

O-409-12

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2563510
IN THE NAME OF
INFORMATION TECHNOLOGY JUNCTION LTD
TO REGISTER THE TRADE MARK**

USWAP

IN CLASSES 35 & 42

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO 101464
BY
USWAP LTD**

1) On 05 November 2010, NewMediaLiving Limited applied to register the trade mark **USWAP**. The application was subsequently assigned to Information Technology Junction Ltd (“the applicant”). The application is made in respect of the following services in classes 35 and 42:

Class 35:


Business services for the facilitation of the swapping and/or exchanging of goods and/or services; advertising; provision of advertising space on Internet websites; classified advertising; dissemination of advertising for others via an on-line electronic communications network; compilation of an on-line business/commercial information directory; business information; promotional and marketing services; promotional and marketing services; electronic commerce services, namely, providing information about products via telecommunication networks for advertising and sales purposes; providing a web site where users can post ratings, reviews and recommendations on products and services for commercial purposes; advice and information relating to all of the aforesaid services.

Class 42:

Developing and hosting a server on a global computer network for the purpose of facilitating e-commerce via such a server; designing, creating, maintaining and hosting online retail and electronic commerce websites; computer services, namely, providing a web-based system and online portal for e-commerce purposes; advice, consultancy and information relating to the aforesaid services.

2) The application was published on 26 November 2010 in the *Trade Marks Journal* and a notice of opposition was later filed by Uswap Ltd (“the opponent”). The opponent originally claimed that the application offended under section 5(1) of the Trade Marks Act 1994 (“the Act”). A preliminary indication, dated 8 March 2011, issued under the provisions of Rule 19(2) of the Trade Marks Rules 2008, gave the view that the opposition would be unsuccessful as the marks were not considered to be identical. The opponent subsequently filed a request to amend the pleaded grounds on the basis that they had mistakenly believed that their earlier mark had been registered in respect of ‘Uswap as plain text’ in addition to ‘the LOGO as a device’. The Trade Mark Registry issued a preliminary view to allow the pleadings to be amended. NewMediaLiving Ltd (being the applicant at that time) was provided with a period to object to the preliminary view and to request a hearing under rule 63(1); it did not do so. Consequently, the ground under section 5(1) was removed and replaced with a ground under section 5(2)(b) of the Act, as requested by the opponent.

3) The opposition is directed against all of the applicant’s services. The opponent relies upon one earlier UK trade mark registration, relevant details of which are as follows:

Mark details	Services relied upon
<p data-bbox="188 271 659 300">UK trade mark number: 2553837</p>  <p data-bbox="188 521 539 551">Filing date: 22 July 2010</p> <p data-bbox="188 593 699 622">Registration date: 29 October 2010</p>	<p data-bbox="810 315 946 344">Class 35:</p> <p data-bbox="810 365 1393 439">Arranging business introductions relating to the buying and selling of products.</p>

4) The opponent's earlier mark completed its registration procedure on 29 October 2010 and is therefore an earlier mark within the meaning of Section 6(1)(a) of the Act. As the registration date is less than five years before the publication date of the contested mark, the earlier mark is not subject to the proof of use provisions (Section 6A of the Act refers).

5) The applicant subsequently filed a counterstatement (which it amended further to the amendment of the grounds of opposition) in which it denied the ground of opposition and requested an award of costs to be made in its favour.

6) Only the opponent filed evidence. Neither party requested to be heard nor did they file written submissions in lieu of a hearing. I therefore make this decision after conducting a thorough review of all the papers and giving full consideration to all submissions and evidence submitted.

Opponent's evidence

7) The opponent's evidence consists of a witness statement dated 12 September 2011 in the name of Matthew Edward House, Company Director of Uswap Limited.

