

O-503-15

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 3061613
BY ERIS FX LIMITED TO REGISTER THE TRADE MARK**

eris fx

IN CLASS 36

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 403491
BY ERIS INNOVATIONS, LLC**

Background and pleadings

1) Eris FX Limited (“the applicant”) applied to register the trade mark “eris fx” in the UK on 26 June 2014. It was accepted and published in the Trade Marks Journal on 25 September 2014 in respect of the following Class 36 services:

Currency exchange services; Currency trading; Foreign currency services; Foreign exchange services; Currency dealing; Currency exchange rate quotations; Exchange services (currency -); Foreign currency dealing; Foreign currency exchange; Provision of foreign currency.

2) Eris Innovations, LLC (“the opponent”) opposes the mark on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (the Act). This ground is based upon conflict with its earlier Community Trade Mark (“CTM”) no. 10035335. The relevant details of which are shown below:

Mark and relevant dates	Goods relied upon
<p>ERIS EXCHANGE</p> <p>Filing date: 9 June 2011</p> <p>Date of entry in register: 11 November 2011</p> <p>Priority date: 10 December 2010</p> <p>Priority country: United States Of America</p>	<p>Class 36: <i>Providing financial services, namely, trading of futures and options on futures contracts based on a commodity index through a global computer network; providing information concerning the trading of futures and options on futures contracts based on a commodity index through a global computer network; financial services, namely, providing for the exchange of financial derivatives and interest rate products, via the internet and intranet systems; futures exchange services.</i></p> <p>Class 42: <i>Financial services, namely, providing an online non-downloadable electronic platform for trading, analysing, reconciling, and clearing of futures and options; providing an online non-downloadable electronic platform for trading, analysing, reconciling, and clearing of futures and options.</i></p>

3) The opponent submits that the respective services and marks are similar and that the application, therefore, offends under Section 5(2)(b) of the Act. It claims that its mark has acquired an enhanced distinctive character.

4) The applicant filed a counterstatement denying the claims made and, in particular submits that:

- It’s business is in respect of currency conversion, whereas the opponent offers futures and swap contracts based on a commodity index;

- Its business offers services to individual consumers whereas the opponent's services are offered to institutional clients;
- Its business is confined to the UK, but the opponent operates exclusively in the USA;
- The opponent's website has the URL erisfutures.com and does not own or use the URL erisexchange.com. It claims that as the opponent's business is conducted exclusively online, customers will associate the word "futures" rather than the word "exchange" with the opponent;
- Actual use by the parties involves very different logo marks;
- "FX" and "Exchange" are different words and imply different services;
- It has no knowledge of the opponent's claimed enhanced distinctive character and is unaware of the opponent offering currency services.

7) Both sides filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary. Both sides filed written submissions which will not be summarised but will be referred to as and where appropriate during this decision. No hearing was requested and so this decision is taken following a careful consideration of the papers.

Opponent's Evidence

8) This takes the form of a witness statement by Michael Riddle, Chief Operating Officer of Eris Exchange, LLC, the sister company of the opponent. He explains that the opponent operates through a service agreement with his company and is the only operating entity in the Eris group of companies.

9) Mr Riddle explains that the opponent's Eris Exchange is a U.S. futures exchange that offers listed rate swap futures. He provides detailed information regarding the opponent's business at his Exhibit MR1. This consists of an extract from the website "Market Wiki". He confirms that the content contained therein is accurate to the best of his knowledge. This provides indications of a business in North America and Canada (monetary indications being in dollars, the opponent winning North American awards, and a statement that a licence agreement was entered into in September 2014 to "offer trading and clearing of Canadian Dollar swap futures and options...").

