

O-180-16

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 3023034
BY ZAPAYGO LTD
TO REGISTER THE TRADE MARK
ZAPAYGO
IN CLASSES 9, 35, 36, 38, 41 & 42
AND**

**IN THE MATTER OF OPPOSITION
THERE TO UNDER No. 401508 BY
IPCO 2012 LIMITED**

BACKGROUND

1) On 20 September 2013, Zapaygo Ltd (hereinafter the applicant) applied to register the trade mark ZAPAYGO in respect of the following goods and services:

Class 9: Data processing equipment, computers; computer software; software and application software downloadable from global computer information networks; telecommunications devices; software and application software for pre-payment, payment, processing payments and processing electronic payments; Software and application software for ordering goods and services including alcoholic and non-alcoholic beverages; Software and application software for managing, tracking and delivering goods and services that have been ordered; databases; electronic databases; computer databases; software and application software for accessing information on databases and a global computer network; software and application software for online messaging, organization and management of text messaging and instant messaging; software and application software for gaming, advertising, business promotion and marketing; authentication software; magnetically encoded payment cards and credit cards; electronic payment terminals; parts and fittings for all the aforesaid goods.

Class 35: Advertising; Business management; business consultancy; marketing and promotional services; business information; Business information services provided on-line from a computer database or the internet; Collection and systematisation of information into computer databases; Business information services provided on-line from a computer database or the internet in relation to customer information of users of software and application software for pre-payment, payment, processing payments and processing electronic payments and ordering goods and services; Collection and systematisation of information into computer databases in relation to customer information of users of software and application software for pre-payment, payment, processing payments and processing electronic payments and ordering goods and services; Compilation of computer databases; business data analysis; business data analysis of consumer behaviour; Compilation of computer databases in relation to customer information of users of software and application software for pre-payment, payment, processing payments and processing electronic payments and ordering goods and services; Retail and online retail services in connection with the sale of data processing equipment, computers, computer software, software and application software downloadable from global computer information networks, telecommunications devices, software and application software for pre-payment, payment, processing payments and processing electronic payments, software and application software for ordering goods and services including alcoholic and non-alcoholic beverages, software and application software for managing, tracking and delivering goods and services that have been ordered, databases, electronic databases, computer databases, software and application software for accessing information on databases and a global computer network, software and application software for online messaging, organization and management of text messaging and instant messaging, software and application software for gaming, advertising, business promotion and marketing, authentication software, magnetically encoded payment cards and credit card and electronic payment terminals; information, advisory and consultancy services relating to all the aforesaid services.

Class 36: Arranging credit; credit services; payment processing; Issuing of credit and tokens of value in relation to customer loyalty schemes; information, advisory and consultancy services relating to all the aforesaid services.

Class 38: Telecommunications; Providing access to databases; arranging access to databases on the internet; rental of access time to a computer database; transmission of database information via telecommunications networks; communications via a global computer network or the Internet; leasing access time to computer networks; leasing access time to software and application software for pre-payment, payment, processing payments and processing electronic payments, Software and application software for ordering goods and services including alcoholic and non-alcoholic beverages, Software and application software for managing, tracking and delivering goods and services that have been ordered, databases, electronic databases, computer databases, software and application software for accessing information on databases and a global computer network, software and application software for online messaging, organization and management of text messaging and instant messaging, software and application software for gaming, advertising, business promotion and marketing and authentication software; Electronic message services; transmission of messages by computer; online messaging services; transmission of messages via a network; Communications by means of mobile phones; advertisements via mobile phone networks; information, advisory and consultancy services relating to all the aforesaid services.

Class 41: Entertainment; casino and gaming services; electronic games services provided from a computer databases or by means of the internet; information, advisory and consultancy services relating to all the aforesaid services.

Class 42: Design and development of computer hardware and software; Software as a service; creating, maintaining and hosting online web facilities for others; Providing electronic verification of on-line orders of digital content and generating electronic permission codes which then allow users to access said digital content; Research, design and development of data processing equipment, computers, computer software, software and application software downloadable from global computer information networks, telecommunications devices, software and application software for pre-payment, payment, processing payments and processing electronic payments, Software and application software for ordering goods and services including alcoholic and non-alcoholic beverages, Software and application software for managing, tracking and delivering goods and services that have been ordered, databases, electronic databases, computer databases, software and application software for accessing information on databases and a global computer network, software and application software for online messaging, organization and management of text messaging and instant messaging, software and application software for gaming, advertising, business promotion and marketing, authentication software, magnetically encoded payment cards and credit cards, electronic payment terminals; information, advisory and consultancy services relating to all the aforesaid services.


2) The application was examined and accepted, and subsequently published for opposition purposes on 11 October 2013 in Trade Marks Journal No.2013/041.

