

O-0094-25

TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION NO. UK00003761913

IN THE NAME OF JCS CH GMBH FOR THE FOLLOWING TRADE MARK:

Cryptobunq

IN CLASSES 9, 35, 36, 37, 38 AND 42

AND

AN APPLICATION FOR A DECLARATION OF INVALIDITY

UNDER NO. 506350 BY BUNQ B.V.

Background and Pleadings

1. JCS CH GmbH (“the proprietor”) is the owner of trade mark registration no. 3761913 for the mark **Cryptobunq** (“the contested mark”). The contested mark was filed in the United Kingdom on 4 March 2022 and registered on 27 May 2022. It stands registered for the following goods and services:

Class 9: Downloadable cryptographic keys for receiving and spending crypto assets; downloadable cryptographic keys for receiving and spending crypto assets; Information technology and audio-visual, multimedia and photographic devices; Financial management software; Platform software; Computer software platforms; Computer software platforms for social networking; Software platforms to allow users to collect money.

Class 35: Providing online marketplaces for sellers of goods and or services; Provision of an on-line marketplace for buyers and sellers of goods and services; Provision of an online marketplace for buyers and sellers of goods and services.

Class 36: Financial exchange of crypto assets; electronic transfer of crypto assets; financial exchange of crypto assets; Electronic transfer of crypto assets; Virtual currency services; Virtual currency exchange; Virtual currency transfer services; Currency dealing; Currency trading; Foreign currency exchange; Brokerage of currency; Foreign currency services; Foreign currency dealing; Currency exchange services; Trading in currencies; Currency transfer services; Exchange services (Currency -); Provision of foreign currency; Foreign currency transfer services; Currency exchange and advice; Currency exchange rate quotations; Buying and selling currency; Swaps of currency rates; Trading in foreign currency; Currency trading and exchange services; Financial information services relating to currencies; On-line real-time currency trading; Financial transactions relating to currency swaps; Exchange of currency (Agencies for the -); Issuing of travellers' cheques and currency vouchers; Financial services in relation to digital currencies; Computerised financial services relating to foreign currency dealings; Financial

information; Financial services; Financial consultancy services; Financial management services.

Class 37: Repair and maintenance of computer and telecommunications hardware.

Class 38: Provision of access to an electronic marketplace [portal] on computer networks.

Class 42: Information technology consultancy; Information technology services; Information technology[IT] consultancy; Consultancy and information services relating to information technology architecture and infrastructure; Creating and designing website-based indexes of information for others [information technology services]; Consultancy and information services in the field of information technology architecture and infrastructure; Maintenance and repair of software; Development of computer platforms; Programming of software for Internet platforms.

2. On 25 July 2023, bunq B.V. (“the applicant”) applied to have the contested mark declared invalid, in its entirety, under section 47 of the Trade Marks Act 1994 (“The Act”). The invalidation is brought under section 5(2)(b) of the Act, with the applicant seeking to rely upon the following trade mark and all goods and services for which it is registered, as laid out below:

United Kingdom Trade Mark (“UKTM”) 3699050:

bunq

Filing date: 22 September 2021

Registration date: 4 February 2022¹

¹ The applicant’s mark is filed pursuant to Article 59 of the Withdrawal Agreement between the United Kingdom and the European Union. It retains an EU filing date of 07/12/2020.

Class 9: Computer communication software to allow customers to access bank account information and transact bank business; software for banking, financial services, bookkeeping, accounting, managing finances, group finances, financial affairs and monetary affairs; coded bank cards; coded payment cards; computer hardware for carrying out financial and monetary transactions; software applications for mobile devices; point- of-sale terminals.

Class 35: Advertising; business management; administration of business affairs; administrative services; collection and processing of business and financial information and data, including for the purpose of the composition and compilation of statistics; market analysis, market research and market studies for business and financial purposes.