10) Mr Riddle provides an extract from the online Merriam-webster.com directory at Exhibit MR3 providing the following definition for the word "exchange":

"a place where things or services are exchanged: asa: an organised market or center for trading in securities or commodities"

11) Mr Riddle submits that "FX" is a commonly used abbreviation for "foreign exchange". He provides an extract from the same directory at Exhibit MR4 to support this. The definition contained therein states:

“FX *abbreviation* Definition of FX: foreign exchange”

12) At Exhibit MR5, Mr Riddle also provides an extract from the online FT Lexicon published by the Financial Times. Under the heading “foreign exchange FX or forex” the following text appears:

“The term foreign exchange is used to refer to both the currency of another country and to the process of buying and selling foreign currencies. Forex, or FX, trading takes place in a decentralised global market. The physical location of trading depends on the time of day and which participants are awake. Trading in the forex market takes place between dealers. ...”

13) Mr Riddle states that the terms are well established in the trade, he provides the following definitions of some of the parties’ listed services, obtained from ft.com/lexicon and provided at Exhibit MR6:

Futures: “*the buying and selling of future contracts*”

Futures Contract: “*An agreement to buy and sell a stated amount of a security, currency or commodity at a specific future date and at a pre-agreed price. Futures trade on official exchanges (futures markets), and are often used to hedge against movements in the spot price of an underlying asset [...]*”

Currency Futures: “*Future contract in a major currency, specifying an exchange rate and date for forward delivery. Useful for hedging against prospective exchange rate movements.*”

Options: “*a contract that entitles the holder to buy or sell an underlying asset (stock, bond, commodity, currency, etc.) at a given price [...] and before a certain date [...]*”

Derivatives: “*A financial instrument whose value is based on the performance of underlying assets such as stocks, bonds, currency exchange rates, real estate.[...]*”

Futures Exchange: “*A place where futures contracts (contracts to pay a particular price for the delivery of a particular amount or something in the future) are bought and sold.*”

14) Mr Riddle states that, in recent years, “high street” foreign exchange companies are offering forward contracts as part of their everyday foreign exchange offering even if they are not labelled as “forward contracts” or “futures contracts” and takes the form of a guarantee to buy back a customer’s left over currency at the same rate that it was bought.

15) Mr Riddle identifies a number of reasons why the opponent’s services may be used: to hedge risk; to make money; to gain access to markets that are otherwise difficult to trade in. He identifies that dealing in foreign currency can serve the same purposes. Derivatives appear to be a financial instrument used to hedge risk and Mr

Riddle states that there can be foreign exchange derivatives and interest rate derivatives provided by the same trader and therefore there can be an overlap of trade channels.

16) Mr Riddle states that companies such as commercial banks, brokers and dealers typically deal in both foreign exchange and interest rate derivatives

Applicant's Evidence

17) The applicant's evidence consists of a witness statement by Helen Dawn Scott, Managing Director of the applicant. This consists primarily of submissions that I will not record here, but I will keep in mind and refer to them as necessary in my decision. Ms Scott does provide evidence of fact regarding the meaning of the following:

Exchange: a copy of the result page of a Google search for "exchange definition" shown at Exhibit HDS1 provides the following definition: "*noun 1. An act of giving one thing and receiving another (especially of the same kind) in return*". Further definitions are partially obscured in the exhibit.

Forex – FX: a copy of a page from investopedia.com provided at Exhibit HDS2 defines this as "*[t]he market in which currencies are traded. The forex market is the largest, most liquid market in the world [...]*"

18) Ms Scott states that there will be no confusion between the marks because the respective parties' branding styles are different, citing each's distinctive logos, strap lines, corporate colours and business descriptions.

19) Ms Scott states that the domain name www.erisexchange.com is not owned by the opponent and is currently up for sale, but with no bids (as seen by the extract from the online auction site "Go Daddy" provided at Exhibit HDS10).

Opponent's reply evidence

20) This takes the form of a witness statement by Charlotte Elizabeth Roe, solicitor with King & Wood Mallesons LLP, the opponent's representatives in these proceedings.