3) On 10 January 2014 IPCO 2012 Ltd (hereinafter the opponent) filed a notice of opposition, subsequently amended. In its submissions, dated 13 January 2016, the opponent states that it no longer relies upon its registration 3011884 ZAPIFY, this has therefore been excluded from the list below. The opponent is the proprietor of the following trade marks:

Mark	Number	Dates of filing and registration	Class	Specification relied upon
ZAPP	3066674	26.03.13 24.10.14	9	Credit cards, debit cards, payment cards, prepaid cards and smart cards; magnetic encoded cards and cards containing an integrated circuit chip (smart cards); security encoded cards;

			<p>cards encoded with security features for authentication purposes; hologram impregnated cards; cards encoded with security features for identification purposes; electronic downloadable publications. / Computer software; Computer software for financial services; electronic data storage and transmission software; electronic wallets; computer software for electronic wallet services; computer software for payment processing; computer software for processing payments and transferring funds to and from others; computer software for enabling transfer of funds and purchase of products and services offered by others; computer software for electronic debit and credit transactions; computer software for financial transactions and payment processing via telephone, mobile devices, the Internet, a global computer network or other communications device; computer software for facilitating payment transactions by electronic or digital means; computer software for transaction authentication and verification; authentication software that may be downloaded from the Internet, a global computer network, communications devices and/or recorded on computer media; computer software for financial fraud detection and protection; computer software for verifying authenticity of credit cards, debit cards, payment cards, charge cards, prepaid cards and smart cards; computer software for secure payment transactions; computer software for clearing and reconciling financial transactions; computer software for electronic check-out services at point of sale; computer encryption software, encryption keys, digital certificates, digital signatures; software for secure data storage and retrieval and transmission of confidential customer information used by individuals, banking and financial institutions; computer software for electronic funds transfer; computer software designed to enable smart cards to interact with terminals and readers; point of sale transaction terminals and computer software for transmitting, displaying and storing transaction, identification and financial information for use in the financial services, banking and telecommunications industries; computer software relating to credit cards, debit cards, payment cards, prepaid cards and smart cards; mobile phone applications; software for mobile phone applications; automatic tellers and cash machines for banking establishments; computer software for mobile phones and other portable and handheld digital electronic devices for recording, organizing, transmitting, manipulating, and reviewing text, data, audio, image, and video files; software for the redirection of messages, Internet e-mail, and/or other data to one or more electronic handheld services from a data store on or associated with personal computer or a server; software for the synchronization of data between a remote station or device and a fixed or remote station or device; computer software, and computer programs and application development software for use on or in connection with telephones and other hand-held devices related to financial services for the processing of financial transactions; software for secure data storage and retrieval and transmission of confidential customer information used by individuals, banking and financial institutions.</p>
		35	<p>Promoting the sale of goods and services of others by means of rewards and incentives generated in connection with the use of credit, debit and payment cards; administration of loyalty and rewards programs; providing information regarding the purchase of goods and services on-line via the Internet and other computer networks; data repository and client profile information services; commercial and promotional offers for customer loyalty; electronic data storage and processing services; data analysis services; organisation, operation and supervision of loyalty and incentive schemes; online advertising services; the provision of information and advisory services relating to the aforesaid.</p>
		36	<p>Financial services; banking services; person to person and person to business money transfer services offered via telephone, mobile telephones, wireless devices, the Internet, a global computer network and/or other communication devices; the provision of financial services for the support of retail services; payment</p>

			<p>services; remote payment services; credit card services; debit card services; pre-paid card services; payment transactions services and payment processing services; money transfer services; electronic wallet services; automated teller machine services; value exchange services, including secure electronic cash transactions and electronic cash transmissions; electronic and digital commerce payment services; point of sale and point of transaction services; transaction authorization and settlement services; payer authentication services; payment transaction authentication and verification services; electronic funds transfer services; financial clearing services; reconciliation services; providing financial services via the Internet, wireless network, wireless devices, global computer network, telephones, mobile telephones and/or other communication devices; providing financial payment and payment processing services via the Internet, wireless networks, wireless devices, global computer network, telephones, mobile telephones and/or other communication devices; facilitating person-to-person payment services; secure electronic transactions over the internet or a computer network to facilitate electronic commerce; bill payment services; remote bill payment services; financial fraud protection and detection services; payment information management services; provision of financial information; processing of financial transactions both on-line via a computer database or via telecommunications and at point of sale; financial settlement and financial authorisation services in connection with the processing of financial payment transactions; maintenance of financial records; on-line banking; bill payment services provided via the Internet or through a website; online banking; financial services provided over the telephone and by means of a global computer network or the Internet; bill payment and presentment services; cheque verification services; issuing of tokens of value in relation to bonus and loyalty schemes; dissemination of financial information via a global computer network, financial information rendered by computer by means of a secure information computer network and advisory services regarding all of the foregoing services; the provision of financial services for the support of retail services provided through mobile telecommunications means including payment services through wireless devices. remote payment services; payer authentication; verification of financial information; stored value electronic purse services; stored value electronic payments services; provision of debit and credit card services by means of radio frequency identification devices (transponders); provision of debit and credit card services by means of communication and telecommunication devices;.</p>
		38	<p>Providing access to third party websites by enabling users to log in through a universal username and password via the internet and other communication networks; portal services; providing user access to the internet; transmission of data through the use of electronic image processing by telephone link. / Telecommunication services; mobile telecommunication services; internet based telecommunication services; data communication services; providing secure electronic transmission of financial information via the Internet, a global computer network, wireless devices, telephones, mobile telephones and/or other communications devices; electronic and digital transmission of bills; transmission of financial payments and transactions via computer terminals connected to networks and the internet or via telephone and mobile telephone or other communications devices; transmission services for the provision or display of information from a computer-stored data bank or via the internet in the field of financial services.</p>
		41	<p>Provision of electronic publications (not downloadable); providing on-line electronic publications; publication of electronic books and journals on-line; providing publications from a global computer network or the Internet which may be browsed; education; provision of training; arranging and conducting of seminars,</p>

