

BL O/864/22

TRADE MARKS ACT 1994

IN THE MATTER OF

TRADE MARK APPLICATION No. WO0000001591798

BY
CAKE PTE. LTD.

TO REGISTER THE TRADE MARK:



IN CLASSES 9, 36 AND 42

-AND-

THE OPPOSITION THERETO UNDER No. 427037

BY
CAKE

Background and pleadings

1. Cake Pte. Ltd. is the holder of an international trade mark registration and has applied to protect, in the UK, the International Trade Mark shown below (“**the Contested IR**”). In this decision, I shall refer to Cake Pte. Ltd. as “**the Applicant**” (which is in line with the parties’ submissions).



IR number: 1591798
Designation Date: 15 February 2021
Priority Date: 5 February 2021
Date of Publication in UK: 23 July 2021
Goods and Services Classes: 9, 36 and 42

The goods and services for which registration is sought are laid out in their entirety at **Annex 1** to this decision.

2. Cake (“**the Opponent**”) has opposed the application under section 5(2)(b) of the Trade Marks Act 1994 (“**the Act**”) on the basis of its two UK trade mark registrations (collectively, “**the Earlier Marks**”) shown below. The Opponent relies upon all goods and services covered by the Earlier Marks in Classes 9, 35, 36 and 42.

Representation of the mark i.e. “ the Earlier Word Mark ”:	CAKE
Good and Services:	9, 35, 36 and 42 The goods and services are laid out in their entirety at Annex 2 to this decision.
UK Trade Mark Number:	3679931

Filing Date (of UK application):	10 August 2021
Filing Date (of original EUTM):	12 December 2019
Registration Date:	11 March 2022
Priority Date: (the Opponent's original EUTM claimed priority from its Benelux application)	4 September 2019

Representation of the mark i.e. "the Earlier Figurative Mark":	
Good and Services:	9, 35, 36 and 42 The goods and services are identical to those of the Earlier Word Mark, therefore the full list is also laid out at Annex 2 to this decision.
UK Trade Mark Number:	3679938
Filing Date (of UK application):	10 August 2021
Filing Date (of original EUTM):	12 December 2019
Registration Date:	Pending
Priority Date: (the Opponent's original EUTM claimed priority from its Benelux application)	4 September 2019

3. The applications to register the Earlier Marks in the UK were filed pursuant to Article 59 of the 'Withdrawal Agreement'.¹ As a consequence, they are deemed to have the same filing date as their corresponding trade mark applications filed in the EU. The Opponent's EUTMs claimed priority from the Opponent's earlier Benelux applications, therefore in turn, the Earlier Marks also claim the same priority, being 4 September 2019.
4. Given the respective filing dates, the Opponent's marks are earlier trade marks, in accordance with section 6 of the Act and are not subject to the use requirements specified within section 6A of the Act. Consequently, the Opponent may rely upon all goods and services without having to show any use at all.
5. The Opponent claims that *"In light of the similarity of the marks and the identical/similar goods and services, there exists a clear likelihood of confusion by the relevant consumer, including a likelihood of association."* In particular, in its form TM7, the Opponent states:

In reference to the Earlier Word Mark

"The Opponent's mark is the word "CAKE" in plain block capitals. The Applicant's mark consists of the word CAKEDEFI. The element 'CAKE' in the Applicant's mark is distinct from the element 'DEFI' as it is presented in a lighter shade of grey. The Opponent's mark is fully incorporated and identical to the beginning of the Applicant's mark. This second element of the Applicant's mark 'DEFI' is meaningful within the financial industry, namely, decentralized finance. The distinctiveness of the Applicant's mark therefore relies entirely on the element CAKE. The marks therefore share visual and aural similarity and are conceptually highly similar.

The goods and services in the Application covers, broadly, computer software, financial and banking services, and software development

¹ 'Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (2019/C 384 I/01)', also known as the 'Withdrawal Agreement'.

services. These are either identical or highly similar to those covered in the Opponent's application."

In reference to the Earlier Figurative Mark

"The Opponent's comments in relation to [the Earlier Word Mark] apply equally here, because the stylisation present in the Opponent's mark does not detract from the fact that the word CAKE is the sole and dominant feature of this earlier application."

6. The Applicant filed a counterstatement denying the claims made. In particular, the Applicant states:

"2. It is denied that the element 'CAKE' in the Applicant's Mark is distinct from the element 'DEFI' per se. It is further denied that [...] those two elements are depicted in grey, and it is therefore also denied that they are distinct from one another by reason of being presented in different shades of that colour.

3. It is denied that the Applicant's Mark and the Opponent's Marks are confusingly similar on any level.

4. It is submitted that the visual, aural, and conceptual dissimilarities between the Applicant's Mark and the Opponent's Mark is self-evident.

5. The Opponent's Marks consist of a single word, comprising four letters and one syllable, whereas the Applicant's Mark consists of an eight-letter word, comprising three syllables, in combination with a device element. It is submitted that the overall impression given by the parties' marks, when considered in their entireties, is therefore different and not confusing.

6. It is denied that there exists a likelihood of confusion (whether direct or indirect) on the part of the relevant consumer, including the likelihood of association."

7. Both sides filed evidence in these proceedings. This will be summarised to the extent that it is considered appropriate and necessary.
8. Both sides filed written submissions which I will refer to as and where appropriate during this decision. No hearing was requested therefore this decision is taken following a careful perusal of the papers.
9. In these proceedings the Opponent is represented by Stevens Hewlett & Perkins and the Applicant is represented by Taylor Wessing LLP.
10. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied upon in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

Preliminary Issues

The status of the Earlier Figurative Mark

11. I note that registration of the Earlier Figurative Mark is currently pending as the application has been opposed by a third party. Any findings I make in relation to that mark would be provisional and dependent on the outcome of the other proceedings. If the opposition against the Earlier Figurative Mark succeeds, any decision based on that mark would not stand.
12. Despite the stylisation of the Earlier Figurative Mark, which is minimal, the distinctive character of the Earlier Figurative Mark arises from the word 'CAKE'.² Taking this into account, and the fact that the goods and services of the Earlier Marks are identical, it is my opinion that reliance on the Earlier Word Mark alone

² In that regard, it should be noted that, "according to well-established case-law, in the case of a mark consisting of both word and figurative elements, the word elements must generally be regarded as more distinctive than the figurative elements, or even as dominant, since the relevant public will keep in mind the word elements to identify the mark concerned, the figurative elements being perceived more as decorative elements" – see *Migros-Genossenschafts-Bund v EUIPO – Luigi Lavazza (CReMESPRESSO)*, Case T-189/16, paragraph 52

offers the Opponent no less strong a case than the additional reliance on the Earlier Figurative Mark.

13. Given the opposed status of the Earlier Figurative Mark, my approach will be to focus on the comparison between the Earlier Word Mark and the Contested IR, although I will briefly return to the Earlier Figurative Mark in my final remarks.

The Annexes accompanying the Opponent's submissions of 2 February 2022

14. When the Opponent filed its submissions during the evidence rounds, it did so with four accompanying annexes. Annex 1 to 3 are merely extracts from the trade mark registers of the UK, EUIPO and Benelux providing details of the Opponent's earlier 'CAKE' marks.
15. However, Annex 4 is evidentiary in nature, the purpose of which was to provide detailed definitions and explanations for the term 'DEFI' or 'DeFi', which the Opponent submits is an abbreviation for the term 'Decentralised Finance'. Annex 4 includes printouts from two different websites, being 'Wikipedia' and 'Investopedia'. Partial extracts from Annex 4, in the form of screenshots, are also embedded in paragraph 7 of its submissions.
16. Since the evidence was not filed in the correct format, and was not accompanied by a statement of truth, I shall not take it into consideration when assessing the Opponent's evidence. The Applicant does however refer to it in its submissions dated 4 April 2022, therefore I shall refer to this material again to the extent that it is necessary to summarise the Applicant's arguments.
17. In that regard, I note that the Applicant made submissions and filed evidence to support its contentions about the validity of the Opponent's 'evidence'. In particular the Applicant submitted that the contents of Annex 4 *"carries little, if any, probative value in these proceedings"*, submitting that *"pages from the website Wikipedia cannot and will not be regarded by the UKIPO as comprising reliable and admissible evidence"*; and that the 'Investopedia' website is *"operated from locations in the United States and Canada [therefore it] comprises*

evidence from outside the UK, and therefore fails to stand as the proof the Opponent claims it to be.”³

18. The Opponent subsequently filed evidence in reply from different sources to support its repeated submissions in relation to the definition of the term ‘DEFI’. This evidence was filed in the correct format, being presented in the form of the Witness Statement of Shaun Nicholas Sherlock, dated 4 June 2022, which bore a statement of truth. It is this evidence that I will refer to in my decision.

Evidence and papers filed

19. Below is a list of all the evidence and submissions that have been filed by both parties in these proceedings:

Opponent’s submissions

Written submissions by Stevens Hewlett & Perkins dated 2 February 2022
Annexes 1, 2, 3 and 4

Applicant’s evidence and submissions

Witness Statement of Robert James Hawley (a Chartered Trade Mark Attorney and Brand Protection Practice Manager at Taylor Wessing LLP), dated 4 April 2022

Exhibits RJH-1 and RJH-2

Written submissions by Taylor Wessing LLP dated 4 April 2022

Opponent’s evidence and submissions in reply

Witness Statement of Shaun Nicholas Sherlock (a Chartered Trade Mark Attorney and employee of Stevens Hewlett & Perkins), dated 4 June 2022

Exhibits SNS1 and SNS2

Written submissions by Stevens Hewlett & Perkins dated 4 June 2022

³ The Applicant filed evidence in the form of Exhibit RJH-2 to the Witness Statement of Robert James Hawley, to support its submission in relation to the ‘Investopedia’ website

Applicant's submissions in lieu of a hearing

Written submissions by Taylor Wessing LLP dated 19 July 2022

20. The parties have both filed evidence to support their respective submissions in relation to the disputed meanings of 'CAKE' and 'DEFI'. I have summarised this evidence and accompanying submissions below.

Meaning of the term 'DEFI'

21. The Opponent contends that the *"term 'Decentralised Finance' is often abbreviated to the letters 'DEFI' or 'DeFi' and describes financial transactions based on secure distributed ledgers, similar to the ledgers used by cryptocurrencies."* As such, the *"letters 'DEFI' have an accepted meaning [within the financial industry], which is directly descriptive of the goods and services covered by the opposed trade mark application and therefore has no distinctive character for the goods and services covered by the application."* The Opponent submits that *"The distinctiveness of the Applicant's mark therefore relies entirely on the element CAKE"*.
22. The Applicant rejected the Opponent's submissions, noting that: *"it is incorrect to describe 'DEFI' as letters. The string is a word or term. In order to comprise letters, the word would need to be represented with punctuation marks; thus, D.E.F.I. [...] the two pieces of 'evidence' submitted in support of the claim both indicate that the abbreviation is actually "DeFi".⁴ [...] The term is not represented as "DeFi" within the Applicant's Mark, and it is therefore submitted that the Opponent's claim is based upon nothing more than a grammatical convenience than an established fact."* The Opponent contends that *"the use of the abbreviation in the form DeFi is the equivalent of the capital letters DEFI which appear as a suffix in the Application"*.