8) Mr House explains that the "logo was created on 26 May 2010" to be used on the pages of a "swapping website". It was then displayed on an internet holding page until 25 January 2011 stating 'coming soon', whilst the website was under construction. Mr House further explains that the said website has been fully functioning since 25 January 2011. A print-out showing the homepage of the website in question is exhibited at Appendix 1. The opponent's earlier mark is present in the top left hand corner of the webpage.

DECISION

Section 5(2)(b)

9) This section of the Act states:

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

10) The leading authorities which guide me are from the Court of Justice of the European Union (CJEU): *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P. It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,

(b) the matter must be judged through the eyes of the average consumer for the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,

e) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*,

f) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*,

(g) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(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; *Sabel BV v Puma AG*,

(i) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(j) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(k) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(l) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*.

Comparison of services

11) When comparing the respective services I note the judgment in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* where the ECJ stated:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. 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.”

12) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 (“*British Sugar*”) where the following factors were highlighted as being relevant when making the comparison:

“(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.*”

13) In construing a word used in a trade mark specification, one is concerned with how the product or service is, as a practical matter, regarded for the purposes of the trade (*British Sugar*).

14) I must also be conscious not to give a listed service too broad an interpretation; in *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16 (“*Avnet*”) Jacob J stated:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

15) Further, the General Court (GC) in *Gérard Meric v OHIM* (“*Meric*”), Case T-133/05 held:

“29. ...goods can be considered identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark”

16) Finally, whether goods/services are complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), will depend on whether there exists a close connection or relationship such that one is important or indispensable for the use of the other (*Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* (“*Boston Scientific*”) Case T- 325/06).

17) In the instant case, the services to be compared are:

Opponent’s Services	Applicant’s Services
<p>Class 35:</p> <p>Arranging business introductions relating to the buying and selling of products.</p>	<p>Class 35:</p> <p>Business services for the facilitation of the swapping and/or exchanging of goods and/or services; advertising; provision of advertising space on Internet websites; classified advertising; dissemination of advertising for others via an on-line electronic communications network; compilation of an on-line business/commercial information directory; business information; promotional and marketing services; electronic commerce services, namely, providing information about products via telecommunication networks for advertising and sales purposes; providing a web site where users can post ratings, reviews and recommendations on products and services for commercial purposes; advice and</p>

	<p>information relating to all of the aforesaid services.</p> <p>Class 42:</p> <p>Developing and hosting a server on a global computer network for the purpose of facilitating e-commerce via such a server; designing, creating, maintaining and hosting online retail and electronic commerce websites; computer services, namely, providing a web-based system and online portal for e-commerce purposes; advice, consultancy and information relating to the aforesaid services.</p>
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18) The opponent's specification consists solely of the term *Arranging business introductions relating to the buying and selling of products*. The opponent has given no explanation of the perceived similarities between its services and those of the applicant.

19) In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the ECJ stated:

“22. It is, however, important to stress that, for the purposes of applying Article 4(1)(b), even where a mark is identical to another with a highly distinctive character, it is still necessary to adduce evidence of similarity between the goods or services covered. In contrast to Article 4(4)(a), which expressly refers to the situation in which the goods or services are not similar, Article 4(1)(b) provides that the likelihood of confusion presupposes that the goods or services covered are identical or similar.”

20) The court required evidence of similarity to be adduced. This finding has been reiterated by the ECJ and the GC¹. Such an approach was advocated by Mr Hobbs QC sitting as the Appointed Person in *Raleigh International trade mark* [2001] R.P.C. 11 where he stated:

“If the goods or services specified in the opposed application for registration are not identical or self-evidently similar to those for which the earlier trade mark is registered, the objection should be supported by evidence as to their “similarity” (whether or not the objection is directed to the use of an identical mark): Canon paragraph 22. Paragraph 23 of the Judgment in Canon indicates that it is appropriate to consider the pattern of trade with reference to factors such as those (uses, users and physical nature of the relevant goods and services; channels of distribution, position in retail outlets, competitive leanings and market segmentation) identified by Jacob J. in *British Sugar Plc v James Robertson v Sons Ltd.* [1996] RPC 281 at 296, 297.”