				<p>symposiums, workshops and conferences; publication of texts; provision of education information.</p>
			42	<p>Data conversion of computer programs and data. / Design and development of computer software; computer programming; installation, maintenance and repair of computer software; providing services namely creating web-based system and mobile applications used for secure e-commerce payment transactions; the designing, creation and hosting of bill payment websites; computer and Internet related services namely providing on-line electronic databases via a global computer network in the field of identity authentication and verification; data encryption and decryption of financial information; technical consultation services in the fields of secure communications, data encryption and decryption; providing temporary use of on-line non-downloadable software for processing electronic payments; providing temporary use of on-line non-downloadable authentication software for controlling access to and communications with computers and computer networks; computer programming; computer software design and consultancy; installation, maintenance and updating of computer software; rental of computers and computer software; rental of web servers; computer system design and analysis; creating and maintaining websites for others; information services relating to all of the aforesaid services, including such services provided via the Internet.</p>
			45	<p>Bureau vetting services.</p>
	3066677	26.03.13 24.10.14	9	<p>Credit cards, debit cards, payment cards, prepaid cards and smart cards; magnetic encoded cards and cards containing an integrated circuit chip (smart cards); security encoded cards; cards encoded with security features for authentication purposes; hologram impregnated cards; cards encoded with security features for identification purposes; electronic downloadable publications. / Computer software; Computer software for financial services; electronic data storage and transmission software; electronic wallets; computer software for electronic wallet services; computer software for payment processing; computer software for processing payments and transferring funds to and from others; computer software for enabling transfer of funds and purchase of products and services offered by others; computer software for electronic debit and credit transactions; computer software for financial transactions and payment processing via telephone, mobile devices, the Internet, a global computer network or other communications device; computer software for facilitating payment transactions by electronic or digital means; computer software for transaction authentication and verification; authentication software that may be downloaded from the Internet, a global computer network, communications devices and/or recorded on computer media; verification of financial information; computer software for financial fraud detection and protection; computer software for verifying authenticity of credit cards, debit cards, payment cards, charge cards, prepaid cards and smart cards; computer software for secure payment transactions; computer software for clearing and reconciling financial transactions; computer software for electronic check-out services at point of sale; computer encryption software, encryption keys, digital certificates, digital signatures; software for secure data storage and retrieval and transmission of confidential customer information used by individuals, banking and financial institutions; computer software for electronic funds transfer; computer software designed to enable smart cards to interact with terminals and readers; point of sale transaction terminals and computer software for transmitting, displaying and storing transaction, identification and financial information for use in the financial services, banking and telecommunications industries; computer software relating to credit cards, debit cards, payment cards, prepaid cards and smart cards; mobile phone applications; software for mobile phone applications; automatic tellers and cash machines for banking establishments; computer software for</p>