⁴ The 'evidence' to which the Applicant is referring is the contents of the Opponent's Annex 4, which I have referred to in the Preliminary Issues.

23. To support its submissions, the Opponent filed evidence in reply, which is contained in Exhibit SNS2 to the Witness Statement of Shaun Nicholas Sherlock. There are three sources of evidence contained in this exhibit, namely:

- (i) an online article from the 'Financial Times' dated 30 December 2019, titled "*DeFi Movement Promises high interest but high risk*", displayed under what appears to be the subject category of the article i.e. "*Decentralised finance*", with the accompanying sub-heading: "*Investors back projects aiming to 'decentralise finance' and offer direct loans and derivatives*";
- (ii) a 'Cryptoasset Manual' produced by HM Revenue and Customs, dated 30 March 2020 (updated 22 February 2022), titled "*CRYPT061214 - Decentralised Finance: Lending and staking: Income tax: Making a DeFi loan: Nature of the return*"; and
- (iii) a British English entry from the online Collins English Dictionary for the term 'DeFi'.⁵

24. Turning to the Collins English Dictionary entry first, 'DeFi' is defined as "*noun – a system that enables financial transactions to be completed between individuals without the mediation of any financial institution*" and that the 'word origin' is "*from de(centralized) fi(nance)*". The Applicant submits that this does not establish a meaning for "*the term 'DEFI' (i.e. represented entirely in capital letters)*." The Applicant also submits that the term is not presented as 'DeFi within its mark and that "*if the term was known in any [other] form (for instance, 'DEFI') the publisher of the dictionary would have (for reasons of accuracy and correctness) depicted it as 'DeFi or DEFI'*."

25. The 'Financial Times' article in essence confirms the dictionary definition. I also take note of the following information gleaned from the article:

- (i) the co-authors are stated to be 'in San Francisco';

⁵ The Opponent referred to the Collins English Dictionary entry on page 1 of the Witness Statement of Shaun Nicholas Sherlock as the dictionary entry for the word 'cake' which is no doubt an error, as the evidence contains only the definition of the term 'DeFi' which corresponds with the Opponent's submissions.

- (ii) *“DeFi start-ups are trying to build an interlocking financial system denominated in cryptocurrencies, offering a wide array of lending and derivatives products available globally, peer-to-peer and without any middlemen”. As such, “over time [...] anyone [will] be able to access savings accounts, [...] loans and to earn income in a steady currency that is not tied to wherever they live”;*
- (iii) former UK chancellor George Osborne is stated to have shown support as a partner at his brother’s venture capital group which *“backs several DeFi start-ups”;*
- (iv) in 2019 when the article was written, the authors referred to ‘DeFi’ as *“still nascent”* and *“highly experimental”* and that *“[w]hile the amount of money locked in DeFi products is relatively small – about \$700m, [...] it has nearly tripled this year”*. A co-founder of one ‘DeFi’ start-up group is quoted as follows: *“It’s not ready for mainstream use [...] This early phase is really for researchers, professionals, very sophisticated speculators,” [...] adding that he believed DeFi would become a mainstream technology over the next decade.”*
- (v) the article points out *“There are also practical barriers to widespread adoption. [...] users must first purchase existing cryptocurrencies [...] to access DeFi products”*.

26. The HM Revenue and Customs manual abbreviates the term *‘decentralised finance’* as *‘DeFi’* and uses the abbreviated term throughout the manual. The Applicant submits that it *“does not demonstrate that ‘DeFi’ is a commonly used term. Rather, the use of the term within the article strongly suggests that it is used purely for the purpose of brevity elsewhere in the article”*.

Definition of the word ‘CAKE’

27. The Applicant submits that one of the many slang definitions for the word ‘cake’

is 'money' and that:

“Therefore, the Applicant submits that (in accordance with the Doublemint principles), by reason of one of its various meanings being descriptive, the word ‘cake’ has little, if any, distinctive character in relation to services in class 36 and, as an ordinary, non-invented word, has no more than a low degree of distinctiveness in relation to the Opponent’s goods and services in classes 09 and 42.”

28. To support its submissions the Applicant filed evidence which is contained in Exhibit RJH-1 to the Witness Statement of Robert James Hawley. The exhibit is described as *“extracts from the website The Online Slang Dictionary, which contains definitions of “American, English, and Urban slang” terms (emphasis added).”*
29. I have reviewed Exhibit RJH-1 in its entirety and take note of the following:
 - (i) the search result displays 129 slang words meaning money, of which ‘cake’ is one;
 - (ii) ‘money’ appears eighth in a list of twelve slang definitions for the word ‘cake’ (at the bottom of the list is a hyperlink to add a further slang definition for ‘cake’). The following details are displayed about this specific entry: *“Last edited Aug 02 2010. Submitted by jaime from St Pete Beach, FL, USA on Aug 27 2002.”*
30. In its submissions in reply, the Opponent submits that ‘The Online Slang Dictionary’ *“clearly focuses on US slang [...] It is therefore submitted that the evidence has no relevance to the average UK consumer of the services in question”* and that *“the relevant consumer of the goods and services in question will consider the Opponent’s Trade Marks to be highly distinctive of the goods and services at issue.”*
31. The Opponent refers to Exhibit SNS1 to the Witness Statement of Shaun Nicholas Sherlock, in support of these submissions. The Opponent describes this exhibit as *“the about page from web-site <http://onlineslangdictionary.com/>*

and the home page of the author's home page." These are essentially two separate pieces of evidence. I take note of the following information gleaned from this evidence:

- (i) *"The website is a wiki: logged-in users can submit terms, add definitions to terms"*
- (ii) *"New content appears on the website immediately, without requiring editor or community permission."*
- (iii) *"Thanks to everyone who has submitted or edited definitions, or voted on terms. The Online Slang Dictionary wouldn't exist without you!"*
- (iv) Walter Rader (the 'author') is listed as residing in Berkeley, California. On 'Walter Rader's Home Page', next to the entry for 'The Online Slang Dictionary' is the following: *"A dynamic dictionary of English slang. If a new word or phrase comes to your area, I invite you to add it to the list."*

Conclusions from the evidence

Meaning of the term 'DEFI'

- 32. The Applicant has stated that 'DEFI' is a "word or term" yet has not produced any evidence or offered any submissions with regards to an alternate meaning for it. I am satisfied that the Opponent has sufficiently demonstrated that 'DEFI' stems from and is an abbreviation for the term 'Decentralised Finance'. Whilst the evidence submitted by the Opponent depicts the term as 'DeFi' and not 'DEFI', I disagree that this nullifies its meaning, particularly when 'DEFI' would be seen in relation to the goods and services at hand.
- 33. Throughout the Opponent's evidence, the full term is depicted as 'Decentralised Finance', 'Decentralised finance' and 'decentralised finance' and all versions appear to be used interchangeably. Whether capital letters are used or not, does not appear to alter the meaning. I think the same can be said for the abbreviated term. I also note that the Collins English Dictionary entry depicts the 'word origin' as *"de(centralized) fi(nance)"*, no capital letters are used, despite the dictionary entry depicting the 'word' as 'DeFi'.

34. I am satisfied that the Opponent has also demonstrated that the term is not limited to the USA since the nature of 'decentralised finance', according to the evidence, is to make financial products available globally and it is not tied to the currency of any particular country, rather it is a financial system denominated in cryptocurrencies. That combined with the dictionary evidence, the HM Revenue and Customs evidence and the journalists' statement that the former UK Chancellor has shown support for it, evidences that it is a term that is known in the UK.
35. The evidence suggests that it is still a niche area, but one that is rapidly growing with mainstream potential.
36. It is my understanding that 'decentralised finance' by its very nature, refers to financial services that are reliant on software for them to exist, since, for example, the currency denomination used is cryptocurrency.
37. All this in combination suggest to me that 'DeFi' or 'DEFI' may serve in trade, in the UK, to designate the kind and intended purpose of the goods and services at hand.
38. I note that this is merely my conclusion based on the evidence and submissions and I have yet to consider whether it is a term that is likely to be known to the average consumer and what impact that will have on my global assessment.

Definition of the word 'CAKE'

39. It is my opinion, based on the evidence before me, that the Applicant has strained the principle set forth in *Doublemint*.⁶ I am not satisfied that the Applicant's evidence demonstrates that 'cake' is a slang term for 'money' in the UK. Certainly I would have expected evidence from more than one source if that were the case.
40. The Applicant has drawn my attention to the fact that the slang dictionary from which it has obtained its evidence includes 'English' slang. Whilst I can determine from the evidence that there are three (unrelated) entries made by two

⁶ *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32]

contributors based in the UK,⁷ and a specific (unrelated) entry for ‘UK English slang’,⁸ the entry in relation to ‘cake’ being defined as ‘money’, has been made by a single contributor based in the USA. I note that the entry does not include any source references as is usual or often expected in a dictionary definition.

41. I also note that ‘The Online Slang Dictionary’ is a ‘wiki’,⁹ and is open to unrestricted, non-vetted editing. It appears that the contributor of the ‘money’ definition did indeed (to paraphrase the website) learn of a new word that came to their area (in the USA) and added it to the list. I therefore cannot rely on this evidence alone to conclude that ‘cake’ is a slang definition for the word ‘money’ that would be known to the relevant UK consumer.

DECISION

Legislation and Case Law

42. Section 5(2)(b) of the Act is as follows:

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

[...]

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

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

43. I am guided by the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co*

⁷ Relating to slang definitions for the words ‘ace’; and a definition for the word ‘cake’ meaning ‘a baby or a sissy’

⁸ With regards to the word ‘bill’ being a slang term for ‘the police’ in ‘UK English slang’

⁹ ‘wiki’ is defined by the Oxford English Dictionary as “a type of web page designed so that its contents can be edited by anyone who accesses it, using a simplified markup language”, www.oed.com

GmbH v Klijsen Handel B.V. Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) 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;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

Comparison of goods

44. Section 60A of the Act provides:

“(1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

45. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, (“**Meric**”), the General Court held to the effect that goods and services can be considered as identical when the goods and services designated by the earlier mark are included in a more general category, designated by the trade mark application and vice versa.