21) Accordingly, in approaching the question of similarity of the respective services, I bear in mind the above comments such that, where I am able to determine the

¹ See *Commercy AG V Office for Harmonization in the Internal Market (Trade Marks and Designs)* Case T-316/07

nature/purpose/users etc. of the services at issue this is because I consider them to be self-evident. It follows that, any similarity which I find between the respective services is also considered to be self-evident.

22) I think it is helpful to firstly establish what I understand *Arranging business introductions relating to the buying and selling of products* to mean. To my mind, and guarding against giving the term an overly broad interpretation (*Avnet*), the purpose of this service, is to introduce sellers and potential buyers of products to one another, who may not have otherwise established contact, thereby facilitating the process of buying and selling products between those parties. The nature of the service is such that it will be likely, in my view, to involve a certain amount of promotion and/or advertising of one party's product(s) such that a potential buyer will be enticed into forming contact with the seller to purchase the product(s). Further, I do not consider that the term *business introduction* should be construed as only meaning the introduction of one business to another business. In my view, the term *business introduction* merely means introducing one party to another party for the purpose of engaging in commercial transactions; those parties may be the general public and businesses. For example, a business selling office stationery may wish to be introduced to an office-type business in the hope of securing orders to supply the latter with stationery. In the case of a member of the public, they may use the opponent's services to buy/sell items. The opponent's services may be offered by means of the internet or from physical premises. I will bear these conclusions in mind when comparing the opponent's services with those of the applicant.

23) When approaching the comparison of the respective services, I will do so by addressing each of the terms within the applicant's specification in turn and, where appropriate, and for the sake of expediency, grouping certain terms together (*Separate Trade Mark* BL O-399-10).

Class 35:

Business services for the facilitation of the swapping and/or exchanging of goods and/or services.

24) The only possible difference that I can see between the applicant's services listed above and those of the opponent is that the opponent's services may involve the buying/selling of goods/services for monetary payment whereas the applicant's services appear to involve an exchange of one product for another. This difference does not serve to distance the services in terms of similarity. Fundamentally, both services would cover business introductions for the purpose of providing or obtaining goods/services to or from another party; whether the goods/services are purchased by monetary payment or exchanged for other goods/services does not counteract this obvious similarity. Moreover, such services may be in competition with each other in the marketplace. A consumer may, for example, choose between selling their goods for monetary payment or, alternatively, 'swapping' them for other goods. The respective services are extremely similar.

business information.

25) The term *business information* is extremely broad and would include dissemination of information on any aspect of business, including information relating to business introductions and the buying and selling of products. I find that the respective services are highly similar.

compilation of an on-line business/commercial information directory.

26) The applicant's services are not limited to the compilation of any particular type of business/commercial information. It follows that they could relate to the compilation of any and all types of business information. This would include the compilation of information, showing sellers and buyers of goods/services, including, for example, their contact details and the nature of the goods/services which they wish to buy/sell. The nature of the opponent's services is such that they may also compile such information, or very similar information, for the purpose of facilitating business introductions. The respective services are similar to a good degree.

electronic commerce services, namely, providing information about products via telecommunication networks for advertising and sales purposes; advertising; provision of advertising space on Internet websites; classified advertising; dissemination of advertising for others via an on-line electronic communications network; promotional and marketing services.

27) The nature and purpose of the above services is that they are intended to communicate the claimed benefits of goods/services to an audience of potential customers or include services with such a purpose. The opponent's services are those which are intended to facilitate the buying and selling of products by arranging contact between buyers and sellers. I have already stated that this is likely, in my view, to involve a certain degree of advertising or promotion of the products at issue in order to encourage potential buyers/sellers to enter into a business introduction. Furthermore, a consumer may find themselves choosing between a traditional *advertising* service and a *business introduction* service when seeking out a service provider to assist them in selling their goods/services. The respective services can therefore be deemed to be in competition. The respective services are similar to a good degree.

providing a web site where users can post ratings, reviews and recommendations on products and services for commercial purposes.

