on the result of the legal test in any particular case.”

11. In addition, I have kept in mind the comments of Lewison LJ In *Fage UK Ltd V Chobani UK Ltd* [2014] EWCA Civ 5; [2014] F.S.R. 29:

“114. Appellate courts have been repeatedly warned, by recent cases at the highest level, not to interfere with findings of fact by trial judges, unless compelled to do so. This applies not only to findings of primary fact, but also to the evaluation of those facts and to inferences to be drawn from them. ....

115. It is also important to have in mind the role of a judgment given after trial. The primary function of a first instance judge is to find facts and identify the crucial legal points and to advance reasons for deciding them in a particular way. He should give his reasons in sufficient detail to show the parties and, if need be, the Court of Appeal the principles on which he has acted and the reasons that have led him to his decision. They need not be elaborate. There is no duty on a judge, in giving his reasons, to deal with every argument presented by counsel in support of his case. His function is to reach conclusions and give reasons to support his view, not to spell out every matter as if summing up to a jury. ... It is sufficient if what he says shows the basis on which he has acted. ...”

12. This approach was recently reconfirmed by the Court of Appeal in *Assetco plc v. Grant Thornton UK LLP* [2020] EWCA Civ 1151 at [156], and at [157] David Richards LJ said  
“In my judgment, in deciding whether the judge was "wrong" in any of his evaluative conclusions, this court should recognise not only that it was his role to decide these issues but also that, in doing so, he enjoyed advantages not available

to this court, and we should interfere only if his conclusions were not ones reasonably open to him on the totality of the evidence, unless there is an underlying flaw in his reasoning which means that his assessment cannot stand.”

### **Merits of the appeal**

#### *A. Assessment of proof of use*

13. The Grounds of Appeal stated that the Hearing Officer had incorrectly assessed the Opponent's evidence of proof of use in respect of the Device and Word Marks. Although the Grounds were unspecific, at the hearing of the appeal this point was limited to the services in Class 36. The Opponent accepted that the point would be relevant to the s 5(2)(b) case only if it could overturn the Hearing Officer's findings in relation to identical goods/services and extend the consideration of a likelihood of confusion to similar goods/services.
14. The Hearing Officer had found at paragraph 41 of her decision that the Opponent provided consultancy services falling within Class 36 which were “directly related” to the Opponent's Class 38 services. At paragraph 43 she said: “The remaining services in Class 36 are *financial affairs, monetary affairs and electronic exchange and money market transactions*. The average consumer would understand these terms to mean financial transactions or investments or other financial services. The opponent has shown no use of the mark in relation to these services.” The point was repeated in paragraph 61 in relation to same elements in the Word Mark specification.
15. It seems to me that the Hearing Officer's conclusions in paragraph 43 were linked to her view that the Opponent's core services were its messaging services, and that these fell into Class 38. She referred at paragraph 14 to its evidence about its core business, which is of a substantial size and has been so for some years:

“SWIFT was founded in 1973. Mr Krekels states that its main business is the provision of a secure interbank financial transaction messaging network. The network currently uses an internet-based platform, SWIFTNet, which went live in 2001. In 2016, more than 6.5 billion messages were transmitted. An article from The Economist on 20 November 2014 explains that: “SWIFT does not initiate

transfers, hold customers' money, or clear or settle payments. Rather, it provides a template that helps international transfers flow smoothly and be tracked.'"

16. The Opponent complained that whilst the Hearing Officer accepted that there had been proof of use of the Device Mark in Class 36 for various financial information and advisory services (see Annex A below), she had erred in finding that use had not been proved for the broader terms listed in paragraph 43. It submitted that "financial affairs" and "monetary affairs" are such broad terms that they should have been found to incorporate the narrower term "financial messaging systems/services." It said that the service which it provides is not a messaging/communication service in the traditional sense but a monetary/financial service which utilises a messaging system in order to facilitate secure international financial transactions. Ms Blythe submitted that the Hearing Officer should have found that use had been proved at least for a sub-set of financial affairs which could appropriately be identified by a term used in the Applicant's Class 36 specification: "facilitating electronic monetary transfers and payments."
  