			<p>mobile phones and other portable and handheld digital electronic devices for recording, organizing, transmitting, manipulating, and reviewing text, data, audio, image, and video files; software for the redirection of messages, Internet e-mail, and/or other data to one or more electronic handheld services from a data store on or associated with personal computer or a server; software for the synchronization of data between a remote station or device and a fixed or remote station or device; computer software, and computer programs and application development software for use on or in connection with telephones and other hand-held devices related to financial services for the processing of financial transactions; software for secure data storage and retrieval and transmission of confidential customer information used by individuals, banking and financial institutions.</p>
		35	<p>Promoting the sale of goods and services of others by means of rewards and incentives generated in connection with the use of credit, debit and payment cards; administration of loyalty and rewards programs; providing information regarding the purchase of goods and services on-line via the Internet and other computer networks; data repository and client profile information services; commercial and promotional offers for customer loyalty; electronic data storage and processing services; data analysis services; organisation, operation and supervision of loyalty and incentive schemes; online advertising services; the provision of information and advisory services relating to the aforesaid.</p>
		36	<p>Financial services; banking services; person to person and person to business money transfer services offered via telephone, mobile telephones, wireless devices, the Internet, a global computer network and/or other communication devices; the provision of financial services for the support of retail services; payment services; remote payment services; credit card services; debit card services; pre-paid card services; payment transactions services and payment processing services; money transfer services; electronic wallet services; automated teller machine services; value exchange services, including secure electronic cash transactions and electronic cash transmissions; electronic and digital commerce payment services; point of sale and point of transaction services; transaction authorization and settlement services; payer authentication services; payment transaction authentication and verification services; electronic funds transfer services; financial clearing services; reconciliation services; providing financial services via the Internet, wireless network, wireless devices, global computer network, telephones, mobile telephones and/or other communication devices; providing financial payment and payment processing services via the Internet, wireless networks, wireless devices, global computer network, telephones, mobile telephones and/or other communication devices; facilitating person-to-person payment services; secure electronic transactions over the internet or a computer network to facilitate electronic commerce; bill payment services; remote bill payment services; financial fraud protection and detection services; payment information management services; provision of financial information; processing of financial transactions both on-line via a computer database or via telecommunications and at point of sale; financial settlement and financial authorisation services in connection with the processing of financial payment transactions; maintenance of financial records; on-line banking; bill payment services provided via the Internet or through a website; online banking; financial services provided over the telephone and by means of a global computer network or the Internet; bill payment and presentment services; cheque verification services; data repository and client profile information services; issuing of tokens of value in relation to bonus and loyalty schemes; dissemination of financial information via a global computer network, financial information rendered by computer by means of a secure information computer network and advisory services regarding all of the foregoing services; the provision of financial services for the support of retail services</p>

				provided through mobile telecommunications means including payment services through wireless devices; remote payment services; payer authentication; stored value electronic purse services; stored value electronic payments services; provision of debit and credit card services by means of radio frequency identification devices (transponders); provision of debit and credit card services by means of communication and telecommunication devices;.
			38	Providing access to third party websites by enabling users to log in through a universal username and password via the internet and other communication networks; portal services; providing user access to the internet; transmission of data through the use of electronic image processing by telephone link. / Telecommunication services; mobile telecommunication services; internet based telecommunication services; data communication services; providing secure electronic transmission of financial information via the Internet, a global computer network, wireless devices, telephones, mobile telephones and/or other communications devices; electronic and digital transmission of bills; transmission of financial payments and transactions via computer terminals connected to networks and the internet or via telephone and mobile telephone or other communications devices; transmission services for the provision or display of information from a computer-stored data bank or via the internet in the field of financial services.
			41	Provision of electronic publications (not downloadable); providing on-line electronic publications; publication of electronic books and journals on-line; providing publications from a global computer network or the Internet which may be browsed; education; provision of training; arranging and conducting of seminars, symposiums, workshops and conferences; publication of texts; provision of education information.
			42	Data conversion of computer programs and data. / Design and development of computer software; computer programming; installation, maintenance and repair of computer software; providing services namely creating web-based system and mobile applications used for secure e-commerce payment transactions; the designing, creation and hosting of bill payment websites; computer and Internet related services, namely providing on-line electronic databases via a global computer network in the field of identity authentication and verification; data encryption and decryption of financial information; technical consultation services in the fields of secure communications, data encryption and decryption; providing temporary use of on-line non-downloadable software for processing electronic payments; providing temporary use of on-line non-downloadable authentication software for controlling access to and communications with computers and computer networks; computer programming; computer software design and consultancy; installation, maintenance and updating of computer software; rental of computers and computer software; rental of web servers; computer system design and analysis; creating and maintaining websites for others; information services relating to all of the aforesaid services, including such services provided via the Internet.
			45	Bureau vetting services.

a) The opponent contends that its marks and the mark applied for are very similar and that the goods and services for which its marks are registered are identical and/or very similar to those applied for by the applicant. It contends that the application offends against Section 5(2)(b) of the Act.

4) On 15 July 2015 the applicant filed a counterstatement, basically denying that the marks and goods and services are similar.

5) Only the opponent filed evidence. Both parties seek an award of costs in their favour. Neither side wished to be heard. Both sides provided written submissions which I shall refer to as and when necessary in my decision.

OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 21 September 2015, by Mark Stevenson the Chief Marketing Officer of the Zapp business, a position he has held since 5 January 2015. He was appointed to this post by VocaLink Ltd, which also owns IPCO 2012 Ltd. He states that he has held a number of high profile senior marketing positions for companies such as, inter alia, Chubb, ICI, British Gas and Telefonica O2. He states that VocaLink designs, builds and operates payment systems and ATM switching platforms and processes through its systems over 90% of salaries, more than 70% of household bills and almost all state benefit payments within the UK. He states that it was intended to launch a leading mobile payment innovation in the UK in late 2015. He states that his company has invested heavily in the development and pre-launch of the ZAPP system, with approximately £70 million having been spent, of which over £5 million was on raising awareness via a number of different media. A website, www.zapp.co.uk was launched on 18 June 2013 to provide details of the new innovative service. In early 2015 the site was revamped to display the number of partners that would be instrumental in making the payment system a success. Between 25 June 2013 and September 2015 approximately 19 press releases were issued regarding the development of the system which resulted in a large number of newspaper and magazine articles. Partnerships with high profile companies such as HSBC, Santander, and Nationwide Building Society have also resulted in considerable publicity.

7) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

8) The only ground of opposition is under section 5(2)(b) which reads:

“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.”

9) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark 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.”

10) The opponent is relying upon its trade marks listed in paragraph 3 above which are clearly earlier trade marks. Given the interplay between the date that the opponent's marks were registered and the date that the applicant's mark was published, the opponent's marks are not subject to proof of use.

11) When considering the issue under section 5(2)(b) I take into account the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co 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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and the nature of the purchasing decision

12) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then determine the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. 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.”

13) The applicant contends:

“24. It is submitted that the consumer of the financial services and associated goods and services pays a higher degree of attention because the services relate to the sending and receiving of payment. Whether it is the company that adopts the payment system provided by the applicant or opponent or the end consumer that selects the payment method at the point of purchase it is clear that the relevant consumers will pay much more attention when using those goods and services.

25. Consequently, the relevant consumer will pay particular attention to the respective marks and remember the respective distinguishing features.”

14) Whilst the opponent contends:

“9. It has been well established that the average consumer is considered to be reasonably well informed circumspect and observant but perceives trade marks as wholes and does not pause to analyse their various details. The consumer rarely has the chance to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has kept in his mind. In this particular case, the average consumer is made up of not only individuals from the general public but also businesses, particularly in the form of banks and other payment providers.”

15) Both parties seem to agree that the average consumer will be the general public including businesses. I accept that financial services and payment services in particular will be chosen carefully. To my mind all the goods and services covered by the specifications of the two parties will be sold in, inter alia, traditional retail outlets on the high street such as banks and building societies, and on the Internet. They will also be sold via the telephone both aurally and using text or apps. The average consumer of the goods and services at issue is a member of the general public (including businesses) who is likely, in my opinion, to select the goods and services mainly by visual means, although they will frequently be discussed with a member of staff, so aural considerations must be taken into account.

Comparison of goods and services

16) In the judgment of the Court of Justice of the European Union (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”.

17) 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 users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) 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;
- e) 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.

18) In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

19) As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

20) I also take into account the comments of Jacob J. in *Avnet Incorporated v Isoact Ltd* [1998] FSR 16 where he said:

“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.”

21) I also take into account the comments in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, where the 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”.

22) The specifications of the opponent’s two trade marks 3066674 and 3066677 are identical apart from the following:

- In class 9: 3066677 contains the words “verification of financial information” which do not appear in 3066674.
- In Class 36: 3066677 contains the words “data repository and client profile information services” which do not appear in 3066674. Whilst the words “verification of financial information” appear in class 36 of 3066674 but not in class 36 of 3066677.

23) As I regard 3066674 to offer the opponent’s strongest case, due to the absence of the device and stylisation present in 3066677, I shall compare the specification of 3066674 to that of the mark in suit. In its submissions regarding the goods and services of the two parties the applicant merely commented:

“17. The applicant denies that the respective goods and services are identical.”

24) I regard this as an absurd position to adopt as it provides no reasoning to back up the statement, does not address the issue of similarity, but above all denies the obvious fact that some of the goods and services are clearly identical as they either are couched in the same words or are encompassed by terms in the opponent’s specification e.g. all of the applicant’s services in class 36 are clearly encompassed by the term “Financial services” which appears at the start of the opponent’s class 36 services.

25) The following goods in the class 9 of the applicant all relate to software and are therefore encompassed by the term “computer software” and “electronic data storage and transmission” in the opponent’s class 9 specification.

“computer software; software and application software downloadable from global computer information networks; software and application software for pre-payment, payment, processing payments and processing electronic payments; Software and application software for ordering goods and services including alcoholic and non-alcoholic beverages; Software and application software for managing, tracking and delivering goods and services that have been ordered; software and application software for accessing information on databases and a global computer network; software and application software for online messaging, organization and management of text messaging and instant messaging; software and application software for gaming,

advertising, business promotion and marketing; authentication software; telecommunications devices; databases; electronic databases; computer databases.”

26) The applicant’s “magnetically encoded payment cards and credit cards” are clearly identical to the following terms in the opponent’s specification under class 9 “Credit cards, debit cards, payment cards, prepaid cards and smart cards; magnetic encoded cards and cards containing an integrated circuit chip (smart cards); security encoded cards; cards encoded with security features for authentication purposes; hologram impregnated cards; cards encoded with security features for identification purposes”.

27) The following terms in the applicant’s class 9 specification “Data processing equipment, computers; electronic payment terminals; parts and fittings for all the aforesaid goods” which relate to actual machinery are identical to the following terms in the opponent’s class 9 specification “point of sale transaction terminals and computer software for transmitting, displaying and storing transaction, identification and financial information for use in the financial services, banking and telecommunications industries; automatic tellers and cash machines for banking establishments.”