28) The nature and purpose of the above services is that they enable consumers to voice their views on a website in relation to goods and services which they have purchased/encountered. Such views may include whether the goods/services met their expectations, their pros and cons and whether they would recommend them to others. In my view, a provider of the opponent's services, which are orientated towards enabling consumers to buy and sell products, may also provide a similar kind of service to that of the applicant's, where it's customers can post ratings in relation to products they have purchased further to a business introduction. The respective services are similar to a reasonable degree.

advice and information relating to all of the aforesaid services.

29) In light of my findings above, it follows that, naturally, these services are also similar to those of the opponent's.

Class 42:

Developing and hosting a server on a global computer network for the purpose of facilitating e-commerce via such a server; designing, creating, maintaining and hosting online retail and electronic commerce websites; computer services, namely, providing a web-based system and online portal for e-commerce purposes; advice, consultancy and information relating to the aforesaid services.

30) The applicant's services in class 42 are, in my view, specialist and discrete business to business services which are for the purpose of creating/maintaining a website or hosting websites. The opponent's services are, in essence, and bearing in mind the principles in *Avnet*, a business introduction service, which will involve assisting buyers/sellers to come into contact with each other, possibly by means of the internet or in person. The essential nature and purpose of the respective services is quite different. The applicant's services are those which are intended to assist businesses in setting up and maintaining a website; the opponent's services are for the purpose of introducing one person/business to another.

31) The opponent's services may be provided *by means of* websites. Accordingly, the opponent may create/design/maintain its own website or pay third parties to do it on its behalf. It is important to note that this is not the same as the provision of those services by the opponent to its consumers, who are purchasing business introduction services. I therefore do not consider that the respective services are indispensable to each other or that they would be used together, by the same consumers. It follows that they cannot be considered to be complementary in the *Boston Scientific* sense and neither are they substitutable.

32) For the reasons given above, and absent any evidence to the contrary, I cannot see that there is, within the parameters of the case law, any meaningful similarity between the respective services and I must therefore conclude that there is therefore no similarity between them. In support of these conclusions, I refer also to the comments of the GC in *Commercy AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-316/07, where the following was stated:

"54 The mere fact that the information, booking and reservation services covered by the trade mark at issue are exclusively provided via the internet and therefore require software support such as that provided by the goods and services covered by the earlier trade mark does not suffice to remove the essential differences between the goods and services concerned in terms of their nature, their intended purpose and their method of use.

55 Computer goods and computer services are used in nearly all sectors. Often, the same goods or services – for example, a certain type of software or operating system – may be used for very different purposes, and that does not mean that they become different or distinct goods or services. Conversely, travel agency services do not become something else – in terms of their nature, intended purpose or method of use – solely because they are provided via the internet, particularly since, nowadays,

use of computer applications for the provision of such services is almost essential, even where those services are not provided by an internet shop.

56 Moreover, the goods and services concerned are not substitutable, since they are intended for different publics. Therefore, the Board of Appeal was right to find that those goods and services are not in competition with each other.

57 Finally, those same goods and services are also not complementary. It must be recalled in this respect that goods or services which are complementary are those where there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that consumers may think that the responsibility for the production of those goods or provision of those services lies with the same undertaking (Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60; judgment of 15 March 2006 in Case T-31/04 *Eurodrive Services and Distribution v OHIM – Gómez Frías (euroMASTER)*, not published in the ECR, paragraph 35; and Case T-420/03 *El Corte Inglés v OHIM – Abril Sánchez and Ricote Saugar (Boomerang TV)* [2008] ECR I-0000, paragraph 98).

58 That case-law definition implies that complementary goods or services can be used together, which presupposes that they are intended for the same public. It follows that there can be no complementary connection between, on the one hand, the goods and services which are necessary for the running of a commercial undertaking and, on the other, the goods and services produced or supplied by that undertaking. Those two categories of goods or services are not used together since those in the first category are used by the relevant undertaking itself whilst those in the second are used by customers of that undertaking.”