17. In my judgment, the Opponent has not shown that the Hearing Officer erred in finding that the earlier marks had not been used for "financial affairs" or "monetary affairs." In my judgment, those terms do not naturally include all kinds of financial or monetary services and it seems to me that the Opponent has not shown grounds for me to interfere with the finding that the services provided more naturally fell into Class 38 than 36. Ms Blythe drew my attention to several of the exhibits to Mr Krekel's witness statement, including press articles in which the Opponent was referred to as a financial service provider, and a provider of an interbank payment system. Those articles do not, to my mind, show that the services provided fall naturally under the rubric of financial or monetary affairs. Indeed, the articles described the Opponent variously as providing a "global platform for instant wiring of domestic and international money transfers," as "the backbone for international monetary transfers" and as "the world's largest payments and settlements network," all of which terminology which seems more apt to me to describe services in the nature of telecommunications. The distinction arises because the Opponent does not make the

transfers, but enables others to do so. In the circumstances, I consider that the Hearing Officer was entitled to draw the distinction she did in paragraph 43. I reject this Ground of Appeal.

*The s 5(2)(b) objection*

18. The Opponent raised several complaints about the Hearing Officer's assessment of the s 5(2)(b) objection. This was a multifactorial question, where the principles set out above impose a high bar to a successful appeal.

*B. Identification of the average consumer*

19. The Opponent said that the Hearing Officer was wrong to find that the average consumer of most of the goods and services in question would be a professional or business user, and had wrongly limited the exceptions to computer hardware and software. Ms Blythe pointed to the service of providing financial information online and encryption services in Class 36 and telecommunications services in Class 38, all of which could be purchased by the general public. I agree that the Hearing Officer should have found that the consumer of those services might also be a member of the general public. Nevertheless, in my judgment the Applicant was right to submit that a general member of the public would still choose such services with a medium to high level of attention, mitigating any impact of this gap in the decision.

*C. Errors as to the distinctiveness of the marks*

20. The Opponent submitted that the Hearing Officer made three errors in her analysis and comparison of the parties' marks. Some of these points appear to me essentially to identify points on which the Opponent disagreed with the Hearing Officer and hoped I would revisit her conclusions on the appeal, rather than identifying errors of principle or plain errors of fact which would provide a proper foundation to overturn the Decision.
21. First, the Opponent submitted that she gave too much weight to the non-distinctive device element of the Device Mark, in part by failing to take into account the principle that verbal elements are more distinctive than device elements within a composite

mark, and in part because it was wrong to suggest that the device element resembled a globe. As to the first point, the Hearing Officer said at paragraph 84

“The [Device] mark consists of a circular device, on which can be seen horizontal straight lines and curved vertical lines. In the middle of the circle the word SWIFT is presented, in italicised capital letters. The mark is in black and white. The eye is drawn to the word “SWIFT”, although the device also makes a contribution to the overall impression of the mark.”

As to the second point she said at paragraph 91

“The opponent submits that the average consumer will attribute the same meaning to “SWIFF” as they do to “SWIFT”. I agree. In both instances, the marks will bring to mind quick and efficient services, and the goods that are used in providing such services. In the case of the applied-for mark, the consumer will think of payment services. While “SWIFT” is also a species of bird, I consider it unlikely that the average consumer will have this concept in mind when recalling the 048 mark. The device in the 048 mark resembles a stylised image of a globe, which will make the consumer think the services cover the whole, or a substantial part of, the world. I find that the marks are conceptually similar to a medium degree.”

In my view the Opponent has not identified any error in the Hearing Officer’s analysis in either of those paragraphs, but is simply seeking to reargue the point. It seems to me that the Hearing Officer was plainly entitled to consider that the device represents a globe and would have the conceptual impact which she identified.

