O/0127/25

CONSOLIDATED PROCEEDINGS

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NOS. UK00003891067 & UK00003891064 BY OKTOPAY LIMITED TO REGISTER:

OKTO.DIRECT

AND

OKTO.WALLET

AS A TRADE MARK IN CLASSES 9, 36 & 42

AND

IN THE MATTER OF THE OPPOSITIONS THERETO UNDER NOS. 441663 & 441664 BY OKTA, INC.

BACKGROUND AND PLEADINGS

1. On 20 March 2023, Oktopay Limited ("the applicant") applied to register the following trade marks in the UK:

("the applicant's first mark")

("the applicant's second mark")

2. Both marks enjoy the same earlier priority date, being 16 February 2023, stemming from marks registered in the EU. The applicant seeks to register its marks for identical goods and services, being those set out in the **Annex** of this decision. On this point, I note that the class 36 services across the applicant's marks are set out in a different order, however, they still cover identical goods. Additionally, one term in class 36 is expressed slightly differently (though not to the point that it describes a different service) across the specifications and this term is underlined in the Annex.[1]

3. The applicant's marks were published for opposition purposes on 31 March 2023 and, on 29 June 2023, they were opposed by Okta, Inc. ("the opponent"). The oppositions are based upon sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 ("the Act"). In respect of both grounds, the opponent relies on the following mark:

[1] I note that throughout these proceedings, the applicant has filed a number of Form TM21Bs in order to amend its specifications. The goods and services listed here reflect those amendments. For the avoidance of doubt, I note that despite the limitations to its specifications, the opponent has confirmed that it wishes to maintain its oppositions against the applicant's marks.

OKTA

UK registration no. 909115734[2]

Filing date 19 May 2010; registration date 2 November 2010

Priority date: 20 April 2010

Relying on all goods and services, namely:

Class 9: Computer software for the unification, management, optimization and integration of computer systems and networks, enterprise software applications, users, and internet resources; computer software for computer systems and network access control, digital identity authentication, security management and security application auditing; computer software for the monitoring, analyzing, and reporting on the performance of computer systems, networks, and enterprise software applications.

Class 42: Computer services, namely, providing unification, management, optimization and integration of computer systems and networks, enterprise software applications, users, and internet resources; computer services, namely, providing computer systems and network access control, digital identity authentication, security management and security application auditing; computer services, namely, monitoring, analyzing, and reporting on the performance of computer systems, networks, and enterprise software applications.

("the opponent's mark").

4. Under the section 5(2)(b) ground, the opponent claims some of the goods and services in the parties' specifications are identical whereas others are similar. In

[2] The opponent's mark is a comparable mark based upon an earlier EUTM. On 1 January 2021, in accordance with Article 54 of the Withdrawal Agreement between the UK and the European Union, the UK IPO created comparable UK trade marks for all right holders with existing EUTMs. These comparable marks enjoy the same filing and registration dates as their European counterparts.

addition, the opponent claims that the marks at issue are similar and that its own mark's distinctiveness has been enhanced through use. As a result of these factors, the opponent claims that there exists a likelihood of confusion including a likelihood of association between the marks.

5. Under the section 5(3) ground, the opponent claims that the marks at issue are similar and that as a result of the very substantial reputation enjoyed by the opponent's mark, the relevant public will create a link between the marks. In light of this, the opponent claims that the applicant's use of its marks (which it alleges as being without due cause) will result in damage being caused to the opponent by way of either detriment to the distinctive character of its mark and/or unfair advantage being taken of its mark.

6. The applicant filed counterstatements wherein it made a series of denials of the claims made against it. In doing so, the applicant also sought to put the opponent to proof of use of its mark.

7. Upon the filing of the applicant's counterstatements and in accordance with Rule 62(1)(g) of the Trade Mark Rules 2008, the Tribunal consolidated the oppositions. This was confirmed in writing to the parties on 1 October 2023.

8. The applicant is represented by Charles Russell Speechlys LLP and the opponent is represented by CMS Cameron McKenna Nabarro Olswang LLP. Both parties filed evidence. No hearing was requested and both parties filed written submissions in lieu of the same. This decision is taken after careful consideration of the papers.

9. 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

10. The opponent's evidence came in the form of the witness statement Mr Ryan Cobb dated 29 November 2023. Mr Cobb is the Intellectual Property Counsel at the opponent and his statement has been adduced to (1) prove use of the opponent's mark and (2) to demonstrate that there exists an enhanced degree of distinctive character and reputation in respect of the same. This statement is accompanied by 25 exhibits, being those labelled RC1 to RC25.

11. The applicant's evidence came in the form of the witness statement of Ms Diana Theodoridi dated 1 March 2024. Ms Theodoridi is the Marketing Director of the group of companies in which the applicant sits. While the purpose of the evidence is not expressly set out, it consists of a range of evidence that purports to show use of the applicant's marks. This statement is accompanied by 13 exhibits, being those labelled DT1 to DT13.

12. I do not intend to summarise the evidence filed by the parties (or their submissions) in full here. However, I confirm that I have taken all filed documents into account and will summarise them to the extent that I deem necessary below.

PRELIMINARY ISSUE

13. As set out above, the applicant has filed evidence showing the use of its marks. While noted, it has offered no explanation (be that in the evidence itself, its counterstatements or written submissions) as to why this evidence has been adduced. Instead, the applicant has simply offered up evidence of its use and left the matter there. If it were the case that such evidence was filed to demonstrate a defence of honest concurrent use, I will say that any use in support of such a

defence must be demonstrated in the relevant territory which, for the present proceedings, is the UK.[3]

14. As demonstrated by the Court of Justice of the European Union ("CJEU") in the case of *Budejovicky Budvar NP v Anheuser-Busch Inc*, Case C-482/09, EU:C:2011:605, circumstances wherein a defence of honest concurrent use succeeds are exceptional. In that case, the marks at issue had been used alongside one another in the same trade for almost 30 years prior to the registration of the marks concerned. Plainly this is not the case here as the evidence before me only covers alleged concurrent use since 2019 at the very earliest. This is on the basis that the evidence confirms that the applicant's company only began trading in Cyprus in 2019. At best, any concurrent use would be over approximately four years on the basis that the relevant date for these proceedings is 6 February 2023 (being the priority dates for the applicant's marks). Even taking this into account, the actual level of use shown by the applicant in the UK is very limited. On this point, I note that the applicant has provided printouts from its own website (which are confirmed as being available in the UK) are provided from 2019 onwards.[4] While noted, there is nothing to suggest the level of readership these articles obtained in the UK. In addition, there are three printouts showing coverage by third party websites that are available in the UK.[5] While all three are from prior to the relevant date, there is, again, nothing to suggest any level of viewership/readership of these websites by consumers in the UK.