Class 36: Financial affairs; monetary affairs; banking; online banking services; valuation services; financing; financial information; financial management; money exchange; credit brokerage; financial clearing; all aforementioned services with the exception of services of an online investor bank, namely the provision and/or offering of accounts for the purpose of conducting transactions in listed securities; insurance; mortgage services; services of bank, credit, debit and electronic payment cards; crowdfunding; issuing of payment cards; all the aforementioned services also provided via electronic means and the internet; information, advisory and consultancy services relating to the aforementioned services.

Class 42: Design and development of computer hardware and software; provision of computer software application solutions; providing of software for online banking and payments via platforms; provision of computer software for organizing, conducting and managing financial and monetary affairs.

3. The applicant submits that the parties' respective trade marks are highly similar and that the respective goods and services are either identical or highly similar, such that there exists a likelihood of confusion.

4. In its counterstatement, the proprietor claims that there is a "stark difference in the nature of services represented by both trade marks" and that "the trade marks

“cryptobunq” and “bunq” are inherently different in their structure and overall impression.” It concludes that there is no likelihood of confusion between the parties’ respective trade marks and asks that its mark continues to be protected.

5. The proprietor is represented by Gulsen Ak whilst the applicant is represented by Maguire Boss. Only the applicant filed evidence and submissions during the course of the proceedings. Neither party requested a hearing, and only the applicant elected to file written submissions in lieu. This decision is taken following a careful perusal of the papers.

Relevance of EU law

6. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK’s withdrawal from the EU.

Evidence

7. The applicant’s evidence consists of a witness statement from Ms Sylvie Tate which is supported by ten exhibits (ST1-10). Ms Tate has been employed by Maguire Boss as a Chartered Trade Mark Attorney since 2018. Her statement is dated 9 January 2024.

8. In brief, the applicant’s evidence comprises:

Definitions of terms “crypto”, “cryptocurrency”, “encryption” and “cryptographic key”²;

Extracts from the parties’ respective websites³;

² Definitions of “crypto”, “cryptocurrency” and “encryption” are taken from the online Cambridge Dictionary; the definition of “cryptographic key” is provided by the Britannica Online Encyclopaedia.

³ www.cryptobunq.com and <https://www.bunq.com>

Extracts from the website of the UK Financial Conduct Authority (“FCA”) showing use of the terms “crypto” and “cryptoassets”;

Screenshots retrieved from The Wayback Machine from the website of Crypto UK, described as “the UK’s self-regulatory trade association representing the cryptoasset sector”;

An article explaining what “cryptocurrencies” are and a copy of a speech from Mr John Cunliffe⁴;

Various online BBC articles bearing headlines concerning different crypto-related terms, with titles such as “Crypto money laundering rises 30%, report finds”⁵ “and “The real victims of mass crypto-hacks that keep happening”⁶. The applicant also encloses an article from Lloyds Banking Group PLC addressing the question “What is FinTech and why does it matter?”⁷

Decision

9. Section 47 of the Act reads as follows:

“47. (1) [...]

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) ...

⁴ Ms Tate explains that, at the time the speech was published, Mr Cunliffe was the Deputy Governor for Financial Stability and a member of the Bank of England’s Financial Policy and Monetary Policy Committees, the Bank of England’s Court of Directors and the Prudential Regulation Committee.

⁵ Dated 26 January 2022

⁶ Dated 26 August 2021

⁷ Dated 25 April 2022

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

...

(2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

...

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

...

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed.”

Section 5(2)(b)

10. Section 5(2)(b) of the Act has application in invalidation proceedings because of the provisions set out in section 47(2)(a) of the Act. By virtue of this section, a registered trade mark may be declared invalid if there is an earlier trade mark which satisfies the conditions under section 5(2) of the Act and the owner of the earlier mark has not consented to the registration.

11. Section 5(2)(b) of the Act reads as follows:

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

(a)...

(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.”

12. Section 5A of the Act reads as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

13. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

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

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

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if

registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b) subject to its being so registered.”