33) In light of the above conclusion, the opposition fails in relation to the applicant's services in class 42 as there cannot be a likelihood of confusion where there is no similarity between the respective services (*Waterford Wedgewood plc v OHIM-C-398/07*). I will therefore make no further mention in relation to the applicant's class 42 services.

Average consumer and the purchasing process

34) It is necessary to consider these matters from the perspective of the average consumer of the services at issue (*Sabel BV v. Puma AG*). The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect, but his/her level of attention is likely to vary according to the category of services.

35) In my view the average consumer for the opponent's services will include businesses and members of the general public, for the reasons already given at paragraph 22.

36) Turning to the applicant's services in class 35, *advertising; promotional and marketing services; business information; advice and information relating to all of the*


aforesaid services all, on the face of things, appear to be primarily aimed at businesses rather than the general public. However, certain advertising services such as *classified advertising*, for example, may be used by both businesses and the general public. The former may use these services for the purpose of advertising their services or for recruiting staff; the latter for the purpose of selling single personal items such as cars and household furniture. All of the applicant's remaining services in this class may also be used by both businesses and the general public.

37) To my mind, the respective services are likely to vary greatly in price and, in some instances, may even be offered for free. Indeed, an example of where the opponent's services may be offered free of charge are shown in Appendix 1 of Mr House's witness statement, where the phrase 'It's totally FREE to use' is present on the top of the web-page. For all of the respective services, I consider that, on the whole, a reasonable level of attention will be paid during the selection process. However, the level may sometimes be higher in relation to, for example, *advertising* where a business may wish to roll out an extensive and long-running television advertising campaign which is likely to be at the higher end of the cost scale. Selection of the service provider is likely to be primarily by the eye as they are likely to be sought out through the internet or trade directories however I do not discount aural considerations that may come into play as the service provider may sometimes also be identified through word of mouth.

Comparison of marks

38) In making a comparison between the marks, I must take account of their visual, aural and conceptual similarities with reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*). However, I must not engage in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.

39) For ease of reference, the respective marks are:

Opponent's mark	Applicant's mark
	<p data-bbox="932 1458 1278 1536">USWAP</p>

Dominant and distinctive components

40) The opponent's mark consists of 'Uswap' below which is a roughly drawn underlining, all presented on a dark background. Given the difference in shading between the letter 'U' and the letters 'swap', this serves to clearly distinguish the letter 'U' from the letters which follow it such that the letters in the mark appear to form the phrase, 'U swap'. It is this phrase which is the dominant and distinctive element of the mark. The roughly drawn underlining plays a subordinate role to the phrase 'U swap' and is neither dominant nor particularly distinctive. However, it is,

nonetheless, clearly visible and must therefore be factored into the global assessment.

41) The applicant's mark contains the letters USWAP, all presented in a standard upper case font. It is not possible to divide the mark into separate distinctive or dominant components. The mark, as a whole, is dominant and distinctive.

Visual Comparison

42) A point of visual difference is the presence of the roughly drawn underlining present in the opponent's mark and absence of the same in the applicant's mark. A clear point of visual similarity is that both marks consist of the same five letters. However, the presentation of the letters in the respective marks differs. The font in the opponent's mark has the appearance of being hand-written, with the letter 'U' in upper case and the letters of 'swap' presented in lower case; the letter 'U' is also presented in a lighter shading than the letters 'swap' which follow it. In the applicant's mark, all letters are presented in a standard upper case font. Taking into account all of the aforesaid and viewing the marks as a whole, there is a high degree of visual similarity.

Aural Comparison

43) Turning to the aural comparison, and bearing in mind my earlier findings regarding the letter 'U' being clearly distinguishable from the letters which follow it, the opponent's mark is likely to be pronounced as 'you- swop'.