15. In terms of marketing spend, the applicant has provided evidence of its spend in the UK between 2020 and 2023.[6] Firstly, the level of use in 2020 is minimal at just €32.29. I appreciate that this does increase over the subsequent years, and the

[3] While reputation or genuine use in the EU in present case may be found in respect of the opponent's mark (more on this below), this is not the case for the successful demonstration of honest concurrent use. This is because honest concurrent use is a defence used to diminish the likelihood of confusion and because likelihood of confusion is focused on the UK consumer, use in another jurisdiction has no impact.
[4] Exhibit DT8
[5] DT10
[6] See paragraph 34 of the witness statement of Ms Theodoridi

spend for 2022 is €251,178.23. I accept that on the face of it this is not an insignificant sum but it is still relatively low in comparison to what is likely to be a large market for the goods and services that the applicant uses its mark for. Even ignoring this point, there is nothing before me to suggest that nature of this spend and how many consumers were subsequently exposed to the mark in the UK. As such, I do not consider this evidence demonstrates any real level of awareness amongst the UK consumer base. Even ignoring the limited level of the spend, the main issue here is that the covers just three years of use.[7] When compared to the case of *Budvar* (cited above) (wherein honest concurrent use was found as a result of 30 years of concurrent use),[8] this is a very short period of time. As for evidence of actual use stemming from use of the applicant's products, I note that the applicant has provided transaction data[9] which covers the years 2021 to 2024 for OKTO.WALLET and 2023 and 2024 for OKTO.DIRECT. Firstly, the majority of the 2023 figures and all of those provided for 2024 fall after the relevant date. Secondly, these figures peak at 31,956 transactions in 2022 which, is not, in my view a significant level of use. In any event, regardless of the level of use, the relevant date in these proceedings is February 2023 so, the relevant transactional data, at best, only covers approximately two years of use.

16. As a result of the above, it is clear that the applicant's use of its marks is not such that there exists honest concurrent use of the marks to the point that consumers in the UK will be able to accurately identify the marks are pointing to different commercial origins. I will, therefore, say no more about the applicant's evidence.

[7] Given the placement of the relevant date at the beginning of 2023 it is likely that the majority of the figures from that year fall after February meaning that they are of no assistance here.
[8] I note that the time period of 30 years is not a requirement but a helpful indicator of the longevity of use required to validly demonstrate such a defence.
[9] See paragraph 35 of the witness statement of Ms Theodoridi and pages 2 to 4 of DT13

DECISION

Proof of use

17. 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 or international trade mark (UK) 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,
>
> (aa) a comparable trade mark (EU) or a trade mark registered pursuant to an application made under paragraph 25 of Schedule 2A which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired;
>
> (ab) a comparable trade mark (IR) or a trade mark registered pursuant to an application made under paragraph 28, 29 or 33 of Schedule 2B which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired.
>
> […]
>
> (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."

18. Section 6A is also relevant. It reads:

"(1) This section applies where:

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (aa) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section "the relevant period" means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes –

(a) use of a trade mark includes use in a form (the "variant form") differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5)-(5A) [Repealed]

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services."

19. Section 100 of the Act is also relevant. It reads:

"100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

20. As the opponent's mark is a comparable mark, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:

"7.— (1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the relevant period referred to in section 6A(3)(a) (the "five-year period") has expired before IP completion day—

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day —

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A to the United Kingdom include the European Union".

21. Given its earlier priority date, the opponent's mark qualifies as an earlier trade mark under the above provisions. The opponent's mark completed its registration process over five years prior to the priority date of the applicant's marks. As set out above, the applicant requested that the opponent provide proof of use in respect of the same. Therefore, the opponent's mark is subject to the proof of use assessment.

22. In *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:

"105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable

number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 P *Sunrider Corp* v *Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C–720/18 and C–721/18 *Ferrari SpA v DU* [EU:C:2020:854].

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or

services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32]."

23. Section 6A of the Act (cited above) confirms that the relevant period for the present assessment is the five-year period prior to the priority date of the applicant's marks, being 16 February 2023. The relevant period is, therefore, 17 February 2018 to 16 February 2023 ("the relevant period").

24. As the opponent's mark is a comparable mark based upon an earlier EUTM, use of the same in the EU prior to IP Completion Day (being 31 December 2020) is relevant to the present assessment.[10] As a result, the relevant territory between 7 February 2018 and 31 December 2020 is the EU (which includes the UK as, at that time, it was a Member State) and between 1 January 2021 and 16 February 2023, the relevant territory is the UK only. On this point, I refer to the case of *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, wherein the CJEU noted that:

"It should, however, be observed that … the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine

[10] See paragraph 4 of Tribunal Practice Notice 2/2020

use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase 'in the Community' is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use."

And

"50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as 'genuine use', it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark."

25. Proven use of a mark which fails to establish that "the commercial exploitation of the mark is real"[11] because the use would not be "viewed as warranted in the economic sector concerned to maintain or create a share in the mark for the goods or services protected by the mark" is, therefore, not genuine use.

Form of the mark

26. Briefly, I consider it necessary to assess the form of the mark that appears in the evidence. The majority of the use before me relates to the following mark:

[11] *Jumpman* BL O/222/16

27. As a word only mark, the opponent's mark is protected for use in any standard typeface or in either upper case, lower case or any customary combination of the two. In my view, this covers use of the word as presented in the above example. As for the device element at the beginning of the above example, I do not consider that its addition takes away from the fact that it is the word 'OKTA' that remains the primary indicator of origin for the mark. On this point, I refer to the case of *Colloseum Holdings AG v Levi Strauss & Co.,* Case C-12/12 wherein the CJEU set out that use of a mark generally encompasses both its independent use and its use as part of another mark so long as it continues to be perceived as indicative of the origin of the goods/services at issue. This is the case here and, therefore, I find that the above use is use of the opponent's mark as registered.

Evidence of use

28. While I can confirm that I have given the entirety of the opponent's evidence due consideration, I do not consider it necessary to summarise it in its entirety. Instead, I will only summarise the most salient points that supports its case.

29. I will begin my assessment of genuine use by first considering the turnover figures provided. I note that the opponent has provided its UK turnover for the period of 1 February 2017 to 31 January 2023. While the figures provided for the period of 1 February 2017 to 31 January 2018 are noted, they are not relevant to the present assessment. However, I include them in the table below for purposes that will become apparent later in this decision.

Financial year ending	**Turnover (GBP)**	**Increase on previous year**
31 January 2018	17,241,868	53%

31 January 2019	22,126,445	28%
31 January 2020	31,835,501	44%
31 January 2021	38,176,577	20%
31 January 2022	59,146,373	55%
31 January 2023	97,267,321	64%
Total:	265,794,085	-

30. Given that the relevant period began on 7 February 2018, the first days' worth of figures for the period 1 February 2018 to 31 January 2019 fall outside the relevant period. Even taking this into account, the impact this will have on the figures from that year will be incidental as, plainly, the overwhelming majority of those figures will be relevant. As such, I will consider the figures from that year in full. For the present assessment, the opponent's turnover for the relevant period stood at £248,552,217.