14. The applicant’s mark clearly qualifies as an earlier trade mark under the above provisions. As its mark had not completed its registration process more than five years prior to the date of the application for invalidity, the applicant is not required to satisfy the proof of use requirements.

Case Law

15. The following principles 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 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 Office for Harmonisation in the Internal Market (Trade Marks and Designs) (“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.

The principles:

- (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 greater 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 to mind the earlier mark, 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 and services

16. The goods and services to be compared are laid out at paragraphs 1 and 2 to this decision.

17. In addition to cases of *literal* identity, the General Court (“GC”) set out a further provision as to when goods can be considered identical in *Gérard Meric v Office for Harmonisation in the Internal Market*⁸. It stated:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or

⁸ Case T-133/05

where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

18. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity, were as follows:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

19. In *Kurt Hesse v OHIM*,⁹ the Court of Justice of the European Union (“CJEU”) stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*,¹⁰ the General Court (“GC”) stated that “complementary” means:

⁹ Case C-50/15 P

¹⁰ Case T-325/06

“...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.”

20. In its counterstatement, the proprietor submits as follows with regard to the parties’ specifications:

“...While the “bunq” trade mark of Bunq B.V. also holds registrations in certain sub-classes of class 36, their focus is primarily on classic banking/finance services. In contrast, our “cryptobunq” mark explicitly targets the emerging and distinct field of FinTech. FinTech, as a sector, diverges substantially from traditional banking... The uniqueness of our trade mark’s scope and application within the FinTech sphere ensures that there’s no overlap or potential for marketplace confusion with Bun1 B.V.’s classic banking services”.

21. Whilst the proprietor’s comments are noted, I should make clear that I am required to consider the likelihood of confusion notionally i.e. I must consider what the position would be, taking into account the full breadth of the parties’ respective specifications (and marks) as they appear on the register.

22. For the purpose of a comparison it is permissible to group goods or services together, as appropriate.¹¹

Downloadable cryptographic keys for receiving and spending crypto assets (class 9)

23. In its submissions, the applicant explains that “a key in cryptography is a piece of information, usually a string of numbers or letters that are stored in a file or embedded in software, which, when processed through a cryptographic algorithm, can encode or decode cryptographic data”, and I note the encyclopaedic definition enclosed with its evidence, as shown below:

¹¹ *Separode Trade Mark* BL O-399-10 (AP)

Cryptographic key, Secret value used by a computer together with a complex algorithm to encrypt and decrypt messages. Since confidential messages might be intercepted during transmission or travel over public networks, they require encryption so that they will be meaningless to third parties in order to maintain confidentiality. The intended recipient, and only the recipient, must also be able to decrypt them. If someone encrypts a message with a key, only someone else with a matching key should be able to decrypt the message. *See also data encryption.*

24. The applicant compares the term to a number of its goods and services in classes 9, 35, 36 and 42. Having considered its submissions, I am inclined to consider it against the applicant's class 9 terms such as *software for... financial services or computer communication software to allow customers to access bank account information and transact bank business*. The goods may not be accessed for the same immediate purpose but I imagine that financial services software, for example, must incorporate a degree of encryption to protect confidential consumer data. The applicant's goods are likely to be selected by a wider user group but there may be a reasonable degree of coincidence. As alluded to above, there may be some elements of the goods which are similar in nature to support a shared function. It seems reasonable to find that there will be some circumstances in which the goods reach the market via the same trade channels, though they are not necessarily competitive. The goods may share a complementary relationship insofar as there is an indispensable element (software such as that relied upon by the applicant may seek to incorporate the use of a cryptographic key, for example) and the consumer may expect both sets of goods to originate from a single undertaking. I find at least a medium degree of similarity.