44) The applicant's mark may be pronounced in a number of ways such as 'us-whap' or 'you-swhap' (where the 'wa' element is pronounced the same as in 'whack'). Alternatively it may be pronounced as 'us-wop' or 'you-swop'. However, in the context of certain of the applicant's services which relate or may relate to the activity of 'swapping', such as, *business services for the facilitation of the swapping...of goods and/or services*, it is likely to be the latter pronunciation which is the most probable. This is because the nature of the service, being 'swapping', is likely to influence the consumer's pronunciation of the mark to sound the same or similar to the manner in which they would pronounce the word 'swap' (i.e. as 'swop'). Accordingly, it is the 'you-swop' pronunciation, where the 'swop' element is clear and distinct, that is, in my view, the most probable.

45) Regardless of the manner in which the applicant's mark may be pronounced, it will always consist of two syllables. The opponent's mark also consists of two syllables. Furthermore, both marks contain the 's' sound in the middle of the mark (whether it be at the end of the first syllable or start of the second), followed by the sound created by the letter 'w' and the final 'p' sound at the end. The difference in which the respective marks may be pronounced is mainly attributable to the manner in which the initial 'U' and the 'wa' element are vocalised, as already identified.

46) Taking into account all of the aforesaid factors, it is my conclusion that, where the applicant's services involve, or relate to, the activity of swapping, the respective marks are aurally identical. In relation to the applicant's other services (which do not or may not relate to swapping), any and all of the pronunciations identified in

paragraph 44 are equally likely and, regardless of which of these pronunciations may occur, there nonetheless remains a good degree of aural similarity between the respective marks.

Conceptual Comparison

47) I have already stated that the opponent's mark is presented in such a manner that it appears to consist of the phrase 'U swap'. I think it is reasonable to conclude that the letter 'U' is commonly used as an informal abbreviation for the word 'you'. Such a substitution is commonly used in advertising and promotional materials to which the average consumer will have been regularly exposed. Furthermore, such abbreviations are commonly used in text-messaging, which, due to the increasing popularity of mobile phones over the last decade or so, has also become a popular means of communication. For all of these reasons, it is my conclusion that the average consumer will be aware of this common substitution. To my mind, this will immediately lead the average consumer to perceive the mark as 'you swap', which may be taken as an instruction, or perhaps an invitation, to the consumer to engage in the act of swapping.

48) The applicant's mark may be perceived as an invented word with no meaning. However, when used in relation to services relating to 'swapping', such as those identified at paragraph 44, it may also be perceived in the same manner as the opponent's mark. This is due to the nature of the services, relating to the act of 'swapping', being likely to influence the consumer's perception of the mark such that they may divide the mark into the recognisable word 'swap' and the letter 'U' rather than viewing the mark as having no meaning at all. Even if I am wrong in this, there is no other concept that I consider would be immediately apparent to the consumer upon viewing the mark USWAP (regardless of whether it is used in relation to services relating to swapping or not). Therefore, insofar as the applicant's mark portrays any immediately graspable concept at all, it is likely to be one which is the same as that portrayed by the opponent's mark.

49) In summary, I have found that the respective marks share a high degree of visual similarity. Aurally, the marks are identical or similar to a good degree depending on the nature of the applicant's services. Insofar as the applicant's mark portrays any immediately graspable concept at all, the marks are identical from a conceptual perspective. Overall there is a high degree of similarity between the respective marks.

Distinctive character of the earlier mark

50) I must consider the distinctive character of the opponent's earlier mark. The more distinctive it is, either by inherent nature, or by use, the greater the likelihood of confusion (*Sabel BV v Puma AG*). The distinctive character of a trade mark must be assessed by reference to the goods or services in respect of which registration is sought and by reference to the way it is perceived by the relevant public (*Rewe Zentral AG v OHIM (LITE)* Case T-79/00 [2002] ETMR 91).