21) In respect of the Google definition of "exchange" provided in Ms Scott's Exhibit HDS1, Ms Roe provides an unobscured copy where the second definition provided states:

"the changing of money to its equivalent in the currency of another country"

22) Ms Roe provides, at Exhibit CER3, the definition of the term "Foreign Exchange" in the same Investopedia website cited by Ms Scott. This reads:

"The exchange of one currency for another, or the conversion of one currency into another currency. Foreign exchange also refers to the global market"

where currencies are traded virtually around the clock. The term foreign exchange is usually abbreviated as “forex” and occasionally as “FX”

DECISION

Section 5(2)(b)

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

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

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

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

Comparison of services

24) In the judgment of the Court of Justice of the European Union (“the CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“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”.

25) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity also included the respective trade channels through which the goods or services reach the market.

26) The respective services are:

Opponent’s services	Applicant’s services
<p>Class 36: <i>Providing financial services, namely, trading of futures and options on futures contracts based on a commodity index through a global computer network; providing information concerning the trading of futures and options on futures contracts based on a commodity index through a global computer network; financial services, namely, providing for the exchange of financial derivatives and interest rate products, via the internet and intranet systems; futures exchange services.</i></p>	<p>Class 36: <i>Currency exchange services; Currency trading; Foreign currency services; Foreign exchange services; Currency dealing; Currency exchange rate quotations; Exchange services (currency -); Foreign currency dealing; Foreign currency exchange; Provision of foreign currency</i></p>

<p>Class 42: <i>Financial services, namely, providing an online non-downloadable electronic platform for trading, analysing, reconciling, and clearing of futures and options; providing an online non-downloadable electronic platform for trading, analysing, reconciling, and clearing of futures and options.</i></p>	
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27) 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."

28) In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as he then was) stated that:

"I should add that I see no reason to give the word "cosmetics" and "toilet preparations"... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context."

29) In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated that:

"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."

30) Finally, I also keep in mind that for the purposes of considering the issue of similarity of goods or services, it is permissible to collectively consider groups of terms where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons (see *Separode Trade Mark* BL O-399-10 and *BVBA Management, Training en Consultancy v. Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs [30] to [38].

31) In its counterstatement, the applicant claimed its services are provided to individuals and the opponent's services to institutions. Such a distinction is not clear from the respective lists of services. Services such as *currency dealing* listed in the applicant's specification may be accessed by both individuals and institutions. Other services such as foreign exchange services may well be provided in a retail form to the general public, but such services may also be provided on a larger scale to institutions. In summary, I dismiss such a distinction in the trade channels of the respective services.

32) Mr Riddle submits that both parties' services are all financial exchanges and that there is overlap between them. Clearly, the parties' Class 36 services are all financial services and are therefore similar at that high level. However, this alone is not sufficient for a finding of similarity when applying the criteria identified by the case law referred to above. It is necessary to consider the services in more detail. The applicant's services involve the exchange of currency and in some cases provided through an exchange for the dealing in currency in a similar way to a commodity. However, the ordinary meaning of "commodity" is [a] *raw material or primary agricultural product that can be bought and sold, such as copper or coffee*¹. With the exception of the term *futures exchange services*, all of the opponent's Class 36 services relate to trading in financial instruments related to commodities, whilst the applicant's services all relate currency dealing and exchange. It is not clear to me that both commodities and currency would be traded at the same exchange or that financial instruments related to commodities and currency would be traded by the same. Mr Riddle has provided evidence that interest rate derivatives and foreign exchange derivatives may be provided by the same trader, but it is not clear to me how interest rate derivatives relate to commodities. There is some similarity in terms of the nature and methods of use of these services and they may also be in competition because a financial investor/speculator may choose between trading in commodities or in currency. Taking all of this into account, I conclude there is a medium level of similarity between the majority of the opponent's Class 36 services and those of the applicant.

33) The one term in the opponent's Class 36 specification that is not related to trading in commodities is the term *futures exchange services*. Mr Riddle has provided a definition for 'Futures' as being *the buying and selling of future contracts* with 'future contracts being defined as [a]n *agreement to buy and sell a stated amount of a security, currency or commodity at a specific future date and at a pre-agreed price*. Therefore, I partially concur with Mr Riddle when he submits that there is overlap in the respective services. I agree insofar as there is overlap between the applicant's [c]urrency trading and [f]oreign currency dealing and the opponent's *futures exchange services* and are therefore identical.