46. When considering whether goods and services are similar, all the relevant factors relating to the goods and services should be taken into account. Those factors include, inter alia:¹⁰

- (a) the physical nature of the goods or acts of service;
- (b) their intended purpose;
- (c) their method of use / uses;
- (d) who the users of the goods and services are;
- (e) the trade channels through which the goods or services reach the market;
- (f) in the case of self-serve consumer items, where in practice they are found or likely to be found in shops and in particular whether they are, or are likely to be, found on the same or different shelves; and
- (g) whether they are in competition with each other (taking into account how those in trade classify goods and services, for instance whether market research companies put them in the same or different sectors)

or

- (h) whether they are complementary to each other. Complementary means *“there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”*.¹¹ I note that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity.¹²

47. In *Sky v Skykick* [2020] EWHC 990 (Ch), Lord Justice Arnold, in the course of his judgment, set out the following summary of the correct approach to

¹⁰ See *Canon*, Case C-39/97, paragraph 23; and *British Sugar PLC v James Robertson & Sons Ltd.*, [1996] R.P.C. 281 – the “*Treat*” case

¹¹ *Boston Scientific Ltd v OHIM*, Case T-325/06, paragraph 82

¹² *Kurt Hesse v OHIM*, Case C-50/15 P

interpreting broad and/or vague terms:

“56. [...] the applicable principles of interpretation are as follows:

(1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.

(2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.

(3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.

(4) A term which cannot be interpreted is to be disregarded.”

48. I bear in mind the case of *Separode*¹³ and therefore for the purposes of making my comparison, I have grouped the goods and services where the same reasoning applies.

Class 9

49. Software

(i) The following goods in the Applicant's specification, namely:

“Data processing software; computer software programs; computer software for encryption”

are very broad definitions of goods and they all fall within the following very broad category in the Opponent's specification:

“computer software”

¹³ *Separode Trade Mark BL O/399/10, paragraph 5*

In addition, given the broad nature of the Applicant's 'software' goods (above) they also cover the following goods in the Opponent's specification:

“Computer software and mobile applications, including for use in the field of insurance, financial affairs, monetary affairs and banking affairs; computer software and mobile applications, including services for loyalty, incentive and bonus programmes; computer software for security of financial transactions”

These goods are **identical** on the principle outlined in *Meric*.

(ii) The following goods in the Applicant's specification, namely:

“Data processing programs; computer programs for processing data; programs for computers”

and the following goods in the Opponent's specification:

“computer software; computer software and mobile applications, including for use in the field of insurance, financial affairs, monetary affairs and banking affairs; computer software and mobile applications, including services for loyalty, incentive and bonus programmes; computer software for security of financial transactions”

will overlap in purpose and nature since computer software is a collection of many computer programs. There will be overlap in method of use and user. There may also be overlap in trade channels as the same undertakings that sell computer software may also sell computer programs. There may also be a degree of competition between them and a degree of complementarity. I consider the goods to be **highly similar**.

50. Mobile apps and software for financial purposes

The following goods in the Applicant's specification, namely:

“Cryptocurrency wallets, downloadable; downloadable cryptographic keys for receiving and spending cryptocurrency”

both fall within the following broader categories in the Opponent's specification:

"Mobile apps; Computer software and mobile applications, including for use in the field of insurance, financial affairs, monetary affairs and banking affairs; computer software for security of financial transactions"

These goods are **identical** on the principle outlined in *Meric*.

51. Equipment / apparatus

The following term in the Applicant's specification, namely:

"Apparatus for processing digital data"

is a broad term that covers the following goods in the Opponent's specification:

"equipment for the processing of secured payments on computer-based communication networks"

These goods are **identical** on the principle outlined in *Meric*.

Class 36

52. Banking

The following services in the Applicant's specification, namely:

"Automated banking services; electronic banking via a global computer network [internet banking]; online banking; electronic banking services; financial banking; current account services"

all fall within the following broad categories in the Opponent's specification (and vice versa):

"Private banking; Financial and monetary services, and banking"

These services are **identical** on the principle outlined in *Meric*.

53. Card payment

The following services in the Applicant's specification, namely:

"Credit card and debit card services; credit card payment processing; credit card services"

all fall within the following broad categories in the Opponent's specification (and vice versa):

"Bank card, credit card, debit card and electronic payment card services; Electronic processing of payments"

These services are **identical** on the principle outlined in *Meric*.

54. Investment

- (i) *"Financial investment"* appears in both parties' specifications and is self-evidently **identical**.
- (ii) *"Investment consultancy; investment fund management; investment services"* in the Applicant's specification are **identical** to *"Investment, including investment consultancy and investment management"* in the Opponent's specification.
- (iii) The following terms in the Opponent's specification, namely:

"Financial investment; Investment, including investment consultancy and investment management; Consultancy, information and awareness-raising regarding the aforesaid services, including provided via electronic networks, such as the Internet"

are broad terms that cover the following services in the Applicant's specification:

"provision of investment savings plans; trust investment services; hedge fund investment services; investment performance monitoring; cryptocurrency investment services; investment brokerage;

cryptocurrency investment advisory services; capital investment consultation; capital investment consulting; venture capital management; venture capital fund management; venture capital advisory services; funds management services; hedge fund management; mutual funds; provident fund services; provision of investment information; investment information; providing information and analysis via the internet in the field of financial investments”

These services are **identical** on the principle outlined in *Meric*.

55. Currency trading and exchange

The following services in the Applicant’s specification, namely:

“Financial exchange of virtual currency; exchanging money; online real-time currency trading; cryptocurrency exchange services”

all fall within the following broad category in the Opponent’s specification:

“Currency trading and exchange services”

These services are **identical** on the principle outlined in *Meric*.

56. Brokerage of securities etc.

- (i) In the context of ‘stock exchange’, “*securities*” are defined as “*stocks, shares, bonds, or other certificates that you buy in order to earn regular interest from them or to sell them later for a profit*”.¹⁴ With that in mind, the following terms in the Applicant’s specification, namely:

“brokerage of shares and other securities; brokerage of shares or stocks and other securities; securities brokerage services; stock exchange information provided on-line from a computer database or the internet; securities advisory services; providing on-line stock exchange information from a computer database or the internet”

¹⁴ See the definition for “securities” in the Collins English Dictionary, www.collinsdictionary.com

all fall within the following services in the Opponent's specification:

“securities brokerage and stock exchange quotations; financial information, data, advice and consultancy services; consultancy, information and awareness-raising regarding the aforesaid services, including provided via electronic networks, such as the Internet”.

These services are **identical** on the principle outlined in *Meric*.

- (ii) *“Brokerage of futures”* in the Applicant's specification and *“securities brokerage”*¹⁵ in the Opponent's specification will overlap in purpose and nature since “futures”, like “securities” are financial products or commodities that can be traded.¹⁶ Therefore the brokerage of one is similar to the brokerage of the other. There will be overlap in method of use and user. There will also be overlap in trade channels as the same undertakings that broker futures could also broker securities. There may also be a degree of competition between them and a degree of complementarity. I consider the services to be **highly similar**.

57. Financial management / administration

- (i) *“Management of assets; management of financial assets”* in the Applicant's specification are self-evidently **identical** to *“asset management”* in the Opponent's specification.
- (ii) The following services in the Applicant's specification, namely:

“Administration of financial affairs; cryptocurrency asset management; financial management of stocks; management of shares; securities management; financial management; monitoring of financial portfolios; wealth management; financial management via the internet; financial

¹⁵ The full term in the Opponent's specification being: *“securities brokerage and stock exchange quotations”*

¹⁶ See the definition for “futures” in the Collins English Dictionary, www.collinsdictionary.com – i.e. *“commodities or other financial products bought or sold at an agreed price for delivery at a specified future date”*

management services provided via the internet; advisory services relating to money management”

fall within the following categories in the Opponent’s specification (and vice versa):

“pension fund administration services; asset management; financial portfolio management; investment management;¹⁷ personal finance services; consultancy, information and awareness-raising regarding the aforesaid services, including provided via electronic networks, such as the Internet”

These services are **identical** on the principle outlined in *Meric*.

58. Financial planning

- (i) *“Personal finance services”* appears in both parties’ specifications and is self-evidently **identical**.
- (ii) The following services in the Applicant’s specification, namely:

“Advisory services relating to financial planning”

is a broad category that covers the following services in the Opponent’s specification:

“pension planning consultancy; financial advice relating to tax planning; consultancy, information and awareness-raising regarding the aforesaid services, including provided via electronic networks, such as the Internet”

These services are **identical** on the principle outlined in *Meric*.

¹⁷ The full term in the Opponent’s specification being: *“investment, including investment consultancy and investment management”*

59. Transactions and financial services

The following services in the Applicant's specification, namely:

“Electronic transfer of virtual currencies; conducting of financial transactions; conducting of financial transactions on-line; financial payment services; recording the transfer of securities; organization of monetary collections; money transfer; money order services; money deposit services; securities deposit services; deposit-holding; deposit-taking; financial exchange; financial services provided by electronic means; computerised financial services; conducting of financial affairs on-line; trading in options; trading of financial derivatives; trading in futures; trading of stocks; trading of financial derivatives”

all fall within the broad category of:

*“financial services”*¹⁸ in the Opponent's specification;

and they also fall within the following broad categories contained within the Opponent's specification:

“financial transfers and transactions, and payment services; electronic processing of payments; financial and monetary services, and banking; currency trading and exchange services”.

These services are **identical** on the principle outlined in *Meric*.

60. Loans, financing and funding services

- (i) *“Financial loan services”* appears in both parties' specifications and is self-evidently **identical**.

¹⁸ The full term in the Opponent's specification being: *“financial and monetary services, and banking”* (my emphasis)

(ii) The following services in the Applicant's specification, namely:

“Credit and loan services; loans [financing]; loans against securities; provision of loans; provision of funds; crowdfunding; fundraising services; charitable fundraising; venture capital financing; credit financing; export credit management; credit consultancy”

all fall within the following broad categories in the Opponent's specification:

“financial loan services; financing and funding services; consultancy, information and awareness-raising regarding the aforesaid services, including provided via electronic networks, such as the Internet.”

These services are **identical** on the principle outlined in *Meric*.

61. Financial analysis

(i) *“Financial analysis”* appears in both parties' specifications and is self-evidently **identical**.

(iii) The following services in the Applicant's specification, namely:

“Financial data analysis; preparation and analysis of financial reports; securities analysis; evaluation of the credit worthiness of companies and private individuals”

all fall within the following broad categories in the Opponent's specification:

“financial analysis; fiscal assessments”

These services are **identical** on the principle outlined in *Meric*.

62. Financial information and advice

The following services in the Applicant's specification, namely:

"Providing financial information; financial advisory services; financial advisory services for companies; provision of financial information; provision of information relating to financial services"

all fall within the following broad categories in the Opponent's specification:

"financial information, data, advice and consultancy services; financial services;¹⁹ consultancy, information and awareness-raising regarding the aforesaid services, including provided via electronic networks, such as the Internet"

These services are **identical** on the principle outlined in *Meric*.