31. In respect of the turnover figures provided, Mr Cobb confirms that the information was taken from the accounts of Okta's UK subsidiary, being Okta UK Ltd. Extracts from these accounts are provided in evidence.[12] From this, it appears that the use in the UK is not actually by the opponent entity but one of its subsidiary companies. On this point, I remind myself of section 6A(3)(a) of the Act which confirms that use of a mark may be made by the owner of said mark or another party, so long as it was with the owner's consent. In the present case, I am satisfied that as a subsidiary company of the opponent, Okta UK Ltd had the necessary consent to use the opponent's mark. I will, therefore, refer to any use by Okta UK Ltd as use by the opponent.

32. In terms of UK presence, I note that the evidence confirms that as of August 2023, there were over 7.6 million registered users of Okta's goods and services in the UK. While it is not possible to determine what the figures were as at the conclusion

[12] RC3

of the relevant period (which was six months prior in February 2023) I consider it reasonable (on the basis of the significant turnover figures provided) to conclude that the user base would still have been in the multiple of millions at that time.

33. The evidence goes on to discuss a number of the opponent's clients which are based in the UK. Case studies are provided in respect of some of these customers and I note that they include fashion retailers 'boohoo', café chain 'Pret A Manger', car retailer 'Cazoo' and the charity 'Oxfam'.[13] Additional UK customers are discussed via printouts from the opponent's website and I note that these include MADE.com, M&CSaatchi and Thanet District Council.[14]

34. A number of invoices are provided that show sales under the 'Okta' brand to customers in the UK.[15] I note that while some invoices are from prior to the relevant period, some do show invoices for services provided within the relevant period. I do not intend to discuss these invoices in full but having considered them, they appear to suggest an annual subscription service being offered to customers. I say this because the totals are given in annual amounts, thereby suggesting the option of ongoing subscriptions.

35. I note that the opponent's evidence also includes a range of press coverage from 2011 to 2023.[16] This evidence comprises of over 100 pages worth of articles and I note that at paragraph 4.3.1 of his witness statement, Mr Cobb has provided a breakdown of the evidence which includes the dates of publication, the name of the outlet and the headline of the article (together with information regarding its connection with the Okta brand, if required). I note these include a range of articles from specialist tech publications based in the UK (such as Information Age, Channel Pro UK and UK Tech News), business publications (Channel Biz UK and Business in the News) and nationwide general interest publications (such as Daily

[13] RC4
[14] RC6
[15] RC7
[16] RC8 to RC11

Mail and The Sun). In respect of the content of the articles, I note that they not only discuss various points such as news directly relating to Okta's business activities (such as news regarding appointments to high level positions within Okta, acquisition deals and expansion announcements) but also feature information regarding surveys undertaken by Okta, products offered by Okta and comments from Okta employees.

36. Moving now to consider the products that the opponent actually offers, I note that the evidence on this point is rather extensive. I say this not as a criticism of the opponent but more to demonstrate both the technical and wide-ranging nature of the opponent's offerings. I note that Mr Cobb has sought to summarise the opponent's products at paragraph 3.2 of his witness statement. In considering this, I note that each product can be broken down to the title of said product. For example, there are products referred to as 'Enterprise Edition', 'Single Sign-On' and so on. I have sought to summarise this evidence below and sub-divide the products out under their various titles.

Okta Enterprise Edition

A solution to simplify user access to a range of enterprise applications with a single sign on. This is an offering that can be integrated into applications used by businesses that enables users to authenticate their access via Okta with one set of log in credentials.

Single Sign on

A cloud-based solution allowing a central place to view, manage and secure employees and contractors access to different systems by using a single login.

Universal Directory

A cloud-based directory to customise, organise and manage user attributes for employees, contractors and customers. This allows users to integrate data across different systems.

MFA

A solution to secure the applications and virtual private networks ("VPN") of businesses with a second multifactor authentication.

Lifecycles Management

A system to automate user onboarding and offboarding that provides a central view of users and their account access though seamless communication between directories and cloud applications.

Application Programming Interface ("API") security software

Products to secure access to API and API integrations. This software provides identity-driven authorisation for any app or service.

Identity Management for Office 365 & Mobility Management for Office 365

Solutions that enable secure and fast deployment of Microsoft Office to hundreds of employees and to enable Office 365 migration to mobile devices with enhanced security to control access to only trusted devices.

Success Packages

These offer different levels of IT or computer support services to complement the above products.

Customer Identity and Access Management ("CIAM")

A specialised solution aimed at helping businesses manage and secure customer identities, access and interactions across digital platforms.

37. In supporting evidence, I note that the opponent has provided a number of printouts from its own website that show an overview of its goods and services.[17] I note that

[17] RC1

additional reference is made to specific examples of use to customers in the UK.[18] In respect of the latter point, I note that the explanation of specific services offered to customers in the UK comes from a Trends Report in 2023. It is not clear whether this covers examples of use in 2023 or whether the report was provided in 2023 and covered examples of use in 2022. In addition, the website printouts referred to are all undated. That being said, I note that in his narrative evidence, Mr Cobb confirms that the above offerings have been offered by the opponent in the UK since as early as 29 March 2013.[19] Given the lack of direct challenge in evidence on this point and the fact that the opponent's evidence is accompanied by a sworn statement of truth by Mr Cobb, I have no reason to doubt such a statement. As such, I consider that the products listed above are those that are covered by the turnover figures provided above.

38. In terms of advertising efforts in the UK, I note that evidence is provided in respect of the opponent's annual spend on advertising targeted at the UK between 2017 and August 2023. As was the case with the turnover provided above, the 2017 figures are not relevant to the present assessment. In addition, some of the figures from 2018 and 2023 will be outside of the relevant period. These are points I will bear in mind when considering my overall assessment of the evidence but for now, I simply note that the figures are as follows:

Year	**Amount (USD)**
2017	1,549,430.91
2018	1,970,145.49
2019	3,027,074.83
2020	5,408,719.17
2021	14,034,926.18
2022	15,313,816.86
2023 (to the end of August)	4,823,097.90

[18] See pages 11 and 19 of RC4, for example.
[19] See paragraph 3.5 of the witness statement of Mr Cobb.

Total:	46,127,211.34

39. Insofar as the above figures relate to the relevant period, the total stands at $39,754,682.53. For clarity, despite some of the 2023 figures being within the relevant period, I have excluded this year from my calculation as, in my view, the majority of the spend for 2023 will have fallen after the relevant period. Regardless, these figures are still considerable, even taking into account they are provided in US dollars and the fact that the opponent has not provided an accurate currency exchange calculation as to how these can be said to relate to British pounds.

40. As set out above, there is additional evidence before me, however, on balance, I am of the view that the evidence I have summarised here is sufficient to warrant a finding that the opponent has genuinely used its mark in the UK during the relevant period. Clearly, the turnover figures are significant, as too are the figures in respect of advertising spend. Additionally, the press coverage is extensive and demonstrates various activities by the opponent throughout the entirety of the relevant period. All of these plainly point to a sizeable business operation in the UK. That being said, I consider that the use before me is technical in nature so requires further consideration insofar as it relates to a fair specification of the opponent's mark. I will consider this below.