51) In my view, the opponent's mark is strongly allusive of the nature of the services covered by its registration. The services are those which may involve or relate to the

'swapping' or exchanging of products and as such the opponent's mark, which will be perceived as 'you swap', is not of a high degree of distinctive character for these services. Furthermore, the substitution of the word 'you' for the letter 'U' is a common one in trade (see my comments at paragraph 47). The roughly drawn underlining does little to enhance the distinctiveness of the mark. Taking into account these factors and viewing the mark as a whole, it is my conclusion that the inherent distinctive character of the opponent's mark is low to moderate.

52) I must now consider whether the opponent has provided any evidence to show that its earlier mark enjoys an enhanced level of distinctive character in the UK. Any such enhanced distinctive character must have been established at the date of filing of the contested application, being 5 November 2010. The only evidence provided by the opponent pre-dating 5 November 2010 is Mr House's statement that the mark was displayed on an internet holding page from 26 May 2010 whilst the opponent's website was under construction. The said website did not begin functioning until 25 January 2011. There is no indication of how many people in the UK, if any, accessed the holding page referred to by the opponent. Therefore I cannot conclude that this sole piece of evidence is sufficient to show that the earlier mark has been exposed to a significant proportion of UK consumers to the extent that it enjoyed an enhanced distinctive character at the date of filing of the contested application. I must therefore proceed solely on the basis of the inherent distinctive character of the mark which I have concluded is low to moderate.

Likelihood of confusion

53) In determining the likelihood of confusion, I must take the global approach advocated by case law (*Sabel BV v. Puma AG*). I must also take account that the consumer rarely has opportunity to compare marks side by side but rather must rely on the imperfect picture of them that he has kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*).

54) In the instant case, I have found that the respective marks share a high degree of visual similarity. The marks are aurally identical or similar to a good degree depending on the nature of the applicant's services. I have also found that, insofar as the applicant's mark portrays any immediately graspable concept at all, the marks are identical from a conceptual perspective. Overall there is a high degree of similarity between the respective marks.

55) I have found that the applicant's services in class 35 are all similar (to varying degrees, as already identified) to the opponent's services. The average consumer of the opponent's services will include the general public and businesses. The average consumer of the applicant's services will also be businesses and, for some services, the general public also. On the most part, a reasonable level of attention is likely to be paid during the purchasing act for the respective services, although it may sometimes be higher for services such as *advertising*. The purchasing act is likely to be primarily visual for all of the respective services. I have also found that the opponent's mark is possessed of a low to moderate degree of inherent distinctive character.

56) Having taken into account all of the above factors, it is my conclusion that the similarities between the respective marks outweigh the differences such that the average consumer is likely to confuse the marks when used in relation to the respective services in class 35. In reaching this view I am particularly mindful of the factor of imperfect recollection, the similarities of the services and the fact that both marks consist of the same five letters. In my view there is likely to be direct confusion. However, even if I am wrong and the average consumer would identify the differences between the marks, there would nevertheless be confusion in the indirect sense i.e. that the consumer would assume the services emanate from the same or linked undertaking(s).

57) The ground of opposition based upon Section 5(2)(b) of the Act is, therefore, successful against the applicant's services in class 35 only. In light of my comments at paragraph 33, there is no likelihood of confusion in respect of the applicant's class 42 services.

The opposition fails against class 42 of the application.

The opposition succeeds against class 35 of the application.

COSTS

58) Both parties have achieved a measure of success, with the opponent having achieved a slightly greater level of success than the applicant. However, I take into account that the opponent amended its grounds of opposition further to the issue of a preliminary indication which, in turn, led to the applicant incurring the costs of filing an amended counter statement. The applicant would not have incurred such costs had the opponent acted more diligently when launching its opposition. Accordingly, I do not consider that costs should be awarded to the opponent and I therefore decline to make an order. Each party is to bear its own costs.

Dated this 18th day of October 2012

**Beverley Jones
For the Registrar,
the Comptroller-General**