22. Secondly, the Opponent said that the Hearing Officer failed to take into account the descriptiveness of the word PAY in the Applicant's marks. She had found that it would be descriptive for many of the goods and services (she did not say which ones) but according to the Opponent should have found it to be descriptive or allusive of all of them, with the result that SWIFF would be the dominant element of all the Applicant's marks. At paragraph 87 the Hearing Officer said:

“The mark will be seen as the joining of two words “SWIFF” (likely to be interpreted as a fanciful version of “SWIFT”) and “PAY”, which for many of the goods and services in the specification will be descriptive. For these goods and

services, “SWIFF” is likely to be the dominant element of the mark, although the juxtaposition with “PAY” to make a new word will also contribute to the overall impression of the mark. For the remaining goods and services, the overall impression of the mark lies in the word as a whole.”

Again, in my view the Opponent has not identified any error in the Hearing Officer’s analysis in this paragraph.

23. Thirdly, the Opponent submitted that the Hearing Officer went wrong in assessing the distinctiveness of its marks. At paragraphs 102-4 she said:

*“Distinctiveness of the [Word] mark*

102 I shall begin by considering the distinctiveness of SWIFT. The word does not describe the goods and services in respect of which it is registered and on which it may rely. It does, however, allude to a quality of speediness that the consumer may expect to find in those goods and services. Ordinarily, then, the distinctiveness of the 381 mark would be fairly low. However, I need to consider whether this has been enhanced through use. I shall not repeat the analysis that I carried out earlier in my decision where I considered what use had been made of the marks. I find that the *use shown has enhanced the distinctiveness of this mark to a medium level in relation to the messaging systems, and associated goods and services, among the professional public.*

*Distinctiveness of the [Device] mark*

103. The [Device] mark has, in my view, a slightly higher inherent distinctiveness than the [Word mark] given the figurative element, which I have described above. However, as I found that the average consumer would interpret this device as a globe, alluding to the international nature of the goods and services, its inherent distinctiveness is no more than medium. In my view, *use has enhanced this distinctiveness to a slightly higher than medium level* in relation to the same goods and services referred to in the previous paragraph.

*Distinctiveness of the [SWIFTNet] mark*

104. The [SWIFTNet] mark has, in my view, a low degree of inherent distinctiveness. It is made up of two conjoined words, the first of which alludes to a quality found in the service and the second of which is a commonly used term for a computer network and therefore describes the goods and services upon which the opponent may rely with respect to this mark. Furthermore, the evidence shows that this mark is used less Page 44 of 68 widely than the other two and in the context of specific services. I find that this use has not enhanced the distinctiveness of this mark.”(emphasis added)

24. The Opponent complained that the Hearing Officer should have found that the word SWIFT was inherently of moderate distinctiveness, and should have concluded that the distinctiveness of the marks had been enhanced to a high level. Had the argument been limited to that point, I should again have rejected it as failing to disclose any error on the part of the Hearing Officer. However, Ms Blythe also submitted that I there was an inconsistency between paragraphs 102-3 and 115 of the decision as to the impact of the substantial use which had been made of the SWIFT marks. In paragraph 115 of the decision the Hearing Officer assessed whether the Opponent’s marks had a reputation for the purpose of s 5(3). She said:

“115. Earlier in the decision, I found that the opponent had demonstrated that it had used the marks for the goods and services listed in the table in paragraph 70. When considering the *distinctiveness of the 381 and the 048 marks, I found that it had been enhanced through use in relation to financial messaging systems, and associated goods and services*, in the eyes of the professional public. Given the *widespread use of the system* and the high levels of attendance at the opponent’s events and conferences, *I consider that their reputation in this field is strong*. In contrast, I was unable to find that the use of the 482 mark had been enhanced through use and so find no reputation.” (emphasis added)

25. I agree with the Opponent that the Hearing Officer’s finding in paragraph 115 that the Opponent had made widespread use of its marks and had a strong reputation for its core business, at least amongst the professional public, is difficult to square with her finding at paragraphs 102-3 that the inherent distinctiveness of the Device and Word

marks had been enhanced only to a medium or slightly higher than medium level. I have carefully considered whether this was just a question of semantics, but I have concluded that the Hearing Officer was distinguishing between her assessments of enhanced distinctiveness and reputation, without explaining why. As a result, I cannot be satisfied that the Hearing Officer did not fall into error in this respect. In my view, this discloses an underlying flaw in her reasoning, which feeds into the next ground of appeal on the assessment of the likelihood of confusion.