Fair specification

41. In considering the issue of a fair specification, I refer to the case of In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited,* BL O/345/10, wherein Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

> "In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of

the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

42. In my assessment of the evidence above, I set out the explanation of the opponent's product offerings. The nature of the description of these products is technical and while the opponent has sought to point to how each example relates to the goods and services relied upon, the references are somewhat vague. For example, I note that the evidence, when describing the product, simply states that the offerings described are examples of the terms relied upon.[20] On this point, I note that the terms in the opponent's specification are wide ranging and cover many different types of software or computer services which makes it additionally difficult to determine what is actually covered by the evidence.

43. Having considered the descriptions given in the opponent's evidence, it is my understanding that the products can broadly be construed as covering those that relate to digital authenticity and security management. In addition, they cover the management of computer systems in respect of employees, contractors and customers. Additionally, the products appear to cover access to virtual private networks which, as far as I understand it, offers security and privacy benefits to users. What I fail to determine from the evidence before me is that while the products relate to management of users of systems, they do not, as far as I am concerned, appear to cover the monitoring, reporting or analysing of computer systems, networks and enterprise solutions.[21]

44. In considering the issue of a fair specification, it is also necessary to discuss the way in which the opponent's products reach its customers. The primary way in which the opponent's product reaches consumers appears to me to be by way of

[20] This is repeated throughout paragraphs 3.2.1 to 3.2.9 of Mr Cobb's witness statement.
[21] I repeat the point here that the evidence is technical in nature and aside from the vague reference to what the evidence covers, there is nothing sufficiently solid to point me to examples of such goods/services being provided. Further, I consider it reasonable to suggest that given the nature and length of the evidence before me for the applicant to precisely direct me to the relevant evidence on this point.

ongoing services that are offered to customers on a subscription base. I say this because the products are offered via packages that offer support services and services that cover ongoing business reviews.[22] In addition, I remind myself that subscription services are also referred to in sample invoices that have been provided.[23] While the primary offering may be services, it is clear from the evidence that said services come with access to downloadable software items in order to access and use said services. On this point, I note that the evidence refers to software such as Okta Fastpass and Okta Verify.[24]

45. I appreciate that the turnover I have set out above is not broken down in any way so as to allow me to attribute it proportionally to the different types of goods and services referred to in the opponent's evidence. That being said, the figures provided are clearly of a significant volume, and from the sum of the evidence,, on balance, I am content to conclude that they can, more or less, be equally attributed to the goods and services I have summarised at paragraph 36 above. I say this because it does not appear to me that there is any particular area of focus on the opponent's part to suggest that one type of good or service is the primary operation of the business.[25]

46. I appreciate that the goods and services at issue are technical in nature but I am satisfied that, on balance, the opponent has genuinely used its mark on all of the goods and services I have discussed at paragraph 36 above. As to how this

[22] See, for example, page 16 of RC1 which demonstrates the different level of packages offered, being Basic, Premier and so on.
[23] See, for example, page 5 of RC7 which is an invoice dated 3 February 2020 to a customer in the UK shows annual subscription services.
[24] See page 9 of RC19, being a report from the Okta Conference dated 6 April 2020 wherein these products are discussed. While not an article that is necessarily aimed at the UK consumer (it comes from a '.com' website), I rely on it here as a demonstration of goods offered.
[25] I say this because the majority of the opponent's evidence seems to be proportionally divided amongst the wide range of operations I have discussed above. For example, see RC1, generally. Additionally, see page 4 of RC4 which sets out the reach of the opponent's product base across 35 applications when applied to one of its customers, being Pret A Manger (with specific reference to Single Sign-On and Multi-Factor Authentication applications). Lastly, see page 11 of RC4 for reference to Lifecycle Management products and page 19 of RC4 for reference to Universal Directory products.

correlates with the goods and services in the opponent's specification, I am satisfied that it appropriately covers the following:

Class 9: Computer software for the management, optimization and integration of users; computer software for digital identity authentication and security management.

Class 42: Computer services, namely, providing management, optimization and integration of users; computer services, namely, providing digital identity authentication and security management.

47. As a result, I am satisfied that the opponent has genuinely used its mark in respect of the goods and services set out in the preceding paragraph and it is only in reliance upon these that this opposition can continue.

Section 5(2)(b): legislation and case law

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

"(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 or association with the earlier trade mark."

49. Section 5A of the Act states as follows:

"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."

50. 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 Harmonization 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:

(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 and services

51. The applicant's goods and services can be found in the Annex of this decision. The opponent's goods and services, being those subject to my fair specification assessment, can be found at paragraph 46 above.

52. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

> "Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary".

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

(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.

54. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court ("GC") stated that:

> "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 fur Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark."

55. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

> "… Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

56. I have submissions from both parties in respect of the goods and services comparison. I do not intend to reproduce them in full here. That being said, I do wish to discuss some points raised by the parties. I will address these below.

57. Firstly, I note that the applicant sets out what goods and services are offered under its different OKTO.WALLET and OKTO.DIRECT marks. For example, OKTO.WALLET is set out as being an electronic money wallet that is offered in collaboration with licensed Electronic Money Institutions. As for OKTO.DIRECT, the applicant sets out that it is only provided as a business to business offering that is a retail payment gateway that is integrated into other systems, like a gaming machine. While these points are noted, they have no bearing on the assessment I am required to make. When considering the likelihood of confusion under section 5(2)(b), the assessment must be based, in fact, on the concept of 'notional and fair use' which involves carrying out the comparison of the goods and services based on the specifications before me, not the goods and services effectively provided by the parties.[26]

58. Secondly, I note that the opponent makes reference to a decision of the Tribunal under case number BL O/585/22. In doing so, the opponent claims that the Hearing Officer in that case found similarity between various online and electronic financial services in class 36 and software in class 9. While noted, I wish to make two points. The first being that I am not bound by decisions of other Hearing Officers. The second, and perhaps most important, point is that the proceedings referred to are not on all fours with the comparison I must make here. For example, those proceedings included very broad terms such as "software" at large and, further, the class 36 services were compared with more specific (and ultimately relevant) software goods such as "recorded computer software for financial analysis, planning and management" and "downloadable computer application software for financial analysis, planning and management". Such terms are not at issue here

[26] *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*, Case C-533/06 at [66] and *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 at [22]

and, therefore, any assessment in respect of the same has no bearing on this decision.

59. Before proceeding, I wish to clarify, for the avoidance of doubt, that I have given due consideration to the parties' submissions in respect of the goods and services.

Class 9

Point of sale apparatus; hardware for processing electronic payments to and from others; electronic payment terminals; credit card terminals; terminals for electronically processing credit card payments; point of sale apparatus; electrical terminal connectors; electronic payment terminals; none of the aforementioned goods being standalone identification and authentication software.