Class 42

63. Installation, maintenance, repair, modification and updating of computer software and computer programs

(i) The following services in the Applicant's specification, namely:

"installation, maintenance, updating and upgrading of computer software; installation, maintenance and updating of database software; updating of computer software relating to computer security and prevention of computer risks; installation, maintenance and updating of computer software; installation, maintenance and repair of software for computer systems; updating of smartphone software; updating of computer software; installation of database software; installation and maintenance of database software; installation, maintenance and repair of computer software; maintenance and updating of computer

¹⁹ The full term in the Opponent's specification being: *"financial and monetary services, and banking"* (my emphasis)

software;²⁰ updating and maintenance of software and database systems;²¹ installing computer programs; updating of computer programs; updating of computer programs for third parties; modifying of computer programs; maintenance of computer programs”

all fall within the following very broad category in the Opponent’s specification:

“technological services”²²

These services are **identical** on the principle outlined in *Meric*.

- (ii) In the alternative, there is a degree of similarity between the Applicant’s aforementioned services and the following services in the Opponent’s Class 42 specification:

“software as a service services;²³ providing temporary use of web-based applications”

and the following goods in the Opponent’s Class 9 specification:

“computer software; mobile apps”

This is because:

- a) there would be an overlap in users, since the users of the Opponent’s goods and services may also be the users of the services for the ‘installation, maintenance, repair, modification and updating of computer software and computer programs’;²⁴
- b) there may also be overlap in trade channels, as the undertaking that sells/provides access to the software, may likely be the same

²⁰ The full term in the Applicant’s specification being: *“design, maintenance, development and updating of computer software”*

²¹ The full term in the Applicant’s specification being: *“development, updating and maintenance of software and database systems”*

²² The full term in the Opponent’s specification being: *“scientific and technological services and research and design relating thereto”*

²³ The full terms in the Opponent’s specification being: *“design and development of computer hardware and software; software and platform as a service services”*

²⁴ I have already established the high similarity between ‘computer software’ and ‘computer programs’

undertaking that provides the ‘installation, maintenance, repair, modification and updating’ services for them;

- c) they are complementary to each other because there is a close connection between them. Having purchased the software, mobile app, or subscribed to a web-based software service, the consumer may even presume or expect the ‘installation, maintenance, repair, modification and updating’ services to be automatically included and perhaps even free of charge, since they are indispensable and important to the correct functioning of the software itself. As such, they may think that the responsibility for those services lies with the same undertaking that is providing the software.²⁵

In the **alternative**, I find the Applicant’s services to be **similar** to the Opponent’s goods and services to a **medium degree**.

- (iii) With regards to the Applicant’s “*updating and maintenance of database systems*”,²⁶ I consider a database system to be a kind of system software. Therefore my alternate reasoning with regards to similarity set out in my paragraph 63(ii) applies equally to this term, as such, I find the Applicant’s services to be **similar** to the Opponent’s goods and services to a **medium degree**.

64. Design / development of software

The following services in the Applicant’s specification, namely:

“Development of systems for the processing of data; development of programmes for data processing; development of systems for the storage of data; development of computer programs; development of software for secure network operations; development of systems for the transmission of data; development of software and database systems;²⁷ software creation;

²⁵ I note that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity.

²⁶ Set out in the Applicant’s specification listed in my paragraph 63(i)

²⁷ The full term in the Applicant’s specification being: “*development, updating and maintenance of software and database systems*”

design and development of computer software;²⁸ development of computer software”

all fall within the following broader categories in the Opponent’s specification:

“Design and development of computer hardware and software; scientific and technological services and research and design relating thereto”

These services are **identical** on the principle outlined in *Meric*.

65. File / data storage

- (i) My interpretation of “*software as a service*” in the Opponent’s Class 42, is that it relates to web-based software and applications (as opposed to desktop software), which I interpret as encompassing software services for cloud-based storage of files, documents, data etc.
- (ii) With that in mind, the following services in the Applicant’s specification, namely:

“Electronic storage of files and documents; electronic storage of medical records; electronic storage of documents; online data storage; electronic storage services for archiving electronic data; electronic data storage and data back-up services; electronic storage services for archiving databases; electronic data storage”

all fall within the following categories in the Opponent’s Class 42 specification:

“Computerised business information storage; software and platform as a service services; providing temporary use of web-based applications; scientific and technological services and research and design relating thereto”

²⁸ The full term in the Applicant’s specification being: “*design, maintenance, development and updating of computer software*”

as well as the following category in the Opponent's Class 35 specification:

“Administrative management of computer data and files, including in the field of trade, financial affairs, monetary affairs, banking affairs or relating to insurance”

These services are **identical** on the principle outlined in *Meric*.

66. Consultancy and information services

The following services in the Applicant's specification, namely:

“Computer security consultancy; consultancy and information services relating to computer programming; information services relating to information technology; information technology [it] consultancy; consultancy and information services relating to information technology; information technology [it] consulting services; technical consultancy relating to the application and use of computer software; providing information in the field of computer software development; providing information in the field of computer software design; consultancy relating to the design and development of computer software programs; computer software consulting”

all fall within the following broader categories in the Opponent's specification:

“Scientific and technological services and research and design relating thereto; design and development of computer hardware and software; professional consultancy relating to new technologies; consultancy, information and awareness-raising regarding the aforesaid services, including provided via electronic networks such as the Internet.”

These services are **identical** on the principle outlined in *Meric*.

67. Computer programming

The following services in the Applicant's specification, namely:

“Writing of computer programs; computer software programming services; computer programming services for data warehousing; computer programming; computer code conversion for others”

being 'technological services', all fall within the following broader category in the Opponent's specification:

“Scientific and technological services and research and design relating thereto”

These services are **identical** on the principle outlined in *Meric*.

68. Technical writing and computer analysis

I remind myself that general terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.

Technical writing

- (i) My interpretation of the term *“technical writing”* in the Applicant's specification is based on the literal meaning of the word 'technical'. The dictionary definition of 'technical' in relation to a person is: *“having knowledge of or expertise in a particular art, science, or other subject; skilled in the formal and practical techniques of a particular field. In later use chiefly: expert in or concerned with applied and industrial sciences.”* And of a writer, book etc., is: *“using or dealing with terms that belong to a particular subject or field; treating a subject in a specialist way; requiring specialist knowledge to be understood”*.²⁹
- (ii) With that in mind, it follows that *“technical writing”* is a broad term that could encompass 'writing' that would be intrinsic to the provision of the following services contained in the Opponent's specification (perhaps to record

²⁹ See the entry for the word 'technical' in the Oxford English Dictionary, www.oed.com

findings and processes, or record a set of instructions or impart technical information):

“Scientific and technological services and research and design relating thereto; design and development of computer hardware and software; product development and product design; professional consultancy relating to new technologies; consultancy, information and awareness-raising regarding the aforesaid services, including provided via electronic networks such as the Internet.”

As such, these services are **identical** on the principle outlined in *Meric*.

- (iii) In the alternative, they are at least similar since they may overlap in user; they may also overlap in trade channels, since the undertaking providing the *“technical writing”* services is likely to be the same undertaking that is providing the services detailed in the Opponent’s specification; and they would also be complementary to each other. For example, research and design and product development and design would likely require the researchers and designers to ‘write up’ their findings or ‘write up’ a set of instructions, or perhaps ‘write up’ a patent for instance – to enable someone skilled in the art to reproduce it. In light of the above, in the **alternative**, these services are **similar to a medium degree**.

Computer analysis

- (iv) I now turn to *“computer analysis”* in the Applicant’s specification. I note that ‘analysis’ is defined as: *“a detailed examination or study of something so as to determine its nature, structure, or essential features. Also: the result of this process; a detailed examination or report; a particular interpretation or formulation of the essential features of something.”*³⁰ Based on the literal meaning of the word ‘analysis’, taken in the context of computers, it is my interpretation that the broad term for *“computer analysis”* services would cover the Opponent’s services as detailed in my paragraph 68(ii).

³⁰ See the entry for the word ‘analysis’ in the Oxford English Dictionary, www.oed.com

- (v) My interpretation of 'computer analysis' services would involve for example, addressing the needs of a business by studying/researching the functionality and behaviour of computer hardware, software or programs used by the business. This would be done perhaps with a view to reporting any issues, then coming up with solutions to those issues, for example, by developing new technologies including new hardware and/or software. As such, I consider these services to be **identical** on the principle outlined in *Meric*.
- (vi) In the alternative, they are at least similar since they may overlap in user; they may also overlap in trade channels, since the undertaking providing the "*computer analysis*" services is likely to be the same undertaking that is providing the services detailed in the Opponent's specification; and they would also be complementary to each other. For example, in order to consult on the design and development of new technologies, new hardware and/or software (and then proceed with the actual design and development of them), a detailed analysis would presumably need to be undertaken of the existing computer systems as part of that whole process. In light of the above, in the **alternative**, these services are **similar to a medium degree**.

69. Data encryption

- (i) My interpretation of "*computer software for security of financial transactions*" is software that enables financial transactions to take place securely so as to safeguard from hackers for example. Since computer-based financial transactions would essentially involve the transmission of data (as opposed to anything physical or tangible), in order to be made secure, the data would need to be encrypted to be sent, and decoded (presumably upon receipt) through the use of computer software for the security of financial transactions.
- (ii) With that in mind, I consider there to be a degree of similarity between the following services in the Applicant's Class 42 specification, namely:

"Data encryption services; data encryption and decoding services"

and the following goods in the Opponent's Class 9 specification:

“Computer software for security of financial transactions”

This is because:

- a) there would be an overlap in users, since the users of the software e.g. an individual making a payment by bank transfer, would also be the user of the services provided by the bank for the ‘data encryption and decoding’;
- b) there may also be overlap in trade channels, since the undertaking that provides the software, may likely be the same undertaking that provides the services;
- c) they are complementary to each other because there is a close connection between them since the data encryption and decoding services may not be possible without the software that enables it. It is easy to imagine a real-world scenario, again using the example of a payment made by bank transfer, where, even in the event that the bank does not use its own software (having acquired the software from a third party) and merely provides the services for the use of that software to enable their customers to use their electronic banking services securely, the end customer (being the account holder) is unlikely to know that the bank is not the provider of the software. Rather they are likely to presume that the responsibility for those services lies with the same undertaking that is providing the software i.e. their bank.³¹

I find the Applicant's services to be **similar** to the Opponent's goods to a **medium** degree.

³¹ I note that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity.