Information technology devices (class 9)

25. The above term is likely to encompass a wide range of technological devices utilised for a variety of reasons. On that basis, when considered against, for example, the applicant's *computer hardware for carrying out financial and monetary transactions*, it may be that the applicant's goods are caught within the wide remit of the proprietor's goods. However, if that is not a natural interpretation of the respective terms, I will consider the degree of similarity in the alternative. I find there could be a similarity in the goods' respective uses and, in such circumstances, it seems likely that

there will be a significant coincidence in the goods' users. There may be some opportunity for shared physical characteristics and trade channels. Where the applicant's goods relate to financial exchanges, for example, there may also be a degree of competitiveness and/or complementarity shared by the goods. On balance, I find at least a medium degree of similarity.

Audio-visual, multimedia and photographic devices (class 9)

26. The applicant compares the above goods to various of its class 9 and class 42 terms including *coded payment cards, computer hardware for carrying out financial and monetary transactions, software applications for mobile devices* and the *design and development of computer hardware*. It is the applicant's *...development of computer hardware* which I will use for the purpose of comparison. Though I keep in mind that the applicant's term is a service and the proprietor's a good, computer hardware is fairly broad and covers hardware for a wide range of purposes including those identified in the proprietor's term. I find it likely that there will be some overlap in the respective users though the nature is distinct. The goods and services may reach the market via different trade channels and may not be competitive but, given that there may be some similarity in the use of the proprietor's goods and the hardware referred to in the applicant's term, there could be an element of complementarity, at least insofar as the respective undertakings are concerned. Weighing all factors, I find a low degree of similarity.

Financial management software (class 9)

27. The above services are identical to the applicant's *software for... managing finances*.

Platform software; Computer software platforms (class 9)

28. Given their fairly broad nature, I find these goods from the proprietor's specification are encompassing of, for example, the applicant's *software for financial services* and, consequently, are to be considered identical according to *Meric*.

Computer software platforms for social networking (class 9)

29. The applicant relies upon *software applications for mobile devices* which will naturally encompass a range of software utilised for a variety of reasons, including networking. Consequently, there may be an overlap in the goods' respective purpose and their users. There may be some similarity in the goods' physical nature, though I keep in mind both that one concerns a software application and the other a software platform and that one is offered via a mobile device and the other via a computer. Still, there may be some coincidence in the goods' trade channels and there could be a competitive relationship whereby the goods both concern networking and there may be an element of complementarity insofar as the average consumer may expect the goods to originate from a shared undertaking. I find the goods' similarity fairly high.

Software platforms to allow users to collect money (class 9)

30. I find the above services are encompassed by the applicant's *software for financial services* and are, therefore, identical.

Providing online marketplaces for sellers of goods and or services; Provision of an on-line marketplace for buyers and sellers of goods and services; Provision of an online marketplace for buyers and sellers of goods and services (class 35)

31. The applicant has considered the above services against a variety of those it relies upon within its own specification. I find its comparison against *providing of software for online payments via platforms* presents the strongest case. Both services will provide an opportunity for either payments or purchases to be made online so there is some coincidence in the services' use and I suspect they will share a large proportion of users. I accept that there will be some distinction in nature but, given what I've said above, there may be some elements in the services' nature, as delivered, which are the same. The respective trade channels may, in some circumstances, be shared, though I do not find the services necessarily competitive. There could, however, be a complementarity between the two – an online marketplace will naturally require a facility by which consumers are able to make monetary payments (in exchange for whatever is being sold in the marketplace itself) and, in that respect, the consumer

may expect the services to derive from the same undertaking. I find at least a medium degree of similarity.

32. The proprietor's *financial management services in class 36* is identical to the applicant's *financial management*.

Virtual currency exchange; Foreign currency exchange; Currency exchange services; Exchange services (Currency -); Currency exchange and advice; Currency exchange rate quotations; Exchange of currency (Agencies for the -) (class 36)

33. The applicant relies upon *money exchange* at large in class 36 (and *information, advisory and consultancy services* related to the aforementioned). Absent of any limitation as to the nature of the 'money' the term refers to, I find the above services are encompassed by the applicant's services and are therefore to be considered identical.