60. In considering the above terms, I am of the view that the most appropriate term in the opponent's specification to compare them with is "computer software for […] security management". It is my understanding that the plain reading of the opponent's term is that it covers software that manages the access of certain services in order to ensure secure access to the same.[27] Additionally, I consider that it may also include software that monitors various goods/services in order to detect any unwanted intrusions (to a website or software as a service, for example).[28] Turning back to the applicant's goods, I accept that they will run on a software that will facilitate the processing of the payments themselves. While I appreciate that, undoubtedly, such software will contain security features to protect the user's payment details,[29] it is not the same type of software as that covered by the opponent's term, being that which I have described above. Even if it were, I

[27] As a comparison, it is my understanding that such software will be akin to the well-known 'Microsoft Authenticator' application which provides additional security measures for ensuring secure and safe access to various services.
[28] This could include virus protection software that is used to secure the user's equipment/information.
[29] On this point, I note that in its submissions at paragraph 4.7.8(a), the opponent sought to argue that the applicant's evidence on this point (in that security was of utmost importance to its payment products) can be taken as evidence in favour of the opponent. While noted, this does not mean that such goods use security management software in the way described by the opponent's term.

remind myself of the case of *Les Éditions Albert René v OHIM*, Case T-336/03, wherein the GC found that the mere fact a particular good is used as part of another does not suffice in itself to show that the finished goods are similar. On this point, I wish to clarify that it cannot be the case that software for the management of security is similar to any type of device or software that contains security measures simply on the basis that they both offer security features. In my view, such an interpretation would offer far too broad a scope of protection for security management software. I say this because it is presently common across various trades for many types of applications or software to have security measures. For example, applications or software for gambling, social media, gaming, banking and retail all commonly have password restrictions, can be accessed via fingerprint or facial scanning or use two factor authentication. As such, I do not consider the fact that the goods both offer security measures is sufficient in itself to find that these goods are similar. That being said, this does not automatically mean that the goods are dissimilar and I will now proceed to consider the relevant factors described by the case law.

61. The applicant's goods are physical devices to facilitate payments whereas the opponent's good is an item of software for the management of security so, clearly, the goods do not overlap in nature, method of use and purpose. As for trade channels, the applicant's goods are relatively specialist, with payment terminals and the software operating them being provided by an undertaking that specialises in the same. I do not consider that this undertaking will provide security management software, and vice versa. Further, the goods will be sought from different distribution channels. As for user, there is inevitably some overlap as the user of security management software in the way I have described it above is likely to cover a very broad range of consumers, some of which are likely to be those that use the applicant's goods.[30] Lastly, I do not consider that the goods are

[30] For example, it may be that the user of payment terminals operates them via an external computer system that carries the data regarding the payment made via the terminals. It is my understanding that these users may wish to protect their systems via security management software.

complementary or competitive in nature. I say the former point because while payment devices will require software to operate (and said software may have security features), the opponent's term itself will not be important to the device, or vice versa. In any event, any relationship between the goods is not such that consumers would assume they were offered by the same entities. Taking all of this into account, I do not consider that the connection to security or the overlap in user is such to warrant a finding that the goods are similar to any degree. They are, therefore, dissimilar.

Encoded magnetic cards; encoded cards for use in point of sale transactions; encoded credit cards; encoded prepaid credit cards; encoded cards; encoded magnetic cards; encoded magnetic cards; encoded charge cards; magnetically encoded debit cards; payment cards being magnetically encoded; magnetically encoded credit cards; encoded prepaid payment cards; electronic and magnetic ID cards for use in connection with payment for services; none of the aforementioned goods being standalone identification and authentication software.

62. As was the case above, I will consider the above terms with the opponent's term of "computer software for […] security management". Firstly, I note the above goods are not types of software so the limitation has no real effect. In comparing these goods, they clearly differ in nature, method of use and purpose. As for trade channels, I note that the above goods all cover types of payment cards that will be acquired through banks or other credit providers. As for the opponent's software, I appreciate that these may be used by banks, however, I am not aware that they will be provided to consumers by banks.[31] As such, I do not consider that the trade channels will overlap. As for user, there may be some overlap as the opponent's term is so broad that it may cover goods used by members of the general public for general security purposes (such as confirming identity when seeking to access various platforms or for virus protection on their computers). However, I consider

[31] I appreciate that banks will offer their own apps for users to access their accounts and, undoubtedly, this will have security features. However, this is not the type of software described by the opponent's term.

this overlap to be somewhat limited. Lastly, I do not consider the goods to be complementary or competitive in nature. Taking all of this into account, I find that the goods are dissimilar.

Encoded gift cards; magnetically encoded gift cards; printed cash cards [encoded]; none of the aforementioned goods being standalone identification and authentication software.

63. For similar reasons to those discussed in the preceding paragraph and despite any potential overlap in user, I find that these goods are dissimilar.

Payment software; e-commerce and e-payment software; computer software relating to the handling of financial transactions; none of the aforementioned goods being standalone identification and authentication software.

64. I compare the above terms with the opponent's term of "computer software for digital identity authentication and security management". The above terms of the applicant cover types of software that will operate in the background of transactions in order to facilitate various forms of payment. As was the case with the payment devices discussed above, they will inevitably have security measures. However, for the same reasons I have discussed at paragraph 60 above, the mere fact that goods both have security features is not sufficient by itself to warrant a finding of similarity between them. While there may be some overlap in nature (because both parties' goods cover software), they differ in method of use and purpose. Further, I consider that the products will be offered by different undertakings who specialise in the fields to which the goods relate (for example, payment transfer software will likely be offered by banks whereas the opponent's software goods will be offered by undertakings that specialise in security). As such, the goods differ in trade channels. As for user, I follow a similar finding to that I have reached at paragraph 61 above in that there may be some overlap but it is fairly general given the broad userbase for the opponent's goods. Lastly, the fact that both parties' goods may

feature security measures does not mean that they are complementary to one another and neither are they competitive. Taking all of this into account, I find that these goods are dissimilar.

Games software; gaming software that generates or displays wager outcomes of gaming machines; entertainment software; computer games of chance; none of the aforementioned goods being standalone identification and authentication software.

65. I appreciate that the above goods and the class 9 goods of the opponent are items of software. However, again, this does not automatically mean that they are similar. Repeating what I have said throughout this comparison, I am of the view that even if the above terms can be said to have security features,[32] this does not give rise to a finding of similarity. I consider that the above goods differ in method of use, purpose and trade channels with the opponent's goods. The goods are not complementary or competitive in nature, however, I appreciate that there may be an overlap in user between the goods given the broad user base for both parties' goods. Overall, I appreciate that the goods are software goods that may be selected by the same broad set of consumers, however, this alone is not sufficient to give rise to a finding that they are similar to any degree. If it were, this would provide far too broad a scope of protection as it could be said to mean that many types of software goods are similar simply because they are items of software that may be sought by members of the general public. As a result, I find that these goods are dissimilar.