Classes 9, 35 and 42

70. Databases

I consider there to be a degree of similarity between the following goods and services in the Applicant's specification, namely:

Class 9

"computer databases"

Class 42

"database design and development"

and the following services in the Opponent's specification, namely:

Class 35

"administrative services relating to the construction of databases"

This is because:

- (i) they will have a degree of overlap in user since, a consumer seeking out the design and development services for the provision of a computer database may likely be the resultant user of the administrative services relating to the construction of that database;
- (ii) there may also be overlap in trade channels, as the undertaking that designs, develops and ultimately sells/provides computer databases, may likely be the same undertaking that provides the administrative services relating to the construction of those databases;
- (iii) they are complementary to each other, since there is a close connection between them, in the sense that, the administrative services relating to the construction of databases are indispensable or important for the design and development of the database, and for the actual computer database to be constructed and become an end product. Therefore, the consumer may

think that the responsibility for the Applicant's goods and services lies with the same undertaking as the Opponent's services.³²

I therefore consider the Opponent's "*administrative services relating to the construction of databases*" to be **similar** to (i) "*computer databases*" to a **low degree**; and (ii) "*database design and development*" to a **medium degree**.

Conclusion on the comparison of goods and services

71. I have found identity between some of the respective goods and services and for the remainder I have found similarity between them (on varying degrees). I have not found any instance of dissimilarity between the parties' specifications.

The average consumer and the nature of the purchasing act

72. Trade mark questions, including the likelihood of confusion, must be viewed through the eyes of the average consumer of the goods and services in question. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. The word "average" merely denotes that the person is typical,³³ which in substance means that they are neither deficient in the requisite characteristics of being well informed, observant and circumspect, nor top performers in the demonstration of those characteristics.³⁴

73. It is therefore necessary to determine who the average consumer of the respective goods and services is, and how the consumer is likely to select those goods and services. It must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods and services in question.³⁵

74. Bearing in mind the nature of the goods and services in this case (or at least the overwhelming majority of the specified terms), it is apparent that the parties engage in the provision of financial services, which includes the provision of

³² I note that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity.

³³ *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), paragraph 60

³⁴ *Schutz (UK) Ltd v Delta Containers Ltd* [2011] EWHC 1712, paragraph 98

³⁵ *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97

those services in electronic and/or computerised format and the conducting of those services online and/or the rendering of those services with the aid of computer software. I therefore think the most likely relevant consumer, based on the range of specified goods and services, is the average consumer of financial services.

75. I acknowledge that some of the goods and services terms have a wider scope of average consumer (which are not necessarily constrained to the financial services sector) for example, a consumer of software who is a home PC user wanting computer software for word processing (which, I note, serves to demonstrate that “a registration such as “computer software” is of immense breadth”³⁶) or online data storage services. However, it is my view that ultimately, the software and other goods in Class 9 and the Class 35 and 42 services are peripheral goods and services that enable, and are intrinsic to, the provision of the financial services in Class 36. Indeed, the end consumer is unlikely to make a distinction between them and would view them collectively as the ‘financial services’.
76. This is because the average consumer of ‘financial services’ is likely to view their use of the ‘software’ for example (and the updating services related to that software), merely as part of the provision of the financial services. With that in mind, they are likely to assume that the Class 9 goods and the Class 35 and 42 services are vital and complementary to the efficient and secure delivery of the financial services and not separate to them.
77. Therefore it is my view that a financial services provider is unlikely to sell/ provide its Class 9 goods and Class 35 and 42 services separately from its financial services in Class 36 and they are all likely to be provided as one whole, indistinct package. It is easy to imagine a real-world example where a customer, using the banking services of ‘ABC’ bank, is likely to expect to be able to download the ‘ABC’ banking app, most likely free of charge, as part of the banking services provided by ‘ABC’ bank. They would expect any administrative services related to the provision of the banking services, or updates and security fixes to the app,

³⁶ See *Massachusetts Financial Services Company v MFS Africa Limited*, Case O/531/22, paragraph 13, in relation to the comment about ‘computer software’

to be provided as part of the provision of banking services via the app. Indeed, in certain circumstances, the consumer may only ever interact with their bank, and use the banking services exclusively with the aid of the mobile app, and may never have cause to physically attend the ‘bricks and mortar’ bank in person to use the financial services.

78. What’s more, the Class 9 goods and Class 42 services are likely to be proprietary in nature, or bespoke, and specific only to that financial services provider. For example, a customer banking with ‘ABC’ bank would not be able to use the banking app of ‘XYZ’ bank (an unrelated third party) to access their ‘ABC’ bank account. As such, it follows that the financial services provider is unlikely to sell its software to third parties, or develop software for third parties or provide business services for third parties. These would all be provided for the benefit of the customers of its own financial services.
79. The Appointed Person in *Massachusetts Financial Services Company v MFS Africa Limited*³⁷ made the following comments:

“18. [...] But it seems highly likely that the end-users of the financial services would or at least could also be users of the software developed to receive advice, present portfolio details or to carry out transactions. In such a field, they may also expect to find that the software they are using is “bespoke” in the sense that it is presented as unique to the company providing the financial services.

19. [...] As I have noted above, it is clearly the case that financial services can and often are provided using computer software, often of a bespoke nature. This seems to me to be a classic example of complementary goods and services whereby the nature of the software plays an integral and important part in the delivery of the financial service. [...]

20. The analogy sought to be made by the Opponent was to the supply of a banking app by a high street bank, which the consumer would expect to come from the same source as the financial services supplied

³⁷ Case O/531/22

by the bank. Like all analogies, the comparison is not perfect, but I can understand why a consumer may expect there to be some sort of similar link between the provider of platforms to enable or support financial services and the provider of the underlying financial services.”

Whilst these comments were in reference to a comparison of goods and services, the observations are no less applicable to the conclusions I have made with regards to the ‘end-user’ of the goods and services, and who I consider is the average consumer in these proceedings.

80. The average consumer is likely to obtain the financial services directly from the financial services provider, either in person at the service provider’s place of business, or via the service provider’s website or mobile app for example. Depending on the specific nature of the financial services, the average consumer may also be able to arrange them through a third party such as a financial adviser or broker for example.
81. The selection of the services will be primarily visual as the average consumer is most likely to encounter the trade marks on promotional materials, through marketing campaigns or in a prospectus or brochure (including their online equivalents). They may even encounter them on the front of the financial service provider’s place of business or on their website or mobile app for example. As such, visual considerations will dominate. However, I do not discount that aural consideration may play a part by way of word-of-mouth recommendations and advice from financial advisers for example.
82. The financial services at hand cover a broad, far-reaching spectrum, varying from commonplace banking to niche investment services. Some of the more commonplace services would be targeted at a wide range of consumers, varying from the general public to experienced, sophisticated consumers of financial products such as financial professionals; whilst other services may even only be available on a business-to-business basis and not to private individuals.
83. Whichever end of the spectrum of proficiency or specialism the average consumer is, given the very nature of financial services – insofar as the services

involve the entrustment of money and/or other assets to an organisation, whether for safe keeping or as a means to increase their amount or value – I consider the average consumer of financial services will pay a high degree of attention when selecting the services.

84. Finally I note that even if I had concluded that there were multiple categories of average consumer based on the specific goods and services, for example, had I concluded that there is an average consumer that I should take into account for the Class 9 and Class 42 goods and services, that is different to the average consumer of “financial services” in Class 36, this would ultimately make little difference to my assessment considerations since the average consumer in such circumstances encompasses both a member of the general public paying at least a medium degree of attention and a professional or business user (including financial institutions), whose attention level would be higher.

‘DEFI’ and the average consumer

85. Now that I have considered who the relevant consumer is and the nature of the purchasing act, before I proceed with my comparison of the marks, I pause here to assess what the average consumer’s perception of ‘DEFI’ would be.
86. Whilst I am satisfied that the Opponent has established that ‘DEFI’ is an abbreviation for ‘decentralised finance’ and what that means, I must consider whether the average consumer would be aware of that term or not, before I can assess whether or not that impacts the way the average consumer would perceive the Contested IR.
87. Based on the evidence before me, ‘DEFI’ is not on par with mainstream financial services such as ‘private banking’, however, I think the evidence sufficiently suggests that it is gaining traction and appears to represent, at least currently, a new wave in the financial sector that potentially is a sign of things to come. It also represents a new way of operating in the financial sector that is, generally speaking, reliant on software and software services to facilitate the provision of, and access to, the related financial services and the nature of ‘DEFI’ appears to fit with the goods and services the Applicant has applied for.

88. The deemed average consumer in these proceedings represents a broad spectrum of consumer and whilst I do not think that all consumers of financial services (for example, members of the general public who only use financial services for the purpose of personal banking) are likely to be aware of, or even heard of 'DEFI', I do consider that the more sophisticated user of financial services, which still represents a large proportion of the average consumer, will be aware of the term. Particularly since it seems that it is being reported on in mainstream financial press such as 'The Financial Times'. Just because something belongs to a 'niche' area, or is not yet widely used, does not, in my view, mean that it is not sufficiently known to the relevant public, nor that the average consumer would actively need to be using it or participating in it to know of its existence.
89. I therefore consider that it is more likely than not that a significant proportion of the average consumer would be aware of the term 'DEFI'.

Comparison of marks


90. It is clear from established case law that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.³⁸ The visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks in the mind of the average consumer, bearing in mind the distinctive and dominant components of the marks.³⁹ Then, in light of the overall impression, and all factors relevant to the circumstances of the case, it is necessary to assess the likelihood of confusion.⁴⁰
91. It would be wrong, therefore, to dissect the trade marks artificially, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

³⁸ *Sabel BV v. Puma AG*, Case C-251/95, paragraph 23

³⁹ *Sabel BV v. Puma AG*, paragraph 23

⁴⁰ *Bimbo SA v OHIM*, Case C-591/12P, paragraph 34

92. The respective trade marks are shown below:

Earlier Word Mark	Contested IR
CAKE	

93. Before I proceed with my comparison of the marks I note that the Applicant has invited me to draw comparisons between the present case and the outcomes of the cases listed in its submissions,⁴¹ submitting that the marks at issue in those cases, shared word elements yet were held to be visually and aurally different. I note that each of the considerations with regards to the similarity of the marks in those cases is unique to the facts in those specific cases and that I am not bound by those previous decisions.

94. In this regard I take note of the Opponent's submissions, in reference to the Appointed Person's decision in *Robert Bosch GmbH v Bosco Brands UK*, Case O/301/20,⁴² that a common sense approach should be undertaken in any assessment where every comparison will depend on its own facts. I intend to apply that common sense approach to the case before me and determine this case on its own facts, according to the principles laid down by the EU Courts, and in light of all the evidence and submissions before me.