28) I now turn to the class 35 services of both sides. The applicant’s terms “Advertising; marketing and promotional services;” are clearly identical to the opponent’s “online advertising services; promoting the sale of goods and services of others by means of rewards and incentives generated in connection with the use of credit, debit and payment cards”.

29) The terms below in the applicant’s class 35 specification are all related to the purchase of goods and services and payment services which in my opinion are identical to the opponent’s “providing information regarding the purchase of goods and services on-line via the Internet and other computer networks” also in class 35.

“Compilation of computer databases in relation to customer information of users of software and application software for pre-payment, payment, processing payments and processing electronic payments and ordering goods and services; Retail and online retail services in connection with the sale of data processing equipment, computers, computer software, software and application software downloadable from global computer information networks, telecommunications devices, software and application software for pre-payment, payment, processing payments and processing electronic payments, software and application software for ordering goods and services including alcoholic and non-alcoholic beverages, software and application software for managing, tracking and delivering goods and services that have been ordered, databases, electronic databases, computer databases, software and application software for accessing information on databases and a global computer network, software and application software for online messaging, organization and management of text messaging and instant messaging, software and application software for gaming, advertising, business promotion and marketing, authentication software, magnetically encoded payment cards and credit card and electronic payment terminals;”

30) The opponent’s class 35 services “providing information regarding the purchase of goods and services on-line via the Internet and other computer networks” are, in my opinion identical to the following services of the applicant as they both relate to the provision of information regarding purchases via the internet:

“Business information services provided on-line from a computer database or the internet in relation to customer information of users of software and application software for pre-payment, payment, processing payments and processing electronic payments and ordering goods and

services; Collection and systematisation of information into computer databases in relation to customer information of users of software and application software for pre-payment, payment, processing payments and processing electronic payments and ordering goods and services.”

31) The applicant class 35 services “business data analysis; business data analysis of consumer behaviour” are encompassed by the opponent’s class 35 services “data analysis services”, and as such are identical.

32) Similarly, “Business information services provided on-line from a computer database or the internet” are encompassed by the opponent’s “providing information regarding the purchase of goods and services on-line via the Internet and other computer networks” and are therefore identical.

33) The applicant’s “Collection and systematisation of information into computer databases; compilation of computer databases; business information” are clearly encompassed by the opponent’s “electronic data storage and processing services; data repository and client profile information services; data analysis services”.

34) In respect of all the above class 35 services the applicant has in its specification the term “information, advisory and consultancy services relating to all the aforesaid services”. In relation to all of the services which I have found to be identical the opponent has registered the following specification “the provision of information and advisory services relating to the aforesaid”. The services which these terms relate to are identical; the term “information” appears in both and I regard the terms “advisory and consultancy” to be identical to the term “advisory”. Therefore, these parts of the specification are also identical.

35) The only terms of the class 35 specification applied for which are not identical to the services for which the opponent’s earlier mark is registered are “Business management; business consultancy; information, advisory and consultancy services relating to all the aforesaid services”. I do not regard these to be similar to any of the opponent’s class 35 services or indeed any of the opponent’s other goods and services. The only comment that the opponent makes in its submissions in respect of these services is that they “are unlimited and therefore may be considered similar to a range of the goods and services covered by the ZAPP registration”. This is clearly inadequate. If the opponent cannot identify which services it relies upon, it must be because it does not have goods or services which are similar in its earlier registration.

36) I next turn to the class 36 services of both parties. The applicant has sought to register “Arranging credit; credit services; payment processing; Issuing of credit and tokens of value in relation to customer loyalty schemes; information, advisory and consultancy services relating to all the aforesaid services”. To my mind these services are totally encompassed by the term “Financial services” in the opponent’s specification. If I am wrong on this then the opponent can also rely upon the following parts of its specification which between them encompass the whole of the applicant’s specification “banking services; credit card services; payment transactions services and payment processing services; providing financial payment and payment processing services via the Internet, wireless networks, wireless devices, global computer network, telephones, mobile telephones and/or other communication devices; issuing of tokens of value in relation to bonus and loyalty schemes”.

37) I next turn to the class 38 services of both parties.