*D. Assessment of the likelihood of confusion*

26. The analysis of the likelihood of confusion is a multifactorial question, where an error of law or principle sufficiently serious to undermine the decision or a finding which could not be explained or justified on the evidence would have to be shown in order to give rise to a proper ground of appeal. The Opponent submitted that the Hearing Officer was wrong to find no likelihood of direct or indirect confusion by use of the Applicant's marks, even in relation to goods or services identical to those for which she had found the Opponent's marks to have enhanced distinctiveness. The Opponent said that the Hearing Officer had failed to take into account her own findings at paragraphs 87 and 88, first that SWIFF would be seen as a variant of SWIFT, and secondly that due to the descriptiveness of PAY, SWIFF would be the dominant element of all of the Applicant's marks for much of its specification. The Opponent said that at the least no reasonable tribunal could have found no likelihood of confusion where the Applicant's marks were used in relation to financial messaging services identical to the Opponent's core Class 38 services.

27. The Hearing Officer's summary of the applicable legal principles was not criticised, but the Opponent did criticise her brief reasoning on the likelihood of confusion:

"108. In my view, the average consumer will not mistake the applied-for marks for the earlier marks, even taking into account imperfect recollection. I recall that, in the case of most of the goods and services under consideration, these are consumers that are paying a high degree of attention when making purchasing decisions, so that, although the goods and services are identical, there is no likelihood of direct confusion. Even in the case of those goods where the

consumer is paying only a medium level of attention, it is my view that there will not be direct confusion. For these consumers, it does not seem to me that the opponent's mark has enhanced distinctiveness through use. These are not the purchasers of the opponent's goods and services.

109. I must also consider the likelihood of indirect confusion. I can see no reason why the average consumer might, on recognising that the marks are different, assume that there is a connection between the two undertakings. The first element of the applied for mark ("SWIFF") is not identical, so it seems to me that even if the average consumer thinks of the opponent, they will not make this assumption. This would be mere association.

110. The [Device] mark puts the opponent in no better a position, as this has as figurative element. Neither, in my view, does the [SWIFTNet] mark. The average consumer, paying a high degree of attention, will notice the difference between the marks and it seems unlikely that the applied-for mark would be seen as a sub-brand, given the differences between the first element. Again, I think there will be mere association at most."

28. The Opponent submitted that this reasoning failed to take into account a number of the Hearing Officer's findings. In particular, she had found that
  - a. SWIFF was "likely to be interpreted as a fanciful version of "SWIFT"" [paragraph 87],
  - b. SWIFF and SWIFT are highly similar and "indeed the final "T" may not be clearly articulated by the average consumer" [paragraph 90], and
  - c. the average consumer will attribute the same meaning to "SWIFF" as they do to "SWIFT," so the Applicant's marks were conceptually similar to a medium degree to the Device Mark [paragraph 91],
  - d. there was a higher degree of conceptual similarity in respect of the Word Mark [paragraph 95].
  