Class 36

Processing payments made by charge cards; processing payments made by charge cards; payment administration services; debit card services; processing of electronic payments; processing electronic payments made through prepaid cards; conducting

[32] On this point, it is my understanding that even computer games include security features such as two factor authentication to ensure that player accounts and any downloadable content are secure.

cashless payment transactions; processing of debit card payments; processing of payments in relation to credit cards; financial transfers and transactions, and payment services; payment services provided via wireless telecommunications apparatus and devices; issue and redemption of tokens of value; issuance of tokens of value; issuing tokens of value in the nature of gift vouchers; issuing gift certificates which may then be redeemed for goods or services; issuing of vouchers for use as money; issuing of cash vouchers; issuing of discount coupons; providing information relating to the issue of tokens of value; issuing stored value cards; electronic payment services; clearing services for payment transactions;[33] *payment and electronic money services for participation in gaming and the payment of winnings; electronic wallet services (payment services); electronic processing of payments; payment and receipt of money as agents; bill payment services; on-line bill payment services; domestic remittance services provided on-line; domestic remittance services; electronic funds transfer; financial services relating to the withdrawal and depositing of cash; acceptance of bill payments; collection of payments; payment processing; issuance of credit and debit cards; money ordering services; none of the aforementioned services being the provision of standalone identification and authentication software or services.*

66. All of the above terms cover financial services. Clearly, the provider of the services will wish to ensure that the services they provide are secure in that they protect the finances and details of their customers. In accordance with what I have said above, it is again my view that this does not necessarily mean that they are similar to the opponent's terms of "computer software for digital identity authentication and security management" and "computer services, namely, providing digital identity authentication and security management." Clearly, the goods and services differ in nature, methods of use and purpose. As for trade channels, the provider of the above services of the applicant are likely to be banks and other financial service providers. Such undertakings will not offer security management software or computer services relating to the same. Therefore, I do not consider that the goods

[33] This term is refereed to in the specification of the applicant's second mark as "clearing services for payment transaction". Plainly, this describes the same services.

and services overlap in trade channels. As for user, both the above services and the opponent's goods and services will be sought by members of the general public at large. Lastly, the goods and services are not complementary and neither are they competitive. Overall, while there may be some overlap in user, this is not sufficient to give rise to a finding of similarity. As a result, I find that the above services are dissimilar to the opponent's goods and services.

Class 42

Design and development of software for payment and electronic money services; Software design and development in relation to the following fields: games of chance; none of the aforementioned services being the provision of standalone identification and authentication software or services.

67. Again, I do not consider that the above services are similar to the goods or services of the opponent. Firstly, the opponent's services, being "computer services, namely, providing management, optimization and integration of users" and "computer services, namely, providing digital identity authentication and security management" do not cover the design and development of software. Instead, they are more akin to software as a service type offering. Plainly the natures, method of use and purposes of these services differ. As for trade channels, the above services will be provided by software design and development companies and, as far as I am aware, these will not offer the opponent' computer services, and vice versa. Turning to user, I consider that the specialist nature of both parties' services is such that they will be sought by different users. Lastly, the services are not competitive and neither are they complementary. As a result, I find that these services are dissimilar.

Conclusion in respect of the goods and services comparison.

68. Where there is no similarity of goods or services, there can be no likelihood of confusion under section 5(2)(b) grounds.[34] Given that I have found all of the goods and services in the applicant's specifications to be dissimilar, my findings mean that the present ground fails in its entirety.

69. I will now proceed to consider the section 5(3) ground of opposition.

Section 5(3)

70. Section 5(3) of the Act states:

> "5(3) A trade mark which –
>
> is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark."

71. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors,* Case 252/07, *Intel,* Case C-408/01, *Adidas-Salomon,* Case C-487/07, *L'Oreal v Bellure,* Case C-323/09, *Marks and Spencer v Interflora,* Case C383/12P, *Environmental Manufacturing LLP v OHIM.* The law appears to be as follows:

[34] *eSure Insurance v Direct Line Insurance,* [2008] ETMR 77 CA.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24.*

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; G*eneral Motors, paragraph 26.*

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Salomon, paragraph 29* and *Intel, paragraph 63.*

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68;* whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79.*

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34.*

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74.*

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the holder of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure).*

72. In considering the present ground, I remind myself that the opponent relies on the same mark that it did above. That mark was subject to proof of use. Given that proof of use is equally relevant to section 5(3) grounds as it is to section 5(2)(b) grounds, the findings I have made above are applicable here. As a result, the opponent may only rely on the following goods and services for the present ground:

Class 9: Computer software for the management, optimization and integration of users; computer software for digital identity authentication and security management.

Class 42: Computer services, namely, providing management, optimization and integration of users; computer services, namely, providing digital identity authentication and security management.

73. As the opponent's mark is a comparable mark based on an earlier EUTM owned by the opponent. As such, EU use prior to IP Completion Day (being 31 December 2020) may be relevant to the issue of reputation.

74. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the marks are similar. Secondly, the opponent must show that its mark has achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the parties' marks will cause the public to make a link between them, in the sense of the earlier mark being brought to mind by the applicant's mark. Finally, assuming the first three conditions have been met, section 5(3) requires that one or more of the types of damage will occur. It is unnecessary for the purposes of section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

Reputation

75. I consider that I can deal with the issue of a reputation relatively briefly. I say this because I have already summarised the opponent's evidence of use at paragraphs 29 to 40 above. I do not intend to reproduce that summary here but remind myself that the turnover prior to the relevant date stood at approximately £265 million. Additionally, the opponent spent in the region of $46 million in order to promote or

advertise its brand. These figures are clearly significant and coupled with the fact that there is evidence of press coverage from both specialist and general publications, it can reasonably be said that the opponent's brand was known by a significant part of the relevant public as at the relevant date. For the avoidance of doubt, I see no reason why the reputation wouldn't vest in all of the goods and services for which I have found use, being those listed at paragraph 72 above. In addition, I consider that the level of use is sufficient to give rise to a finding that the opponent's mark enjoys a strong reputation.

Link

76. As noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks.

77. The opponent's mark is a word only mark that consists solely of the word 'OKTA'. There are no other elements that contribute to its overall impression which lies in the word itself. The applicant's marks are figurative marks. Both consist of words presented in blue on a white background. The first mark is 'OKTO.DIRECT' with 'OKTO.' presented in a bold, standard typeface with the letters being somewhat dissected. 'DIRECT' is presented in a standard typeface. The second mark follows a similar pattern in that 'OKTO.' is presented in the same way as the first mark with the second word, being 'WALLET' also presented in a standard typeface. The overall impression of both marks will be dominated by the word 'OKTO' with both 'DIRECT' and WALLET', for reasons I will come to discuss below, playing lesser roles.

78. Visually, the marks share their first three letters, being 'O-K-T'. The marks differ in their fourth letters, which is the letter 'O' in the applicant's marks and 'A' in the

opponent's. The applicant's marks differ in that, after 'OKTO', both marks have a period which are then proceeded by two different words, being DIRECT' in the first mark and 'WALLET' in the second. In terms of presentation, the word 'OKTO' in the applicant's marks is presented in a standard, bold typeface, albeit one that is somewhat dissected. The words 'DIRECT' and 'WALLET' are presented in a standard typeface. Both the applicant's marks are presented in blue. In the present case, I see no reason why the opponent's mark cannot be presented in the same typeface as that used in 'OKTO' in the applicant's marks and in the same shade of blue. As such, the presentational differences are not a point of visual distinction between the marks. Taking all of this into account and bearing in mind not only the overall impression of the marks but the principle that, generally, consumers tend to focus on the beginnings of marks,[35] I find that the parties' marks are visually similar to a medium degree.