34) Considering the level of similarity with the opponent's Class 42 services will not place the opponent in an improved position regarding similarity of services and, consequently, it is not necessary for me to consider this point.

¹ Oxford reference at <https://www.oxforddictionaries.com/definition/english/commodity>

Comparison of marks

35) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

36) It would be wrong, therefore, to artificially dissect the marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

37) The respective marks are shown below:

Opponent's mark	Applicant's mark
ERIS EXCHANGE	Eris fx

38) Both parties' marks contain the word ERIS followed by an indication of the nature of certain financial services (I will discuss this in more detail below), being the word “exchange” in the opponent's mark and the letters “fx” in the applicant's mark. The word ERIS appears at the front of both marks and being the only distinctive component of both, it follows that this same component is dominant and distinctive in both marks. This component carries more relative weight than the other components in both marks.

39) Visually, both marks share similarity because they begin with the word ERIS. They differ in that the second component is different in each mark. These second components are different in length and do not share any letters. The fact that one is represented in upper case and the other in lower case has no impact because marks filed in ordinary typeface provide rights in the mark in both lower and uppercase. Taking all of this into account, the marks share a reasonably high level of visual similarity.

40) Aurally, the marks begin with the same two syllables ER-ISS, being a point of similarity. The third and fourth syllables in each mark are different, namely X-CHANGE in the opponent's mark and EF-X in the applicant's mark. I conclude that, as a result of these similarities and differences, the respective marks share a reasonably high level of aural similarity.

41) In respect to the conceptual similarity between the marks, the word ERIS is the name of a Greek goddess and the name of a dwarf planet in our solar system², however, these meanings are not likely to be recognised by the average consumer. It is more likely than the word will be perceived as an invented word. In his witness statement, Mr Riddle submits that the word “exchange” in the opponent’s mark is descriptive, pointing to the dictionary definition he provides and the fact that a number of services listed in its specification of services include the word “exchange”. He also provided evidence that “FX” means “foreign exchange”, also being descriptive. Whilst I acknowledge that “exchange” also has other meanings, I conclude that the likely perception of the average consumer is the meaning identified by Mr Riddle. I conclude that both second components of the respective marks will, indeed, be perceived as being descriptive and that they share some conceptual similarity, with one consisting of the word “exchange” and the other containing the letter “X” that will be understood by the average consumer as a reference to “exchange”. In light of these considerations, I conclude that the respective marks, when viewed as a whole share some similarity. I discuss the impact of this further in paragraph 53.

Average consumer and the purchasing act

42) The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

43) In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

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

44) The applicant submits that the respective services of the parties are provided to different average consumers with the average consumer for the opponent’s services being institutions, whereas the applicant’s services are provided to individual consumers. This may be how the parties currently market their services, but I must consider the list of services provided in the respective registration/application and not how the parties actually chose to trade in the market place. As I concluded earlier (in paragraph 31, above) it is not clear to me that the applicant’s services cannot be provided to institutions. In the absence of evidence to illustrate that the type of services listed in the application are only accessed by individuals and that the type of

² Oxford Reference at

<http://www.oxfordreference.com/search?siteToSearch=aup&q=eris&searchBtn=Search&isQuickSearch=true>

service listed in the earlier registration are only accessed by institutions, then I must dismiss the applicants submission. However, I accept that all the listed services of the opponent will be accessed only by experienced and knowledgeable consumers whether these are institutions or individuals. Therefore, I conclude that the average consumer of the opponent's services and most of the applicant's services may be provided to both individuals and institutions, but that there is likely to be an enhanced level of care and attention paid. The exception to this is the applicant's *foreign exchange services* and similar when these are targeted at the general public. In such circumstances, the level of care and attention is likely to be less heightened with the consumer merely looking for the best rate of exchange.