29. I have reviewed the parties' arguments on this aspect of the appeal at length. I am struck by the contrast between the Hearing Officer's detailed assessment of the Applicant's marks and their similarity to the earlier marks, and the brevity of her

reasoning in paragraphs 108-110 explaining her global assessment of the likelihood of confusion. The latter paragraphs proceed on the basis that the average consumer will recognise that the marks are different, so that there will be no likelihood of confusion, direct or indirect, and there is nothing to show that her detailed conclusions in the paragraphs identified above were taken into account in the global assessment. I have considered whether my concerns arise merely because those paragraphs could have been better expressed, but it does appear to me that the Hearing Officer did not take proper account of all of her findings. Indeed, it is striking that whilst paragraph 108 appears to relate to all of the earlier marks, paragraph 109 presumably relates only to the Word Mark, but that is only apparent from the contrast to the other marks which she mentions in paragraph 110. She did not explain how she reconciled her finding in paragraph 109 that the average consumer would recognise the differences between the Applicant's marks and SWIFT, and so make no assumption of a (trade) connection between them, with her earlier findings on the similarity of SWIFF to SWIFT. In my judgment, as she had found that SWIFF was likely to be interpreted as a fanciful version of SWIFT, with the same meaning as SWIFT, she should have explained why the consumer's appreciation that SWIFF was not identical to SWIFT excluded a likelihood of indirect confusion. Equally, she did not expressly consider the impact of her finding that PAY in the Applicant's marks was descriptive of much of its specification upon the average consumer in terms of impression or instinctive reaction.

30. Whilst a Hearing Officer cannot be expected to list every factor in their global assessment of the likelihood of confusion, it does seem to me that in this instance the Hearing Officer may have failed to take important aspects of her own findings into account in reaching her conclusions on s 5(2)(b). On careful consideration I have concluded that this amounted to a flaw in her decision. Considering the cumulative effect of this point and the points at paragraphs 19 and 25 above, I have come to the conclusion that the Hearing Officer did commit distinct and material errors of principle in her assessment of the likelihood of confusion.

31. As the Hearing Officer concluded that the s 5(2)(b) opposition failed even for identical goods/services, she did not go on to consider whether other goods/services were similar. The Opponent invited me to overturn her decision in relation to the identical goods, and decide it in relation to similar goods' I am conscious that if I remit the Opposition to be decided by a different Hearing Officer, this would cause further delay when both parties need to know where they stand. However, on balance, I do not think that I should decide the point, as the likelihood of confusion in respect of similar goods/services was not considered at all at first instance. In all the circumstances, I consider that the opposition based upon s 5(2)(b) should be remitted to the IPO to be reheard by another Hearing Officer, in relation to both identical and (if necessary and appropriate) any similar goods and services.

*The s 5(3) objection*

32. The next two Grounds of Appeal concerned the determination by the Hearing Officer of the case under s 5(3). The Opponent complained of the comparison of the relevant goods/services and the finding that no link would be made between the marks. This analysis is also a multifactorial question, where an error of law or principle sufficiently serious to undermine the decision would have to be shown in order to give rise to a proper ground of appeal.
33. At paragraph 113 of the decision, the Hearing Officer set out a summary of the law, including that "It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind." This does not set a high bar for the owner of the earlier mark. In Case C-408/01 *Adidas-Salomon AG v Fitnessworld Trading Ltd* [2004] F.S.R. 21 the CJEU explained that the link arose from

"a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them."

As Floyd LJ said more recently at [82] of *Argos Ltd v Systems Inc* [[2018] EWCA Civ 2211; [2019] F.S.R. 3:

“It is sufficient for such a link that the sign will call the trade mark to the mind of the average consumer.”