95. I also note that that *“approach does not amount to taking into consideration only one component of a complex trade mark and comparing it with another mark. On the contrary, such a comparison must be made by examining the marks in question, each considered as a whole. However, that does not mean that the overall impression created in the mind of the relevant public by a complex trade mark may not, in certain circumstances, be dominated by one or more of its components.”*⁴³

⁴¹ See the Applicant's submissions dated 4 April 2022, paragraph 28

⁴² See the Opponent's submissions dated 4 June 2022, paragraph 15

⁴³ *Matratzen Concord AG v OHIM*, Case T-6/01, paragraph 34

96. In *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), Arnold J. (as he then was) considered the impact of the judgment in *Bimbo*, on the Court's earlier judgment in *Medion v Thomson*. Making reference to the composite trade mark for which registration was sought, the judge said that *Bimbo* confirmed three points where a composite mark contains an element which is similar to an earlier mark:

"19. The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In Medion v Thomson and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20. The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21. The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors."

97. I also note from *Whyte and Mackay*,⁴⁴ that “if the only similarity between the respective marks is a common element which has low distinctiveness, that points against there being a likelihood of confusion.”
98. In *Whyte and Mackay*, the mark ORIGIN was being relied on in opposition to the trade mark JURA ORIGIN for alcoholic drinks. The Judge held that there was no likelihood of confusion, essentially because when used after the name of the island Jura, the name Origin became entirely descriptive and would simply be taken as indicating that the product in question came from the island, rather than having any independent trade mark significance.⁴⁵

Overall impression

99. The Earlier Word Mark is a word-only mark consisting of the word ‘CAKE’. The overall impression rests purely in the word ‘CAKE’.
100. The Contested IR is a figurative mark, consisting of two components: a verbal element ‘CAKEDEFI’ and a device element.
- (i) ‘CAKEDEFI’
- (a) ‘CAKEDEFI’ is in uppercase and is written in a normal, plain font. The word ‘CAKE’ is in a dark grey colour whilst ‘DEFI’ is in black. This colour difference is not a visually impactful contrast (since they are of the same colour family or very close on a colour gradient), however it is nevertheless discernible, and contributes to the overall impression of the mark insofar as it creates a visual separation between the word ‘CAKE’ and ‘DEFI’.
- (b) I note that the Opponent has submitted that ‘CAKE’ and ‘DEFI’ are distinct from each other as ‘CAKE’ is presented in a lighter shade of grey. The Applicant has denied that ‘CAKE’ and ‘DEFI’ are distinct from one another as it denies the Opponent’s submissions that they are depicted in different shades of grey. The Applicant’s denial appears to

⁴⁴ *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another*, paragraph 44

⁴⁵ *Dominique Tillen v Design Go Limited and DG Capital Limited*, BL O/331/19, paragraph 16

be more of an argument based on semantics and whilst it denies that 'CAKE' and 'DEFI' are presented in two different shades of 'grey', it does not alter the fundamental point underlying the Opponent's submission that the two words are in different colours/shades. It is particularly apparent from my inspection of the register that a colour difference exists and it appears as though the mark has been applied for in greyscale. I also point out that, the Applicant itself has treated its mark as though it were made up of two distinct verbal components, being the word 'CAKE' (which the Applicant submits – in reference to the Opponent's marks – is a slang word for 'money') and 'DEFI', ('DEFI', in the Applicant's assertion, being a "word or term").

- (c) Even if 'CAKEDEFI' were in the same colour, or the average consumer did not notice the colour difference, I note that, whilst the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details, they will "*nevertheless, perceiving a verbal sign, break it down into verbal elements which, for [them], suggest a concrete meaning or which resemble words known to [them]*".⁴⁶ I think that this principle applies here, therefore, regardless of whether the words are visually separated by a colour change or not, the average consumer would nevertheless break down the word 'CAKEDEFI' into verbal elements which suggests a concrete meaning known to them, and would therefore identify that 'CAKEDEFI' contains the word 'CAKE' (meaning a sweet confectionary item).
- (d) I think there is less likelihood that the average consumer would 'break down' the term into 'CAKED' and 'EFI' – not only because of the colour difference creating a divide between 'CAKE' and 'DEFI' but also because the average consumer (even if they don't detect the colour difference), is more likely to place the natural break between 'CAKE' and 'DEFI' because they will pick out the easily identifiable, widely understood word 'CAKE'. They may also likely conclude that 'DEFI'

⁴⁶ See *Usinor SA v OHIM*, Case T-189/05, paragraph 62, which references: Case T-356/02 *Vitakraft-Werke Wührmann v OHIM – Krafft (VITAKRAFT)* [2004] ECR II-3445, paragraph 51, and Case T-256/04 *Mundipharma v OHIM – Altana Pharma (RESPICUR)* [2007] ECR II-0000, paragraph 57

suggests a concrete meaning to them i.e. 'Decentralised Finance'; or in the alternative, it resembles a word known to them e.g. 'defy'.

(e) Finally, I note that the 'breaking down' of the verbal element 'CAKEDEFI' in order to attach meaning to it, does not represent an artificial dissection of the mark, but something that, in my opinion would happen in the mind of the average consumer when confronted with the term 'CAKEDEFI' as it is presented in the Contested IR.

(ii) 'Device'

The device element is a fairly simple device. It is represented in dark grey, the same colour as the word 'CAKE'. It appears as though it could be (i) a 'play' button of the type that is common on an electronic device or interface and (ii) it also appears as though it represents a cake, and the triangular shape is a slice of that cake. The presence of the word 'CAKE' within the mark could be seen to reinforce the perception that the device is a stylised representation of a cake, and the fact that they are both represented in dark grey also links the two and could further reinforce this perception. I also do not discount that the average consumer may not make these assumptions and could merely perceive the device as a decorative logo without reading any further into it, although I think this is less likely because the device is depicted next to the word 'CAKE'.

101. I have already concluded that there is sufficient evidence to satisfy me that 'DEFI' is an abbreviation for 'Decentralised Finance' and that 'DEFI' may serve in trade, in the UK, to designate the kind and intended purpose of the goods and services at hand; and that a significant proportion of the average consumer is likely to be aware of the term 'DEFI'.

102. Whilst the Contested IR consists of both a word and figurative element, generally speaking, the mind of the average consumer 'latches on' to the word elements of such marks, and it is the word elements that the average consumer will use to identify the mark.

103. In that regard, it should be noted that, *“according to well-established case-law, in the case of a mark consisting of both word and figurative elements, the word elements must generally be regarded as more distinctive than the figurative elements, or even as dominant, since the relevant public will keep in mind the word elements to identify the mark concerned, the figurative elements being perceived more as decorative elements”*.⁴⁷
104. More specifically, whilst the overall impression of the Contested IR, created in the mind of the relevant public, is dominated by its word element i.e. ‘CAKEDEFI’, it is my opinion that ‘CAKEDEFI’ would itself be dominated by the component ‘CAKE’, and that it is that word that the relevant public will keep in mind to identify the later mark. This is compounded by my finding that a significant proportion of the average consumer is likely to accord ‘DEFI’ less trade mark significance in relation to the goods and services at hand, and/or even if they don’t know the meaning of ‘DEFI’, they nonetheless would ‘latch on’ to the easily recognisable word ‘CAKE’ that suggests a concrete meaning to them, thus separating it from the composite term ‘CAKEDEFI’. This ‘separation’ is also aided by the colour differentiation and the presence of the device element which suggests a stylistic representation of a cake, the latter reinforcing and distinguishing the presence of the word ‘CAKE’ within the mark.
105. Alternatively, or in addition, ‘CAKE’ has a distinctive significance which is independent to the significance of the whole. This is because ‘CAKE’ has its own separate meaning and its meaning is not altered/different because of its incorporation into the composite term ‘CAKEDEFI’, nor is its meaning qualified by the presence of ‘DEFI’ within the mark. In reaching this conclusion I am reminded of the principle that an element may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark.

⁴⁷ *Migros-Genossenschafts-Bund v EUIPO – Luigi Lavazza (CReMESPRESSO)*, Case T-189/16, paragraph 52

Visual comparison

106. The Earlier Word Mark comprises solely of the word 'CAKE'. The whole of the Earlier Mark is incorporated into the Contested IR and it forms the first four letters of the verbal element of the Contested IR.
107. Whilst the Contested IR is a figurative mark, the font used is a plain font and does not alter my finding that the Opponent's Earlier Word Mark 'CAKE', is identical to the first four letters of the Contested IR. In making this finding I bear in mind the comments of Mr Iain Purvis QC, sitting as the Appointed Person, in *Groupement Des Cartes Bancaires v China Construction Bank Corporation*,⁴⁸ wherein he stated:
- "It is well established that a 'word mark' protects the word itself, not simply the word presented in the particular font or capitalization which appears in the Register of Trade Marks. [...] A word may therefore be presented in a different way (for example a different font, capitals as opposed to small letters, or hand-writing as opposed to print) from that which appears in the Register whilst remaining 'identical' to the registered mark."*
108. 'DEFI' and the device element in the Contested IR have no counterparts in the Earlier Word Mark. Both represent points of visual difference between the marks.
109. Generally speaking, the consumer normally attaches more importance to the first part of words.⁴⁹ The presence of the same root 'CAKE' in the Contested IR gives rise to a strong visual similarity between the marks. The presence of the term 'DEFI' is insufficient to dispel the existence of that strong visual similarity.
110. Taking into account the identity between the words 'CAKE' and the elements in the Contested IR which have no counterpart in the Earlier Word Mark, overall I conclude that the marks are visually similar to a medium degree due to their common distinctive element 'CAKE'.

⁴⁸ Case BL O/281/14, paragraph 21

⁴⁹ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, paragraph 81

Aural comparison

111. Both marks share the common element 'CAKE'. 'CAKE' would be pronounced identically in both marks. In that respect, it should again be emphasised that generally speaking, the attention of the consumer is usually directed to the beginning of a word/words.⁵⁰
112. Given that 'DEFI' derives from 'Decentralised Finance' and taking into account the dictionary evidence provided by the Opponent,⁵¹ I conclude that 'DEFI' is pronounced as 'DEE-FY'.
113. That said, I also find that there is likely to be a proportion of the average consumer who may not be familiar with the term 'DEFI'. They may nonetheless pronounce it as 'DEE-FY' (perhaps, having 'broken down' the verbal element 'CAKEDEFI', they may consider 'DEFI' resembles a word known to them, albeit with an alternate spelling – namely 'defy'). Alternatively, I also do not discount that they could even pronounce it as 'DEH-FEE'.
114. Taking into account the shared aural identity with regards to the word 'CAKE', and the fact that 'DEFI' has no counterpart in the Earlier Word Mark, I conclude that the marks are aurally similar overall to a medium degree, due to the common element 'CAKE'.

Conceptual Comparison

115. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.⁵² The Opponent submits that *“conceptually, the [Contested IR] will evoke an image of or the idea of a cake, which coincides with the concept behind the Opponent's Earlier Trade Marks”*, and that the *“word CAKE at the beginning of the [Contested IR] will be obvious to the average consumer and with a recognisable meaning and it is submitted that will convey the same conceptual meaning to the average consumer of a sweet baked food”*.