34. In the alternative, if a distinction should be made between tangible 'money' (including currency), and virtual currency, I find at least a medium degree of similarity in respect of the proprietor's *virtual currency exchange*. Whilst there may be some distinction in the services' nature and they are not generally likely to be competitive, their respective uses are highly similar, there may be some overlap in users and trade channels and there may be an element of complementarity insofar as the consumer may expect a single origin to offer both.

Virtual currency services; Foreign currency services

35. I find it likely that the above terms would naturally include services such as *virtual currency exchange* and *foreign currency exchange*. Consequently, my above findings above apply; the services are either identical in accordance with *Meric* or, if a distinction is to be made between the applicant's 'money' and virtual currency, I find at least a medium degree of similarity in respect of *virtual currency services*.

Currency trading; Trading in currencies; Trading in foreign currency; On-line real-time currency trading; Financial transactions relating to currency swaps; Virtual currency

transfer services; Electronic transfer of crypto assets; Buying and selling currency; Swaps of currency rates; Currency trading; Brokerage of currency; Foreign currency dealing; Currency transfer services; Provision of foreign currency; Foreign currency transfer services; Currency dealing; Issuing of travellers' cheques and currency vouchers; Computerised financial services relating to foreign currency dealings (class 36)

36. When considered against the applicant's *money exchange* (and *information, advisory and consultancy services* relating to the same), to my mind, many of the above services may naturally be encompassed, particularly as some of the incorporated terms are almost synonymous with 'exchange' (*swaps* or *trading*, for example). If that is too broad a finding, I at least find the use of the respective services is highly similar and that there is likely to be a significant overlap in users. There may be some similarity in the nature of the parties' services and coincidence in trade channels. There may be some circumstances in which the services play competitive roles and, given the closeness of the services' use, it seems likely that they may be found complementary. I find at least a high degree of similarity or, again, if a distinction should be made between 'tangible' money and that which is virtual (such as *virtual currency* or *crypto assets*), I nonetheless find at least a medium degree of similarity in respect of such services.

Financial exchange of crypto assets (class 36)

37. To my mind, the above term is likely to be encompassed by the applicant's broad term *financial affairs*. If this is considered too generous a finding, I reach the same conclusion as that in the previous paragraph. There is at least a medium degree of similarity between the above term and the applicant's *money exchange*.

Financial services in relation to digital currencies (class 36)

38. I find the above likely to be encompassed by the applicant's *financial affairs* which, to my mind, enjoys a fairly wide remit. If this is too broad a finding, I consider there to be at least a high degree of similarity. There is some coincidence in the services' use, they are likely to share users and channels of trade and may, in some circumstances,

be competitive or complementary to the extent that the consumer expects the respective services to originate from a shared undertaking.

Financial information services relating to currencies (class 36)

39. The above services are encompassed by the applicant's *financial information* and are, as a consequence, identical.

Financial services (class 36)

40. The above term is encompassing of a number of the services relied on by the cancellation applicant proper to the same class (*financing* and *financial clearing*, for example). I find the services identical.

Financial information; Financial consultancy services (class 36)

41. Similarly, the above services are to be deemed identical on the basis that the applicant's services in class 36 include *...information and consultancy services relating to the aforementioned services*.

Repair and maintenance of computer hardware (class 37)

42. The applicant relies on the *design and development of computer hardware*. Both services concern different stages in the lifecycle of computer hardware but there is a distinction in the marks' immediate use. The users are likely to be shared, as are the services' respective trade channels. The services are not competitive but I do consider there to be a complementary relationship; there is an indispensable element between the services and the consumer would likely expect them to originate from a shared undertaking. I find the services' similarity fairly high.