34. The Hearing Officer’s summary also referred to the need to assess the existence of such a link globally, taking into account all of the circumstances of the case. Relevant factors include the identity or similarity of the goods/services for which the marks are registered to the Applicant’s goods/services and the degree of similarity between the marks and the sign. The Hearing Officer therefore started her consideration of the applicability of s 5(3) with a lengthy analysis of the identity or similarity of the Applicant’s goods/services to those for which the Opponent had a reputation. The Opponent levied a number of criticisms at the Hearing Officer’s approach to that comparison:
- a. she did not clearly identify the financial messaging services and associated goods and services for which the Opponent has a reputation;
  - b. she misapplied the *Meric* principle that an overlap of goods/services means that they are identical, so excluding some goods/services from identity; and
  - c. some of her findings were inconsistent with her findings in relation to s 5(2)(b).
35. As to the first of those points, it is certainly not clear from paragraph 115 whether the Hearing Officer was extending her finding of reputation to all of the goods/services identified in paragraph 70 of the decision. At first, it seemed to me that she had done so, but paragraphs 120 and 124 throw some doubt on that assumption, as in each case the Hearing Officer appears not to have taken into account some of the services (all of Class 35 and encryption services in Class 42 respectively) for which she had found use proved. As a result, the Hearing Officer’s reasoning is unclear or insufficient, especially as she made no attempt to reconcile this part of her decision with her conclusions at paragraph 70.
36. As to the process of comparison which the Hearing Officer undertook, I have some concerns, first of all, that the Hearing Officer appears to have undertaken that comparison without reference to the test in Case T-133/05, *Gérard Meric*, which she had set out at paragraph 73 of the decision, or her own findings as to identity which

she had summarised at paragraph 74, though the latter point may be because she was in fact narrowing down the goods/services for which she considered there was a reputation.

37. The Grounds of Appeal listed a number of alleged mistakes in the comparison of the parties' goods/services. For instance, in paragraph 121 of the decision the Hearing Officer found that there was "a degree of complementarity" between the Opponent's goods and services (which she did not specifically identify) and some of the services included in the Applicant's Class 36 specification, and she concluded that this led to a low degree of similarity between them. Those complementary services included, for example, "providing financial information via a secure global electronic communication network, including information on exchange and money market transactions." However, the Hearing Officer had accepted that the Opponent had proved use of its Device Mark for "financial information provided via a secure global electronic communication network, including information on exchange and money market transactions." It is hard to know why the Hearing Officer did not accept that these services were identical to the Applicant's services, especially when one looks at her conclusions in paragraph 74. If she considered that the Opponent's reputation was for a narrower range of Class 36 services, not including this financial information service, she failed to say what they were. Similarly, paragraph 120 appears to me to be contrary to her finding at paragraph 74 as to some Class 35 services.
38. Again, in paragraph 122, she considered the parties' Class 38 services. She found them similar to a greater or lesser extent, but in so doing does not appear to have considered that she had found use proved of the Word Mark simply for "telecommunications," a term encompassing all of the Applicant's Class 38 specification (save perhaps for the consultancy services at the end of the list), and again she had so found in paragraph 74. Applying *Meric*, she should therefore have found at least those services to be identical to the Opponent's services. Again, if she considered that the Opponent's reputation was for a narrower range of Class 38 services, she failed to identify them, appearing to look instead for services "essential for the delivery of the Opponent's goods and services."

39. I have of course taken into account the need for specifications of services, which are inherently less precise than specifications of goods, to be “interpreted in a manner which confines them to the core of the ordinary and natural meaning rather than more broadly” (*per Arnold J in FIL v Fidelis Underwriting* [2018] EWHC 1097 (Pat) at [86]). Nevertheless, in the light of the issues just discussed, I consider that the Hearing Officer did err in the comparison of the goods and services which she carried out for the purpose of considering the s 5(3) objection. That part of her decision needs to be revisited.
40. In addition, the Opponent submitted that the Hearing Officer erred in finding no link between the marks for the purposes of s 5(3). In paragraphs 109 and 110 she had considered whether the average consumer might, on seeing the Applicant’s marks, call the Opponent’s marks to mind, and plainly she thought that they might do so, although in her view that would have been “mere association.” She therefore appeared in both of those paragraphs to contemplate that at least some consumers would make that association. Yet in paragraph 129 she said:
- “129. In my view, although the reputation of the 048 and 381 marks is strong for goods and services related to the financial messaging system, the distinctiveness of the earlier marks is not so high that they will be brought to mind when the average consumer sees the applied-for marks. I found the 048 mark to have a greater degree of distinctiveness than the 318 mark, but a lower degree of similarity to the applied-for marks. I also bear in mind that the word “SWIFT” (or a variant thereof) is one that traders may wish to use to allude to a quality to be found in their own goods or services, without consumers thinking that there is a connection to the opponent. In addition, professional consumers will notice the difference between “SWIFT” and “SWIFF”. Consequently, the section 5(3) ground fails.”
41. In my judgment, paragraph 129 is inconsistent with the Hearing Officer’s findings in paragraphs 109 and 110 that some average consumers may think of the Opponent when seeing the Applicant’s marks used in relation to the identical goods/services she