⁵⁰ *El Corte Inglés*, paragraph 83

⁵¹ Insofar as the phonetic pronunciation of 'DeFi' is contained in the dictionary reference

⁵² This is highlighted in numerous judgments of the General Court and the CJEU including *Ruiz Picasso v OHIM* [2006] E.C.R. I-643; [2006] E.T.M.R. 29.

116. The Applicant on the other hand submits that the respective marks have a *“complete conceptual difference [...] and thus cannot lead to a finding of similarity between the respective marks”*. The Applicant submits that *“the primary meaning of the word element of the Opponent’s Marks can be immediately grasped, whereas the same most assuredly cannot be said of the Applicant’s Mark. Consequently, it is the Applicant’s submission that the respective marks are conceptually different.”*

117. It is the Applicant’s contention that the visual and aural similarity between the respective marks is *“counteracted by the conceptual difference”* since:

“the global assessment of the likelihood of confusion implies that conceptual differences between two signs may counteract phonetic and visual similarities between them, provided that at least one of those signs has, from the point of view of the relevant public, a clear and specific meaning, so that the public is capable of grasping it immediately (CEU, 4 March 2020, EUIPO / Equivalenza Manufactory SL, C-328/18 P, paragraph 74);

It therefore follows that it is only where these conditions (directly above) are satisfied that the UKIPO may dispense with the global assessment of the likelihood of confusion, on the ground that, by reason of the marked conceptual differences between the signs at issue and the clear and specific meaning which can be grasped immediately by the relevant public of at least one of those signs, those signs produce a different overall impression, despite the existence, between them, of certain elements of similarity visually or phonetically (Ibid., paragraph 75).”

118. I note that the Applicant makes no submission as to the concept of the term ‘CAKEDEFI’; nor does it make any specific submissions with regards to the concept of the word ‘CAKE’ (other than that its primary meaning can be immediately grasped – though it does not elaborate on whether that ‘primary meaning’ refers to its contention that it is a slang term for the word ‘money’ or whether it relates to the ordinary meaning of the word i.e. relating to confectionary); nor does it make any submissions with regards to the concept of the *“word or term”* ‘DEFI’.

119. Since 'CAKE' is present in both marks (and it is an independent distinctive element of the Contested IR), then whatever the concept of that word, the respective marks would share that same concept. I therefore reject the Applicant's submission that there is a 'complete conceptual difference' between the marks.
120. I have already concluded that I do not consider the word 'cake' to be a recognised slang term for the word 'money' in the UK. Instead, I agree with the Opponent's interpretation of the word 'cake' and I think the average consumer will attribute that ordinary meaning to the word 'cake' in the respective marks, and will, as a consequence, immediately grasp the concept that it refers to a sweet confection. This concept is also alluded to by the presence of the device in the Contested IR. The device evokes the concept of a cake, which is all the more apparent as it is depicted next to the word 'CAKE'. In summary, the respective marks share an identical concept with regards to the word 'CAKE'.
121. With regards to the concept of the word 'DEFI', I consider a significant proportion of the average consumer will be able to immediately grasp its meaning (i.e. 'Decentralised Finance'), which is not a distinctive concept in relation to the goods and services at hand and would likely be seen as being descriptive or non-distinctive by that proportion of the average consumer. However, I also find that there would be a proportion of the average consumer that would not be aware of that meaning,⁵³ and for those, it has no concept. Alternatively, they may perceive that it is an alternate spelling for the word 'defy' and attach to it the concept of the ordinary meaning of that word (i.e. a refusal to obey). Either way, the presence of 'DEFI' in the Contested IR represents a point of conceptual difference between the two marks.
122. In conclusion, the conceptual similarity of the marks lies in the shared presence of the word 'CAKE' and that concept is particularly distinctive since it is an unusual concept in relation to the goods and services at hand. I consider the marks to be conceptually similar to a medium degree.

⁵³ particularly since, according to the evidence, it is still a nascent area of finance

Distinctive character of the Earlier Mark

123. The degree of distinctiveness of the Earlier Word Mark is one of the factors that must be taken into account when assessing whether there is a likelihood of confusion. This is because the more distinctive the Earlier Word Mark, the greater the likelihood of confusion may be, although it is the distinctive character of a component that is similar between the marks that is particularly relevant.
124. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.
125. *“In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered”.*⁵⁴
126. The Opponent makes no claim to enhanced distinctiveness through the use made of the Earlier Word Mark, therefore I only have the inherent distinctiveness of the mark to consider.
127. Contrary to the claims by the Applicant, ‘CAKE’ has no clear or established meaning in relation to the goods and services at issue. As an aside, I note that a registered trade mark must be assumed to have at least some distinctive character,⁵⁵ and that even where an earlier trade mark is determined to have a weak distinctive character, that does not preclude a finding of a likelihood of confusion per se.⁵⁶ In any event, the distinctive character of an earlier mark is not a factor which influences the perception which the consumer has of the similarity of the signs.⁵⁷
128. The average consumer is likely to consider the word ‘CAKE’ as relating to a sweet confectionary item. It is an ordinary, common English word (as opposed

⁵⁴ See *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97, paragraph 23

⁵⁵ See *Formula One Licensing BV v OHIM*, Case C-196/11P, paragraphs 41 - 44

⁵⁶ *L'Oréal SA v OHIM*, Case C-235/05 P, paragraph 45

⁵⁷ *Ibid.*, paragraph 42

to an invented word) and it will be given its plain and ordinary meaning. It makes no descriptive or allusive reference to the Opponent's goods and services and it represents an appropriation of an ordinary, commonly used word, for use in relation to goods and services that are wholly unrelated.

129. The overall impression created in the mind of the average consumer would be dominated by the ordinary meaning of that word and its use in relation to the goods and services is odd and unusual, which is only likely to increase its distinctiveness. Consequently, I consider the Earlier Word Mark to possess a higher than medium degree of inherent distinctive character.

Conclusions on Likelihood of Confusion

130. In assessing the likelihood of confusion, I must adopt the global approach advocated by case law and take into account the fact that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture of them that they have kept in mind.⁵⁸ I must also keep in mind the average consumer of the goods, the nature of the purchasing process and have regard to the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa.⁵⁹

131. Making an assessment as to the likelihood of confusion is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether there is a potential that they might believe that the goods and services come from the same or an economically linked undertaking, and therefore are likely to be confused as to the origin of those goods and services.

132. The relative weight of the factors is not laid down by law but is a matter of judgment for the tribunal on the particular facts of each case.⁶⁰ The global assessment is supposed to emulate what happens in the mind of the average consumer on encountering the later mark with an imperfect recollection of the

⁵⁸ *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*, Case C-342/97, paragraph 27

⁵⁹ *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.*, Case C-39/97, paragraph 17

⁶⁰ See paragraph 33 of the decision of Iain Purvis QC sitting as the Appointed Person in Case No. O/049/17, (*Rochester Trade Mark*).

earlier mark in mind. It is not a process of analysis or reasoning, but an impression or instinctive reaction.⁶¹

133. Although the likelihood of confusion must be assessed at the relevant date (i.e. in this case, the date of application of the Contested IR), it is also a forward looking enquiry. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors*,⁶² Lord Justice Arnold confirmed that:

“The judge was not precluded, in assessing the likelihood of confusion at [the relevant] date, from taking into account probable future developments. On the contrary, he would have been in error had he not done so, since it is of the essence of the test of likelihood of confusion that it is forward-looking.”

134. There are three sets of circumstances where a consumer may associate a later mark with an earlier mark because of the identity and/or similarity between them, the one leads to direct confusion, the second leads to indirect confusion, and in the third circumstance, there is no confusion, merely association.⁶³ Direct confusion is a simple matter of the consumer mistaking one mark for the other. Indirect confusion arises where the consumer does not simply mistake the later mark for the earlier mark, but they instead believe that the goods bearing the later mark come from the same undertaking or from an economically linked undertaking.⁶⁴ For example, they conclude that the later mark is another brand of the owner of the earlier mark because they share a common element.⁶⁵

135. The comments of the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*⁶⁶ provide “a helpful explanation of the concept of indirect confusion, which

⁶¹ *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, paragraph 81

⁶² [2021] EWCA Civ 1207, paragraph 33

⁶³ See to that effect *Sabel BV v Puma AG*, Case C-251/95, paragraph 16

⁶⁴ *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, paragraph 10

⁶⁵ *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, paragraphs 16-17

⁶⁶ *Ibid.*

has frequently been cited subsequently, but as the [Appointed Person] made clear it was not intended to be an exhaustive definition.”⁶⁷

136. If on the other hand, the later mark merely brings the earlier mark to mind, there is no confusion, this is because, notwithstanding the consumer’s perception of the similarities between the marks, they do not believe that the marks are from the same or economically linked undertaking and therefore are not confused.

137. I find that the factors of primacy in this case are:

- (i) the respective goods and services are for the most part identical to each other, and where they are not identical, I have found that they are similar to each other;
- (ii) the word ‘CAKE’ is the only element present in the Earlier Word Mark and it is wholly incorporated into the later mark, forming the first four letters of the verbal element of the Contested IR;
- (iii) the word ‘CAKE’, in the Contested IR, has a distinctive significance which is independent to the significance of the whole;
- (iv) the marks share visual, aural and conceptual identity with regards to the word ‘CAKE’ and are overall visually, aurally and conceptually similar to a medium degree;
- (v) the purchasing/selection process is dominated by visual considerations;
- (vi) the Contested IR contains additional elements that have no counterpart in the Earlier Word Mark however:
 - (a) having regard to the interdependency principle, the identity and similarity found between the goods and services can offset a lesser degree of similarity between the respective trade marks; and

⁶⁷ *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, paragraph 12

- (b) 'DEFI' has an established meaning that reads into the contested goods and services and its meaning is more likely than not to be known to a significant proportion of the average consumer;
- (vii) the word 'CAKE' is distinctive to a higher than medium degree and has no descriptive or allusive qualities in relation to the goods and services at hand;
- (viii) when selecting the 'financial services', the average consumer will be displaying a high degree of attention.

138. Taking into account all the relevant factors identified above, I find a likelihood of confusion arises. In my view, the question of likelihood of confusion must be approached on the basis that the distinctive character of the Earlier Word Mark lies in the word 'CAKE', which is distinctive to a higher than medium degree,⁶⁸ and that even though it is an ordinary word, its use in relation to the goods and services at hand is odd and unusual. Because it has a well-known meaning i.e. 'sweet confectionary', it is more likely to be easily recalled by the average consumer, who is paying a high degree of attention when selecting the goods and services.⁶⁹ This finding is further compounded when factoring in the principle of imperfect recollection and taking into account that the overall impression of the Contested IR is dominated by the word element 'CAKE'.