Repair and maintenance of telecommunications hardware (class 37)

43. I consider the above against the same term in the applicant's specification. Clearly, the above term does not concern computer hardware but instead telecommunications hardware, which is further removed from the applicant's term. The services are likely to be utilised for different purposes, though I accept that computer hardware is likely to incorporate a range of hardware serving multiple purposes (possibly including communications). There may be some coincidence in the services' users, though on a fairly general level. The trade channels are, for the most part, likely to be distinct and the services' nature is unlikely to be similar. The services are not competitive and I do not consider there to be an indispensable element between them. As for whether it would be an expectation for the services to originate from a related undertaking, given what I've said above regarding what may be a closeness between computer hardware and telecommunications hardware (and keeping in mind that one service concerns design and development and the other repair and maintenance), the expectation wouldn't seem unreasonable. On balance, I find a low degree of similarity.

Provision of access to an electronic marketplace [portal] on computer networks (class 38)

44. I apply much of the reasoning at paragraph 31 to my consideration of the above services. Whilst I acknowledge the difference in the services' class, I find at least a medium degree of similarity between the above term and the applicant's *providing of software for online payments via platforms*.

Information technology consultancy; Information technology services; Information technology[IT] consultancy; Consultancy and information services relating to information technology architecture and infrastructure; Consultancy and information services in the field of information technology architecture and infrastructure (class 42)

45. The applicant has, again, highlighted a number of its terms to compare against the above. I intend to undertake a comparison I respect of its *design and development of computer hardware and software*. To my mind, there is an inherent degree of 'information technology' incorporated into both computer hardware and software. The services are generally accessed for different purposes and any overlap in the respective users is likely to be on a fairly broad basis. The services' trade channels

are unlikely to be shared and the nature of the services, to my mind, will likely be distinct. The services are not competitive but, in light of the relationship between goods such as computer hardware or software and I.T. consultancy for example, I find there could be a complementary element. An undertaking developing hardware or software may provide a degree of information or consultancy during the development process, for example, such that the consumer would expect a shared origin, and in some circumstances consider there to be a degree of indispensability. Weighing all findings, I find a low degree of similarity.

Creating and designing website-based indexes of information for others [information technology services] (class 42)

46. The applicant relies upon a number of class 42 services pertaining to software in particular (design and development of computer... software, for example), whilst the above services concern the compilation of information in websites specifically. Whilst the medium is, therefore, different, the services may be utilised for a similar purpose; to share or communicate specific information with consumers. There will likely be some coincidence in the services' users and there may be some opportunity in similarity between some procedural aspects of the services' nature though I keep in mind that the different mediums create an inevitable degree of distinction in that respect. Still, given that both services may be employed for the purpose of communicating specific information they may, in some circumstances, be competitive. An undertaking may consider, for example, whether it would be more effective to utilise software or websites to communicate business information. The services are not indispensable but it would seem fair for the average consumer to expect the services to originate from a shared or related undertaking. I find a medium degree of similarity.

Maintenance and repair of software; Development of computer platforms; Programming of software for Internet platforms (class 42)

47. The applicant relies upon services in class 42 including *design and development of computer... software; provision of computer software application solutions* and *providing of software for online banking and payments via platforms*. The services may

be used for different purposes, at least immediately, but I find it likely that there will be significant coincidence in their respective users. There may be some degree of similarity in the nature of the services, in certain circumstances at least. The services may coincide in trade channels and could occupy competitive positions, particularly in light of the fairly broad nature of the proprietor's terms. It seems likely that the consumer would expect the respective services to originate from a single undertaking (it would likely follow that an entity designing and developing software would also offer maintenance and repair of the same, for example). Weighing all factors, I find a fairly high degree of similarity between the services.

The average consumer and the nature of the purchasing act

48. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods in question. In *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*¹², Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

49. The average consumer of the goods and services at issue here is likely to comprise both professional users and members of the general public. To my knowledge, the selection process is likely to be primarily visual, with the consumer selecting the goods and/or services from an online resource or the pages of a professional catalogue or brochure. That said, I acknowledge that recommendations or guidance may be offered by salespeople or colleagues, for example, so I do not discount the relevance of the

¹² [2014] EWHC 439 (Ch)

marks' aural weight. The consumer will likely be alive to considerations such as compatibility and the reputational standing of the provider. The costs associated with the goods are likely to vary quite widely, as will the frequency of the purchase. Weighing all considerations, I find the attention applied by the average consumer when approaching its selection will generally be between a medium and fairly high degree.