had identified in paragraph 74. In my view, that amounted to a finding that the earlier marks will be called to mind by some consumers, which suffices to establish a link for the purposes of s 5(3). Indeed, her conclusion that no link would be made at all is surprising, as she had found the Opponent to have a strong reputation for its core business and was contemplating use of the Applicant's marks in relation to some goods/services which she accepted were identical to those for which it had that reputation. In the circumstances, I am satisfied that the Hearing Officer applied too high a bar when considering whether a link would be made by the average consumer.

42. As the Hearing Officer found no link, she did not consider the remaining elements of the s 5(3) objection, so that again I consider that it is right to remit the s 5(3) objection to be heard by another Hearing Officer.

*The s 5(4)(a) objection*

43. This was rejected by the Hearing Officer on the same basis that she rejected the s 5(2)(b) objection. In the circumstances, although it probably adds nothing to that objection, I will remit it for reconsideration too.

*The Respondent's notice*

44. The Applicant submitted that the Hearing Officer ought to have taken account of its evidence that other FCA regulated firms use the word SWIFT as part of their names. At paragraph 101 of the decision, the Hearing Officer dismissed that evidence as failing to indicate any relevant activity in the market. Having looked at the evidence, it appears to me that she was right to do so. As the Applicant accepted at the hearing of the appeal, the FCA listings provided did not suffice to show what if any activity there had been under those names. This complaint about the decision takes the Applicant nowhere.

*Costs*

45. The appeal has succeeded but the opposition has yet to be decided. In those circumstances, I will make no order as to the costs of the appeal at this stage, but will

reserve the costs of the appeal to be dealt with by the Hearing Officer to whom the case is remitted. I will make an order reversing the Hearing Officer's costs award, and remit the costs of the initial hearing also.

Amanda Michaels  
The Appointed Person  
30 October 2020

**Ms Charlotte Blythe (instructed by Marks & Clerk LLP) appeared for the Opponent**

**Mr Michael Bilewycz (of Decisis IP Services) appeared for the Applicant**

## ANNEX A

### Opponent's goods and services for which use was proved:

<b>Mark</b>	<b>Goods and services</b>
<b>Device Mark</b>	<p>Class 9 Computer software relating to financial communication, software relating to encryption and to identification, software relating to the equalization, compensation and reporting of financial transactions; downloadable electronic publications relating to financial communication, including publications containing guidelines and standards for the financial community.</p> <p>Class 16 Printed directories.</p> <p>Class 35 Professional business consultancy, including that provided to financial institutions; organization of exhibitions for commercial or advertising purposes, for the financial community; maintaining and updating of computer databases.</p> <p>Class 36 Financial information provided via a secure global electronic communication network, including information on exchange and money market transactions; providing financial information via a web site; advisory services in the field of financial transactions with regard to modelling, improving, harmonizing and recording standardized electronic messages.</p> <p>Class 38 Secure transmission of messages relating to financial transactions and consulting relating thereto, data transmission between financial institutions and companies by means of a secure global electronic communication network; providing user access to a secure global electronic communication network; electronic transfer of information relating to transactions involving payments, securities, commercial paper and cash flow; rental of access to a secure global electronic communication network reserved for the financial community.</p> <p>Class 41 Training in the field of computer software, standards and installation services and to software maintenance, all relating to financial communication; organization of exhibitions and conventions for educational purposes, for the financial community; arranging of conventions for commercial or advertising purposes for the financial community.</p> <p>Class 42 Installation, implementation, integration, design and maintenance of computer software relating to financial communication and assistance services relating thereto; providing electronic encryption services; certification services based on digital signatures.</p>
<b>Word Mark</b>	<p>Class 9 Apparatus for data transmission; magnetic, optical and electronic data carriers, provided with computer programs or not; computer hardware and software to enable secure e-commerce (including electronic transactions and electronic remittances); software for use in digital signatures and certification based on public key cryptography.</p> <p>Class 16 Printed matter, namely directories.</p> <p>Class 37 Maintenance and repair of computers and peripheral equipment therefor.</p> <p>Class 38</p>