Distinctive character of the earlier trade mark

45) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

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

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

46) Despite the opponent claiming that its mark benefits from an enhanced level of distinctive character because of the use made of it, there is no evidence that it has traded using its mark anywhere other than North America and Canada. Whilst there is a suggestion that it is involved in a global market place, it has provided no evidence of customers in the UK. In light of this, I am unable to conclude that its mark enjoys an enhanced level of distinctive character in the UK. Consequently, I need only consider its inherent level of distinctive character.

47) I agree with Mr Riddle when he submits that the only distinctive component of the opponent's mark is the word ERIS. The word EXCHANGE is wholly descriptive within the context of the services listed in its registration. Whilst the word ERIS is the name of a Greek god, it has no obvious meaning in respect of the services, therefore, when taking the mark as a whole, I conclude that it is endowed with a reasonably high level of distinctive character.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.

48) 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 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.

49) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). I must take into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the marks and that of the goods or services designated (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*).

50) I have found that there is an enhanced level of care and attention paid during the purchasing process of the opponent's services and most of the applicant's services and is a factor that may point away from a finding of a likelihood of confusion. However, I have also found that the distinctive element of both parties' marks is the component ERIS and this is common to both marks. When assessing the significance of this, I am mindful of the comments made by Mr Iain Purvis Q.C. sitting as the Appointed Person in *Kurt Geiger v A-List Corporate Limited*, BL O-075-13. He pointed out that the level of 'distinctive character' is likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

"38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.'

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

51) I take account of this, together with the fact that I have found that the earlier mark is endowed with a reasonably high level of distinctive character, that the components that differ in each mark are descriptive and that the respective services are either identical or share a medium level of similarity.

52) Factoring all of the above points into the global test that I am required to undertake, I find that the enhanced level of care and attention involved during the purchasing process of most of the parties' services is insufficient to prevent a likelihood of confusion. The average consumer will assume that the services

provided under the respective marks originate from the same or linked undertaking. This is indirect confusion.

53) Mr Riddle submits that because the letter “X” in the “FX” component of the applicant’s mark will be understood as meaning EXCHANGE, then the average consumer will perceive the descriptive component of each mark as also being the same. This assertion is not backed up by evidence from the trade. What is clear from the definitions provided is that the letters “fx” are used as an abbreviated form of the term “Foreign Exchange”. Whilst I have found that the presence of “fx” in the applicant’s mark contributes to the finding of similarity between the respective marks, when considering how the terms “exchange” and “fx” are understood by the average consumer and taking the normal meaning of “foreign exchange”, it is understood as referring to the market in which currencies are traded rather than a market where securities or commodities are traded. There is no evidence that foreign exchanges are known simply as “exchanges”. Whilst not decisive in my finding, I find that Mr Riddle’s point is not made out.

54) In light of this, direct confusion, where one mark is mistaken for the other, is less obvious. This is because of the enhanced care and attention employed during the purchasing process of most of the parties’ services and the fact that most of the services are not identical will result in the average consumer being more likely to spot and remember the differences in the respective descriptive elements of the mark. In light of this, I find that there is no direct confusion.

55) In summary, the opposition is successful in its entirety because I have found that there is a likelihood of indirect confusion in respect to all of the applicant’s services.

COSTS

56) The opponent has been successful and is entitled to a contribution towards its costs, according to the published scale in Tribunal Practice Notice 4/2007. I take account that both sides filed evidence and written submissions, but that no hearing took place. I award costs as follows:

Preparing a statement and considering the counterstatement	£300
Opposition fee	£200
Evidence	£500
Preparing written submissions	£500
Total:	£1500

57) I order Eris FX Limited to pay Eris Innovations, LLC the sum of £1500 which, in the absence of an appeal, should be paid within 14 days of the expiry of the appeal period.

Dated this 27th day of October 2015

Mark Bryant
For the Registrar,