79. Aurally, the opponent's mark will be pronounced as two syllables, being 'OCK-TAH'. As for applicant's marks, I find that despite the roles that 'DIRECT' and 'WALLET' play in their overall impressions, they be pronounced in full. As for the word 'OKTO', I consider that this may either be pronounced as 'OH-KAY-TOO' or 'OCK-TOE' by separate groups of consumers (both of which being made up of significant proportions of average consumers). In the present case, however, I will proceed on the basis that it will be pronounced in the latter way.[36] As a result, I find that the applicant's marks consist of four syllables that will, respectively, be pronounced as 'OCK-TOE-DYE-REKT' and 'OCK-TOE-WAHL-UHT'. The first syllables are identical and the second syllables start with the same 'T' sound. Aside from that, the marks are aurally different with the last two syllables in the applicant's marks having no counterpart in the opponent's mark. I appreciate that the

[35] *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

[36] On this point, I remind myself of the case of *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, wherein Kitchin LJ set out that if a court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then it may properly find infringement. While an infringement case, the principle equally applies to oppositions before the Tribunal.

beginnings of marks tend to be the points of focus for average consumers, however, I consider that the points of difference are rather significant. As such, I find that the parties' marks are aurally similar to between a low and medium degree.

80. Conceptually, I do not consider that the opponent's mark will carry any obvious meaning to the average consumer in the UK. As such, it will be viewed as a made-up word. As for the applicant's marks, I consider that the same can be said for the word 'OKTO' (again, I appreciate that it may be broken down as the words 'OK' and 'TO', however, as above, I will focus on the consumers that see it as one word). As for the words 'DIRECT' and 'WALLET', these will have clear meanings as well-known dictionary words. While I do not consider that the presence of these two well-known dictionary words will necessarily impact upon the meaning of the marks as wholes, they are points of conceptual difference between the parties' marks. This, together with the lack of meaning between the 'OKTA' and 'OKTO' elements, is such that it leads me to find that the marks are, technically, conceptually dissimilar. That being said, I consider it necessary to point out that the dominant elements are conceptually neutral.

<u>The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public.</u>

81. I have found under the section 5(2)(b) ground of this decision that the parties' goods and services are dissimilar. While that may be the case, similarity is not a necessity under the present ground. On this point, I remind myself that, above, I found that there was an overlap in user between the applicant's class 9 goods and class 36 services and the opponent's goods (which I went on to find to be goods for which the opponent enjoys a reputation). This same finding applies here. In short, I note that the issue of security is of increasing importance across many different trades and sectors and, further, is an important factor for many users, regardless of whether they are business users or members of the general public at

large. In support of this, I note that there are many different types of goods in circulation that are ultimately used for many different purposes that include security features such as two-factor authentication or facial/fingerprint scans in order to gain access.[37] It is my view that because the opponent's reputed goods cover items of software for the purpose of security and authentication, the user base that the goods will ultimately reach include both business users and members of the general public at large. The broad nature of this user base means that the users of the opponent's reputed goods are likely to be those that also use the applicant's class 9 goods and class 36 services. As such, it follows that there is some overlap in the sections of the public that select the applicant's class 9 and class 36 services and the opponent's reputed goods. Therefore, despite them being dissimilar, I find that there remains at least some degree of closeness between the parties' goods and services insofar as it relates to the class 9 goods and class 36 services of the applicant.

82. As for the class 42 services of the applicant, I remind myself that in my comparison above I found that there was no overlap in user between them and the opponent's own class 42 services. This was due to the specific nature of the parties' services and the fact that their respective user bases would be more specialist. While that may be the case, I am of the view that the broader user base of the opponent's reputed class 9 goods is such that there would inevitably some overlap in user with the applicant's class 42 services. I say this because the user of services for the design and development of software for payment services, electronic money services or games of chance (being the applicant's services) are inevitably likely to also use the opponent's security or authentication software goods as part of their business operation. On this point, I rely on the same findings I have made in the preceding paragraph in respect of the likelihood that user of the goods and services will overlap.

[37] On this point, I repeat what I have said above in that this can be the case for apps used for gambling, social media and computer games.

The strength of the earlier mark's reputation.

83. I have found that the opponent's mark enjoys a strong reputation.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use.

84. The opponent's mark consists solely of the word 'Okta'. This has no obvious meaning to the UK consumer and, as such, I consider that it will be viewed as a made-up word. It is not descriptive of the goods or services relied upon and, as such, I find that it enjoys a high degree of inherent distinctive character. In terms of whether this distinctiveness has been enhanced through use, it follows that because the inherent distinctiveness of this mark already sits at a high level, any increase on this would result in a finding of there being a very high degree of distinctive character. On balance, while I appreciate that the evidence before me is considerable,[38] I do not consider that it is such that warrants a finding that the opponent's mark enjoys a very high degree of distinctive character.

Whether there is a likelihood of confusion

85. Where there is no similarity between goods and services, there would be no confusion. This was the outcome of my section 5(2)(b) assessment above. While that may be the case, the provisions of section 5(3) offer additional protection which takes into account the repute and distinctiveness of the earlier marks. For example, some marks are so distinctive and well known that there is likely to be some confusion almost irrespective of the goods or services on which the marks are used. In this particular case, therefore, I am required to consider whether the average consumer would be caused to believe that the user of 'OKTO.DIRECT' or

[38] In the event that the inherent distinctiveness of the opponent's mark was found to be at a medium level, this evidence would easily justify a finding of a high degree of enhanced distinctive character.

'OKTO.WALLET' for the dissimilar goods and services is connected to the user of the 'OKTA' mark.

86. I appreciate that the goods and services at issue are dissimilar. However, as the userbase of the opponent's reputed goods is so broad, it will inevitably cover a variety of business users in a range of different sectors as well as members of the general public. In my view, this same group of consumers will include those who use the applicant's goods and services. Therefore, I find it likely that a user who is aware of the opponent's reputed marks will come across the applicant's marks and it is upon this basis that I make the following finding.

87. In my view, despite the dissimilar nature of the goods and services, the repute and distinctiveness of the earlier mark would result in a significant number of average consumers being confused into believing that the marks shared the same commercial origin. I am of the view that this finding is supported by the presence of the identical beginnings across the parties' marks (being the letters 'O-K-T'). In addition, I note that the difference in the 'OKTO'/'OKTA' elements (being the dominant element of the marks) sits in the middle of the applicant's marks, being before the words 'DIRECT' or 'WALLET'. Despite the roles of these additional words, they will contribute to the visual impact of the marks and, as such, I find that because the point of difference is subsumed into the middle of the applicant's marks, it is liable to be overlooked by the average consumer. On this point, I refer to the case of *Aveda Corporation v. Dabur India Ltd* [2013] EMTR 33 at [48] wherein Arnold J (as he then was) said:

> "The human eye has a well-known tendency to see what it expects to see and the human ear to hear what it expects to hear. Thus it is likely that some consumers would misread or mishear UVEDA as AVEDA."[39]

[39] See also a similar point made in *Lewis v. Client Connection Ltd* [2011] EWHC 1627).