Comparison of trade marks

50. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union ("CJEU") stated in *Bimbo SA v OHIM*¹³, that:

"34. ...it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."

51. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions they create.

52. The trade marks to be compared are displayed in the table below:

Cancellation applicant's mark	Proprietor's mark
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¹³ Case C-591/12P

bunq	Cryptobunq
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53. The applicant's mark comprises a single word of four letters ("bunq"). In the absence of any additional components, its overall impression rests solely in the word itself.

54. The proprietor's mark comprises a single word of ten letters. Its overall impression resides solely in the word itself; Cryptobunq. That said, for reasons I will set out below, the consumer may separate the mark into "Crypto" and "bunq", with a greater weight attributed to 'bunq'.

55. Visually, the marks clearly coincide in a sequence of four letters (b-u-n-q). These are the only letters in the applicant's mark and the final four of ten letters in the proprietor's mark. Keeping in mind that, generally speaking, the beginnings of marks tend to have a greater effect on the consumer than their endings,¹⁴ notwithstanding the identical sequence b-u-n-q, I find the marks' visual similarity to be fairly low.

56. Aurally, the applicant's mark is likely to be articulated in a single syllable; BUNK. The proprietor's mark is likely to comprise three syllables; CRIP-TOE-BUNK. The marks share an identical syllable in BUNK but, again, I keep in mind where the identity is found within the marks. I find the marks' aural similarity is fairly low.

57. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer¹⁵. Beginning with the applicant's mark, to my knowledge 'bunq' is unlikely to convey any conceptual message to the average consumer. It may remind the consumer of the dictionary word 'BUNK', particularly aurally, but I do not consider that the consumer will presume it a misspelling, or derive any concept from it. Instead, it is likely to be viewed as an invented word absent of any particular

¹⁴ See, for example, *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

¹⁵ *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R 29

meaning. In regard to the proprietor's mark, in its entirety I find it likely to be viewed as an invented word, though, in my view, the average consumer will derive some meaning from *Crypto* at the beginning of the mark, particularly as it is naturally inclined to break down marks into elements which it is able to readily understand or identify.¹⁶ Whilst the remainder of the mark is unlikely to convey anything tangible, the average consumer is likely to understand "crypto" to be an abbreviation of cryptocurrency (currency that exists virtually). On that basis, there is somewhat of a conceptual distinction between the marks, with one absent of any concept and the other providing a degree of conceptual insight.

Distinctive character of the earlier trade mark

58. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*¹⁷, the CJEU stated that:

"22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

59. 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; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in

¹⁶ *Usinor SA v OHIM*, Case T-189/05

¹⁷ Case C-342/97

promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

60. Registered trade marks possess varying degrees of inherent distinctive character. These range from the very low, such as those which are suggestive or allusive of the goods or services for which they are registered, to those with high inherent distinctive character, such as invented words. Dictionary words which do not allude to the goods or services will typically fall somewhere in the middle. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion; generally, the more distinctive the earlier mark, the greater the likelihood of confusion. The distinctive character of a mark may be enhanced as a result of it having been used in the market.

61. The applicant has not made a claim to an enhanced distinctiveness, nor does the evidence it has submitted support such a finding. Consequently, I have only the inherent position to consider. As I have found that the applicant’s mark will be viewed as an invented word, I do not find it plays a descriptive nor allusive role when considered in regard to the goods and services relied upon. Whilst the word itself may not be particularly elaborate, I nonetheless find the applicant’s mark to enjoy a fairly high degree of inherent distinctiveness.

Likelihood of confusion

62. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is 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 vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent’s trade mark, as the more distinctive it is, the greater the likelihood of confusion.

63. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the

average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and goods down to the responsible undertakings being the same or related.

64. I take note of the comments made by Mr Iain Purvis Q.C., as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*¹⁸, where he explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.”

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ('26 RED TESCO' would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as 'LITE', 'EXPRESS', 'WORLDWIDE', 'MINI' etc.).

¹⁸ Case BL O/375/10

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)".

65. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors*¹⁹, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria*²⁰, where he said at [16] that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

66. To make the assessment, I must adopt the global approach advocated by the case law whilst taking account of my earlier conclusions. I also bear in mind that the average consumer rarely has the chance to make direct comparisons between trade marks and, instead, must rely upon the imperfect picture of them retained in its mind.

67. Throughout the course of my decision, I have found the similarity between the parties' respective goods and services to range from a low degree to identical. I have found the marks' visual impression to carry the greatest weight in the purchasing process, though I do not discount the relevance of the marks' aural impression. The average consumer is likely to apply between a medium and fairly high degree of attention to its selection of the relevant goods and/or services. As for the parties' marks, I have found them visually and aurally similar to a fairly low degree. Conceptually speaking, I have found both marks will be viewed as invented words, though the consumer will naturally derive some meaning from the "Crypto" element in the proprietor's mark.

68. I begin by considering a likelihood of direct confusion. As the case law makes clear, this is a case of the consumer simply mistaking one mark for the other. Given that I have found the marks' visual position to play the predominant role in the selection of

¹⁹ [2021] EWCA Civ 1207

²⁰ BL O/219/16

the goods and services, and that I have found a fairly low degree of similarity between the marks, even where only a medium degree of attention is applied to its selection I do not find it likely that the average consumer would mistake one mark for the other. Particularly in light of where the marks' differences are located (i.e. at the beginning of the marks), I take the view that the average consumer will readily identify that the trade marks are not the same.

69. I turn now to consider a likelihood of indirect confusion. In short, this requires the average consumer to acknowledge that the marks are not the same but nonetheless attribute what they have in common to a shared or related undertaking. I have already found that the average consumer will, instinctively, somewhat dissect the proprietor's mark into 'Crypto' and 'Bunq' on the basis that 'crypto' will be a recognisable element from which it is able to derive some degree of concept. On that basis, the common component between the marks is the word Bunq/bunq. Whilst I accept that this word offers the average consumer no conceptual clarification, the word is relatively short and I find the consumer will identify its presence in each mark nonetheless. In doing so, particularly in light of the distinctiveness of the shared element, and that "crypto" at the start of the proprietor's mark will likely be viewed as an indication of the nature of the goods and services concerned, i.e. that the undertaking responsible has an interest in the provision of *virtual* goods or services particularly, I find the average consumer is likely to conclude that the respective marks originate from at least a related undertaking, if not a single undertaking. Perhaps it would presume, for example, that the addition of "crypto" to the existing "bunq" mark simply distinguished virtual offerings from those which are more tangible. Applying the reasoning set out in *L.A. Sugar*, and bearing in mind what I've said in regard to the "crypto" element of the proprietor's mark, I find the marks' shared bunq element sufficiently distinctive to provoke an erroneous conclusion on the part of the average consumer that the parties are related in some respect. In short, I find a likelihood of indirect confusion. I find this the likely outcome in regard to all goods and services which I have found to be similar.

Costs

70. The invalidation has succeeded in its entirety and the applicant is therefore entitled to a contribution towards its costs. Awards of costs are governed by Annex A of

Tribunal Practice Notice (“TPN”)1/2023. In accordance with that TPN, I award costs as follows:

Filing an invalidation (official fee): £200

Preparing a statement and considering the other side’s statement: £250

Preparing evidence: £600

Total: £1050

71. I order JCS CH GmbH to pay bunq B.V. the sum of £1050. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 31st day of January 2025

**Laura Stephens
For the Registrar**