Applicant's services	Opponent's services	Result
Telecommunications; transmission of database information via telecommunications networks; communications via a global computer network or the Internet; Electronic message services; transmission of messages by computer; online messaging services; transmission of messages via a network; Communications by means of mobile phones; advertisements via mobile phone networks;	Telecommunication services; mobile telecommunication services; internet based telecommunication services;	identical
Providing access to databases; arranging access to databases on the internet	Providing access to third party websites by enabling users to log in through a universal username and password via the internet and other communication networks	identical
leasing access time to computer networks; rental of access time to a computer database;	Providing access to third party websites by enabling users to log in through a universal username and password via the internet and other communication networks; portal services; providing user access to the internet;	identical
leasing access time to software and application software for pre-payment, payment, processing payments and processing electronic payments, Software and application software for ordering goods and services including alcoholic and non-alcoholic beverages, Software and application software for managing, tracking and delivering goods and services that have been ordered, databases, electronic databases, computer databases, software and application software for accessing information on databases and a global computer network, software and application software for online messaging, organization and management of text messaging and instant messaging, software and application software for gaming, advertising, business promotion and marketing and authentication software;	Providing access to third party websites by enabling users to log in through a universal username and password via the internet and other communication networks; providing secure electronic transmission of financial information via the Internet, a global computer network, wireless devices, telephones, mobile telephones and/or other communications devices; electronic and digital transmission of bills; transmission of financial payments and transactions via computer terminals connected to networks and the internet or via telephone and mobile telephone or other communications devices; transmission services for the provision or display of information from a computer-stored data bank or via the internet in the field of financial services.	identical

38) The applicant also has “information, advisory and consultancy services relating to all the aforesaid services” included in its class 38 services. Given that all of the services to which this relates have been found to be identical to the services for which the opponent’s earlier mark is registered then

these services would be included in each of the categories shown in the table above and would also be identical to the relevant services of the opponent.

39) I next consider the class 41 services of both parties. These services are not similar, and there is nothing in the opponent's specification as a whole which is remotely similar to the applicant's class 41 services. I also note that in its submissions the opponent does not comment on these services at all.

40) Lastly, I turn to the class 42 services of both parties. The applicant's services of "Design and development of computer hardware and software" are to my mind encompassed by the opponent's "Design and development of computer software; rental of web servers; computer system design and analysis" services. They are therefore identical.

41) The applicant's services of "Software as a service" are to my mind encompassed by the opponent's "installation, maintenance and repair of computer software; providing services namely creating web-based system and mobile applications used for secure e-commerce payment transactions; providing temporary use of on-line non-downloadable software for processing electronic payments; providing temporary use of on-line non-downloadable authentication software for controlling access to and communications with computers and computer networks; computer programming; computer software design and consultancy; installation, maintenance and updating of computer software; rental of computers and computer software" services. They are therefore identical.

42) The applicant's services of "creating, maintaining and hosting online web facilities for others" are to my mind encompassed by the opponent's "providing services namely creating web-based system and mobile applications used for secure e-commerce payment transactions; the designing, creation and hosting of bill payment websites; computer and Internet related services, namely providing on-line electronic databases via a global computer network in the field of identity authentication and verification; providing temporary use of on-line non-downloadable software for processing electronic payments; providing temporary use of on-line non-downloadable authentication software for controlling access to and communications with computers and computer networks; computer programming; rental of computers and computer software; rental of web servers" services. They are therefore identical.

43) The applicant's services of "Providing electronic verification of on-line orders of digital content and generating electronic permission codes which then allow users to access said digital content" are to my mind encompassed by the opponent's "providing services namely creating web-based system and mobile applications used for secure e-commerce payment transactions; the designing, creation and hosting of bill payment websites; computer and Internet related services, namely providing on-line electronic databases via a global computer network in the field of identity authentication and verification" services. They are therefore identical.

43) The applicant's services of "Research, design and development of data processing equipment, computers, computer software, software and application software downloadable from global computer information networks, telecommunications devices, software and application software for pre-payment, payment, processing payments and processing electronic payments, Software and application software for ordering goods and services including alcoholic and non-alcoholic beverages, Software and application software for managing, tracking and delivering goods and services that have been ordered, databases, electronic databases, computer databases, software and application software for accessing information on databases and a global computer network, software and application software for online messaging, organization and management of text messaging and instant messaging, software and application software for gaming, advertising, business promotion and marketing, authentication software, magnetically encoded payment cards and credit cards, electronic

payment terminals” are to my mind encompassed by the opponent’s “Data conversion of computer programs and data. / Design and development of computer software; computer programming; installation, maintenance and repair of computer software; providing services namely creating web-based system and mobile applications used for secure e-commerce payment transactions; the designing, creation and hosting of bill payment websites; computer and Internet related services, namely providing on-line electronic databases via a global computer network in the field of identity authentication and verification; data encryption and decryption of financial information; technical consultation services in the fields of secure communications, data encryption and decryption; providing temporary use of on-line non-downloadable software for processing electronic payments; providing temporary use of on-line non-downloadable authentication software for controlling access to and communications with computers and computer networks; computer programming; computer software design and consultancy; installation, maintenance and updating of computer software; rental of computers and computer software; rental of web servers; computer system design and analysis; creating and maintaining websites for others; information services relating to all of the aforesaid services, including such services provided via the Internet”. They are therefore identical.

44) The applicant also has “information, advisory and consultancy services relating to all the aforesaid services” included in its class 42 services. Given that all of the services to which this relates have been found to be identical to the services for which the opponent’s earlier mark is registered then these services would be included in each of the categories shown in the table above and would also be identical to the relevant services of the opponent.