139. I also take into consideration that the average consumer may recognise the word 'DEFI' as reading into the goods and services and is therefore unlikely to perceive it as an indication of trade origin, instead, relying on the presence of the word 'CAKE' within the Contested IR to denote trade origin. Indeed, they are likely to view 'DEFI' as a non-distinctive addition to the Earlier Word Mark 'CAKE', and thus believe that the owner of the Earlier Word Mark, 'CAKE', has branched out into the 'DEFI' (or 'decentralised finance') sector, rather than concluding that the goods and services are from unrelated undertakings.

⁶⁸ I note that the more distinctive the earlier mark, the greater the likelihood of confusion may be.

⁶⁹ Or, as noted in my paragraph 84, at least a medium degree in respect of some of the goods and services

140. It is my opinion that it is likely that the average consumer, upon encountering the Contested IR on identical/similar goods, will either simply confuse one mark for the other because of the shared element 'CAKE'; or they will see that the Contested IR is different from the Earlier Word Mark, but also that it has something in common with it. Taking account of the common element in the context of the Contested IR as a whole, they conclude that it is another brand of the owner of the Earlier Word Mark.⁷⁰
141. Even where the average consumer is not aware of the meaning of the term 'DEFI', this would not alter the average consumer's perception with regards to the similarity of the marks. The average consumer, in this scenario, is still likely to mistake one mark for the other or conclude that the Contested IR is another brand of the owner of the Earlier Word Mark, this is because of the distinctiveness of the shared element 'CAKE' in relation to the goods and services at hand. As such, the average consumer would be unlikely to presume that there is another undertaking offering identical/similar goods and services under the same brand 'CAKE'.
142. It follows that, even if the average consumer does not know what 'DEFI' means (or they may even view it as distinctive in its own right, and/or perhaps see it as a co-branding), the presence of the word 'CAKE' in the Contested IR would still lead to a risk that the average consumer might believe that the identical/similar goods and services come from the same or economically linked undertakings, resulting in a likelihood of confusion.⁷¹ In other words, I do not think that it is necessary for the consumer of the goods and services to know what 'DEFI' means, to be confused.
143. Finally, where the consumer is aware of the term 'DEFI', it is only likely to increase the likelihood of confusion, since, as previously mentioned, the average consumer will rely on the term 'CAKE' in the Contested IR to denote trade origin and would see the term 'DEFI' as descriptive and/or non-distinctive in relation to the goods and services at hand. I also note that '*may serve in trade*' is a forward-

⁷⁰ See words to that effect in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, paragraph 16

⁷¹ *Ibid.*, paragraph 17; also see *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, paragraph 12, with regards to 'co-branding'

looking consideration when assessing descriptiveness. Based on the evidence before me, 'DEFI' i.e. decentralised finance, is predicted to become more 'mainstream', therefore taking into consideration these 'future developments', I think that it is more likely than not, that in the future, an even greater proportion of the average consumer will understand the term 'DEFI' and therefore 'CAKE' will be the indication of trade origin on which they rely, thus potentially increasing the future likelihood of confusion.

OUTCOME

144. The opposition succeeds under section 5(2)(b) of the Act.

Final Remarks

145. As the Earlier Word Mark leads to the opposition being successful in its entirety, there is no need to consider the other mark i.e. the Earlier Figurative Mark upon which the opposition is based.

COSTS

146. The Opponent has been successful and is entitled to a contribution towards its costs. In the circumstances I award the Opponent the sum of £1,100 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Official fee	£100 ⁷²
Preparing the Statement of Grounds and considering the Counterstatement	£200
Preparing written submissions	£300
Preparing evidence and considering and commenting on the Applicant's evidence	£500
TOTAL	£1,100

⁷² Although the official fee paid by the opponent was £200, the section 5(4)(a) ground was subsequently withdrawn. It is therefore only appropriate to award the opponent the sum of £100 in respect of the official fee, which is the fee for an opposition brought solely under section 5(2)(b).

147. I therefore order Cake Pte. Ltd. to pay the sum of £1,100 to Cake. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 7th day of October 2022

Daniela Ferrari

For the Registrar

Annex 1

The Contested Goods and Services

Class 9

Data processing programs; computer programs for processing data; downloadable cryptographic keys for receiving and spending cryptocurrency; computer databases; programs for computers; apparatus for processing digital data; computer software programs; computer software for encryption; cryptocurrency wallets, downloadable; data processing software.

Class 36

Automated banking services; providing information and analysis via the internet in the field of financial investments; mutual funds; financial management via the internet; financial management services provided via the internet; financial exchange; provision of investment savings plans; trading in options; provision of investment information; provision of funds; electronic banking via a global computer network [internet banking]; investment consultancy; securities deposit services; financial exchange of virtual currency; electronic transfer of virtual currencies; online banking; deposit-holding; organization of monetary collections; stock exchange information provided on-line from a computer database or the internet; administration of financial affairs; wealth management; electronic banking services; trading of financial derivatives; crowdfunding; provident fund services; advisory services relating to financial planning; financial data analysis; hedge fund management; financial advisory services; computerised financial services; brokerage of futures; money deposit services; capital investment consultation; trust investment services; deposit-taking; hedge fund investment services; financial loan services; financial management; trading in futures; credit card and debit card services; recording the transfer of securities; providing financial information; financial banking; preparation and analysis of financial reports; management of financial assets; advisory services relating to money management; monitoring of financial portfolios; financial advisory services for companies; securities advisory services; investment performance monitoring; investment fund management; brokerage of shares and other securities; financial services provided by electronic

means; investment information; financial investment; credit card payment processing; personal finance services; evaluation of the credit worthiness of companies and private individuals; trading of stocks; financial management of stocks; brokerage of shares or stocks and other securities; management of shares; brokerage of shares or stocks and other securities; conducting of financial affairs on-line; fundraising services; capital investment consulting; charitable fundraising; provision of financial information; conducting of financial transactions; credit financing; trading of financial derivatives; financial payment services; current account services; conducting of financial transactions on-line; credit consultancy; financial advisory services; securities brokerage services; management of assets; funds management services; money transfer; credit card services; exchanging money; export credit management; money order services; online real-time currency trading; securities analysis; provision of information relating to financial services; credit and loan services; cryptocurrency asset management; loans [financing]; securities management; cryptocurrency exchange services; investment services; financial analysis; loans against securities; cryptocurrency investment services; investment brokerage; providing information and analysis via the internet in the field of financial investments; provision of loans; venture capital financing; venture capital management; cryptocurrency investment advisory services; venture capital fund management; providing on-line stock exchange information from a computer database or the internet; venture capital advisory services.

Class 42

Installation, maintenance, updating and upgrading of computer software; technical consultancy relating to the application and use of computer software; providing information in the field of computer software development; installation, maintenance and updating of database software; electronic storage of files and documents; data encryption services; development of systems for the processing of data; installing computer programs; development of programmes for data processing; electronic storage of medical records; computer security consultancy; electronic storage of documents; updating of computer software relating to computer security and prevention of computer risks; consultancy and information services relating to computer programming; computer software programming services; installation,

maintenance and updating of computer software; providing information in the field of computer software design; information services relating to information technology; installation, maintenance and repair of software for computer systems; updating of computer programs; information technology [it] consultancy; online data storage; development of systems for the storage of data; updating of computer programs for third parties; development of computer programs; electronic storage services for archiving electronic data; development of software for secure network operations; electronic data storage and data back-up services; computer code conversion for others; updating of smartphone software; electronic storage services for archiving databases; data encryption and decoding services; updating of computer software; modifying of computer programs; installation of database software; installation and maintenance of database software; consultancy relating to the design and development of computer software programs; electronic data storage; development of systems for the transmission of data; technical writing; computer programming services for data warehousing; development, updating and maintenance of software and database systems; consultancy and information services relating to information technology; maintenance of computer programs; computer software consulting; online data storage; information technology [it] consulting services; computer programming; database design and development; installation, maintenance and repair of computer software; software creation; computer analysis; data encryption services; data encryption and decoding services; development of computer software; design, maintenance, development and updating of computer software; writing of computer programs.

Annex 2

The Goods and Services of the Earlier Marks

Class 9

Computer software; Mobile apps; Computer software and mobile applications, including for use in the field of insurance, financial affairs, monetary affairs and banking affairs; computer software and mobile applications, Including services for loyalty, incentive and bonus programmes; computer software for security of financial transactions; Magnetic cards for financial, banking and monetary services and for stock market transactions, Including payment cards, Credit cards, Debit cards and loyalty cards; Automated teller machines [ATM]; Counterfeit [false] coin detectors; Readers for smart cards or microprocessor cards, magnetic cards, payment cards, credit cards, debit cards, customer cards, discount cards and loyalty cards; Equipment for the processing of secured payments on computer-based communication networks; Electronic publications being downloadable, Including electronic publications relating to insurance, finance and monetary affairs and banking.

Class 35

Advertising; Business management; Loyalty, incentive and bonus program services; Business administration; Office functions; Accounting services; Tax advice [accountancy]; Tax preparation (book keeping); Commercial audits, Including accountancy, book keeping and auditing; Compilation and processing of business, financial, monetary, banking or insurance indices, statistics and data; Administrative services relating to the construction of databases; Administrative management of computer data and files, including in the field of trade, financial affairs, monetary affairs, banking affairs or relating to insurance; Market analysis and research; Compilation of business statistics and commercial information; Compilation and systemisation of information into databases; Assistance with the business or commercial management of industrial or commercial companies; Business management and organization consultancy; Professional business consulting; Efficiency experts; Business research; The bringing together and management of financial and business data; Statistical analysis and reporting; Targeted marketing;

Consultancy, information and awareness-raising regarding the aforesaid services, including provided via electronic networks such as the Internet.

Class 36

Financial transfers and transactions, and payment services; Financial information, data, advice and consultancy services; Financial and monetary services, and banking; Personal finance services; Issuance of means of payment; Private banking; Bank card, credit card, debit card and electronic payment card services; Financial services related to the issuance of bank cards and debit cards; Electronic processing of payments; Financial sponsorship; Securities brokerage and stock exchange quotations; Financial investment; Financial analysis; Financial consultancy; Financing and funding services; Financial loan services; Currency trading and exchange services; Asset management; Asset management; Investment, including investment consultancy and investment management; Private equity fund investment services; Financial portfolio management; Insurance; Pension services; Pension fund administration services; Pension planning consultancy; Financial advice relating to tax planning; Fiscal assessments; Real estate affairs; Consultancy, information and awareness-raising regarding the aforesaid services, including provided via electronic networks, such as the Internet.

Class 42

Scientific and technological services and research and design relating thereto; Design and development of computer hardware and software; software and platform as a service services; Rental of software; Hosting of platforms on the Internet; Computerised business information storage; Providing temporary use of web-based applications; Product development and Product design; Professional consultancy relating to new technologies; Consultancy, information and awareness-raising regarding the aforesaid services, including provided via electronic networks such as the Internet.