Telecommunications; including internet-based messaging services for securing e-commerce (including electronic transactions); providing telecommunication services to business and financial institutions by means of a computer network; advice relating to telecommunication services; providing information on the identity of senders of electronic messages to enable the recipients to verify the identity of the senders.

Class 41

Training of computer-operators and organisation of courses and seminars, the aforesaid services relating to computers and peripheral equipment therefor, to be used in the financial telecommunication.

Class 42

Systems analysis and adaptation of individual computer systems to the network system; rental of computers and peripheral equipment for computers; consultancy with respect to securing e-commerce and electronic transactions; provision of digital signatures and the supporting certification services based on public key cryptography; provision of software for electronic message security.

**SWIFT-  
Net**

Class 38

Providing telecommunication services to financial institutions by means of a computer network.

## ANNEX B

### Identical goods/ services

Opponent's goods/services	Applicant's goods/services
<b>Device Mark</b>	
Class 9 Computer software relating to financial communication, software relating to encryption and to identification, software relating to the equalization, compensation and reporting of financial transactions.	Class 9 Computer software.
Class 35 Professional business consultancy, including that provided to financial institutions	Class 35 Professional business consultancy services; professional business consultancy services provided to financial institutions.
Class 35 Maintaining and updating of computer databases	Class 35 Maintaining and updating of computer databases.
Class 36 Financial information provided via a secure global electronic communication network, including information on exchange and money market transactions	Class 36 Providing financial information via a secure global electronic communication network, including information on exchange and money market transactions
Class 36 Providing financial information via a web site	Class 36 Provision of financial information via the Internet
Class 38	Class 38

Data transmission between financial institutions and companies by means of a secure global electronic communication network	Provision of telecommunications and communications systems and networks for the transmission of funds and data
Class 42 Installation, implementation, integration, design and maintenance of computer software relating to financial communication and assistance services relating thereto	Class 42 Computer software and programming services; computer services
Class 42 Providing electronic encryption services	Class 42 Encryption services
Class 42 Certification services based on digital signatures	Class 42 Identification, authorisation, authentication and verification of data; electronic signature verification and authorisation services; digital signature verification and authorisation services
<b>Word Mark</b>	
Class 9 Computer ... software to enable secure e-commerce (including electronic transactions and electronic remittances); software for use in digital signatures and certification based on public key cryptography	Class 9 Computer software
Class 9 Apparatus for data transmission	Class 9 Computer hardware
Class 9 Magnetic, optical and electronic data carriers, provided with computer programs or not	Class 9 Software, hardware and systems for storage and transfer of data
Class 38 Telecommunications	Class 38 Provision of telecommunications and communications access to web-based and internet-based financial and investment trading and transactional systems and platforms; provision of telecommunications and communications access to the Internet and the worldwide web; provision of telecommunications communications systems and networks for the transmission of funds and data.
Class 38 Providing telecommunication services to business and financial institutions by means of a computer network	Class 38 Provision of telecommunications and communications access to the Internet and the worldwide web.
Class 38 Advice relating to telecommunication services	Class 38 ... advisory ... services relating to all the applicant's Class 38 telecommunications services
Class 42 Provision of digital signatures and the supporting certification services based on public key cryptography; provision of software for electronic message security.	Class 42 Data security services
<b>SWIFTNet Mark</b>	

Class 38 Providing telecommunication services to financial institutions by means of a computer network	Class 38 Provision of telecommunications and communications access to the Internet and the worldwide web.
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