88. As a result of the above, I am satisfied that when a consumer is confronted by 'OKTO.DIRECT' or 'OKTO.WALLET', they are likely to misread them as being 'OKTA.DIRECT' or 'OKTA.WALLET', especially given the level of reputation enjoyed by the opponent's mark across a range of software products. Lastly, I will also say that while the goods and services may differ, the evidence before me shows that the opponent uses its mark on a range of different types of products for different purposes and is an undertaking that operates in various areas trade.[40] In my view, the consumer that is aware of said use would reasonably believe that the opponent would diversify its brand further to cover goods and services used in the sectors of trade in which the applicant operates. Taking all of this into account, I find that the relevant section of the public will consider that the applicant's marks are part of 'OKTA's' trade mark portfolio, even when viewed on dissimilar goods and services. Therefore, I find that the consumer will be confused as to the origin of the marks.

Conclusion on link

89. Where I have found confusion, I consider that a link between the marks is inevitable. However, even if I am wrong about there being confusion, I am of the view that the present circumstances are sufficient to give rise to a link. For example, even if the consumer was not confused, I consider that they would still be caused to wonder if there was a link between the marks due to the strong reputation of the opponent's mark, the high degree of distinctiveness of the same and the similarities between the marks, especially following the reasoning set out above regarding their positioning at the beginning of the marks at issue (with the difference between the dominant element of the marks being subsumed into the body of the applicant's marks).

[40] Respectively, see the summary of the opponent's offerings at paragraph 36 above as well as its range of customers that operate in disparate areas of trade as discussed at paragraph 33 above.

Damage

90. The opponent has pleaded that use of the applicant's marks would, without due cause, lead to an unfair advantage in favour of the applicant and cause a detriment to the distinctive character of the opponent's mark.

Unfair Advantage

91. I bear in mind that unfair advantage has no effect on the consumers of the opponent's goods and services. Instead, the taking of unfair advantage of the distinctive character or reputation of an earlier mark means that consumers are more likely to select the goods of the applicant's mark than they would otherwise have been if they had not been reminded of the opponent's marks.

92. In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. considered the earlier case law and concluded that:

> "80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill."

93. In the present case, I have found that there would be a link between the marks on the basis that they would wrongly believe the marks to derive from the same undertakings. Again, I reiterate that under the present ground, this applies even though the goods and services are dissimilar. In such circumstances, I consider it inevitable that use of the applicant's marks in respect of those goods and services would give rise to an unfair advantage. This is on the basis that the consumers may engage the goods or services of the applicant based on the strength of the reputation of the earlier mark, without the applicant needing to go to the effort and expense of promoting and marketing its goods or services itself.

94. Even if I was wrong to have found confusion under the present ground, it is my view that it is quite clear that there is potential for the applicant to gain an unfair advantage by using the marks 'OKTO.DIRECT' and 'OKTO.WALLET'. The applicant, by using the similar element of 'OKTO', particularly given its presence at the beginning of its mark, would achieve instant familiarity in the eyes of the average consumers due to its similarity with 'OKTA'. I say this particularly because the point of difference in these elements (being their fourth letters) is subsumed within the body of the applicant's marks and is, therefore, likely to be overlooked. Upon the consumers making the connection between the marks, it would secure a commercial advantage in favour of the applicant and allow it to benefit from the opponent's reputation without paying financial compensation. Such commercial advantage would not exist were it not for the strong reputation of the opponent's mark. Therefore, I find it likely that the applicant's marks take unfair advantage of the opponent's mark.

95. The applicant would have a defence if it could establish that it had a due cause in filing for its marks. However, no arguments have been put forward to this effect. If it was the case that the applicant's evidence was filed in order to demonstrate that it had due cause to file its marks as a result of their ongoing use then I find that for

the same reasons discussed at paragraphs 13 to 16 above, this evidence is of no assistance. The applicant's use is not, therefore, with due cause.

96. The section 5(3) ground of the present opposition, therefore, succeeds in full.

CONCLUSION

97. The opposition succeeds in full and, subject to any successful appeal of my decision, the applicant's marks are refused registration for all of the goods and services applied for.

COSTS

98. The opponent has succeeded in full and is, therefore, entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 1/2023. In the circumstances, I award the opponent the sum of £2,000 as a contribution towards its costs. The sum is calculated as follows:

Filing two notices of opposition and considering the applicant's counterstatements:	£500
Filing evidence:	£700
Filing written submissions in lieu	£400
Official fees (x2):	£400
Total:	**£2,000**

99. I hereby order Oktopay Limited to pay Okta, Inc. the sum of £2,000. The above sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 12th day of February 2025

A COOPER
For the Registrar

ANNEX

The applicant's first mark

Class 9

Point of sale apparatus; Hardware for processing electronic payments to and from others; Electronic payment terminals; Credit card terminals; Terminals for electronically processing credit card payments; Point of sale apparatus; Electrical terminal connectors; Electronic payment terminals; Encoded magnetic cards; Payment software; E-commerce and e-payment software; Electronic and magnetic ID cards for use in connection with payment for services; Encoded cards for use in point of sale transactions; Encoded credit cards; Encoded prepaid credit cards; Encoded cards; Encoded magnetic cards; Encoded magnetic cards; Encoded charge cards; Magnetically encoded debit cards; Payment cards being magnetically encoded; Magnetically encoded credit cards; Encoded prepaid payment cards; Encoded gift cards; Magnetically encoded gift cards; Printed cash cards [encoded]; Computer software relating to the handling of financial transactions; Games software; Gaming software that generates or displays wager outcomes of gaming machines; Entertainment software; computer games of chance; none of the aforementioned goods being standalone identification and authentication software.

Class 36

Processing payments made by charge cards; Processing payments made by charge cards; Payment administration services; Debit card services; Processing of electronic payments; Processing electronic payments made through prepaid cards; Conducting cashless payment transactions; Processing of debit card payments; Processing of payments in relation to credit cards; Financial transfers and transactions, and payment services; Payment services provided via wireless telecommunications apparatus and devices; Issue and redemption of tokens of value; Issuance of tokens of value; Issuing tokens of value in the nature of gift vouchers; Issuing gift certificates which may then be redeemed for goods or services; Issuing of vouchers for use as money; Issuing of

cash vouchers; Issuing of discount coupons; Providing information relating to the issue of tokens of value; Issuing stored value cards; Electronic payment services; Clearing services for payment transactions;[41] Payment and electronic money services for participation in gaming and the payment of winnings; Electronic wallet services (payment services);Electronic processing of payments; Payment and receipt of money as agents; Bill payment services; On-line bill payment services; Domestic remittance services provided on-line; Domestic remittance services; Electronic funds transfer; Financial services relating to the withdrawal and depositing of cash; Acceptance of bill payments; Collection of payments; Payment processing; Issuance of credit and debit cards; Money ordering services; none of the aforementioned services being the provision of standalone identification and authentication software or services.

Class 42

Design and development of software for payment and electronic money services; Software design and development in relation to the following fields: games of chance; none of the aforementioned services being the provision of standalone identification and authentication software or services.

[41] This term is presented as 'clearing services for payment transaction' in the applicant's second mark