45) In conclusion, the whole of the applicant’s class 9 goods are identical to the goods in class 9 for which the opponent’s earlier mark is registered. The applicant’s class 35, 36, 38 & 42 services are identical to the services for which the opponent’s earlier mark is registered with the exception of the services in class 35 shown below in paragraph 46. However, the class 41 services applied for are not similar or complementary to any of the goods or services of the opponent.

46) The following services have no similarity whatsoever to the goods and services of the opponent, nor can they be regarded as complementary.

Class 35: “Business management; business consultancy; information, advisory and consultancy services relating to all the aforesaid services”.

Class 41: “Entertainment; casino and gaming services; electronic games services provided from a computer databases or by means of the internet; information, advisory and consultancy services relating to all the aforesaid services.”

Comparison of trade marks

47) 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 them, 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.”

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

Opponents’ trade mark	Applicant’s trade mark
ZAPP	ZAPAYGO

49) The applicant contends:

“20. The applicant submits that there are strong visual differences between the respective marks. The applicant’s mark is made up of seven letters, whilst the opponent’s marks are made up of four letters. The opponent’s marks end with a double “p” and that is a recognisable and memorable difference with the application. As the opponent’s marks are very short it is submitted that the differences would not go unnoticed by the relevant consumer, even to the extent that the differences are considered small.

21. There are also strong aural differences between the marks. The applicant’s mark is made up of three syllables ZA-PAY-GO. In comparison the opponent’s marks are made up of one syllable ZAPP. As the opponent’s mark is short that is a significant difference in a comparison with the application.

22. The different number of syllables and positioning of vowels and consonants within the marks means that when the respective marks are spoken/heard, a different emphasis is placed on the respective syllables. From an aural comparison, it is submitted that the opponent’s mark is not heard/spoken as part of the applicant’s mark. The first syllable of the applicant’s mark is “ZA-“, whilst the opponent’s mark is “ZAPP”. When the applicant’s mark is spoken/heard the emphasis is on the middle syllable “PAY” or the last syllable “GO”. The “p” of “PAY” is a bilabial plosive meaning that the lips are held tightly to block the passage of air. The “G” of “GO” is a voiced velar stop which means it is produced by obstructing airflow in the vocal tract. The result is that both of these syllables are given more emphasis when spoken/heard than the first syllable “ZA”. Consequently the respective marks have a high degree of aural difference.

23. The marks can be distinguished in a conceptual comparison. The opponent’s marks mean to strike, destroy or move swiftly and we refer to the dictionary definitions attached at annex 1 in this regard. In the context of the opponent’s goods and services it is submitted that the opponent’s marks are likely to be understood as “moving quickly”. In comparison, the applicant’s mark invites the user to complete a transaction and leave. The applicant’s mark includes additional conceptual components where the opponent’s marks do not and so overall there are strong conceptual differences.”

50) I accept that the marks are of different lengths in terms of number of letters and syllables, but they do share the first three letters and so there is a medium degree of visual similarity. Aurally the fact that they share the first three letters means that the applicant’s mark initially sounds the same as the opponent’s mark. Because of the plosive nature of the letter “P”, the first and second syllables will take on the single letter “P”, so as to form “ZAP” “PAY” GO”. Overall there is therefore aural identity in the first part of the applicant’s mark with the whole of the opponent’s mark. There is a medium degree of aural similarity. Conceptually the “pay” and “go” elements of the applicant’s mark will, in my view,

be seen as a version of the opponent's mark. Instead of having an agreed credit limit with the provider which enables you to pay for items using your phone, it would act as a top up version so that you can pay as you go. This is a reasonably common phrase in the mobile telephone world in which these services are seeking to exist. There therefore exists a medium degree of conceptual similarity in that both will be viewed as members of the ZAP/ZAPP family. Overall there is at least a medium degree of similarity between the marks.

Distinctive character of the earlier trade mark

51) 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).”

52) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only 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”.

53) The applicant comments:

“26. As outlined above the opponent’s mark has a well understood meaning and in the context of financial and payment goods and services is likely to be understood as referring to a payment being made/received quickly. Therefore the opponent’s marks have a lower degree of distinctive character.”

54) The word ZAPP is a well-known term usually used in referring to someone or something being ZAPPED by lightning or electricity, although it is also used when someone/thing is struck. It is frequently seen in superhero comics when someone is hit. I do not accept that it will be viewed as referring to a speedy way to make a payment. To my mind, it has an average degree of inherent distinctiveness, but it cannot benefit from an enhanced distinctiveness as the opponent did not provide the evidence for such a finding.

Likelihood of confusion

55) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent’s trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods and services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer is a member of the general public (including businesses), who will select the goods and services by predominantly visual means, although not discounting aural considerations and that they will be selected with a medium to high degree of care.
- the goods and services of the two parties in classes 9, 35 (with exception), 36, 38 and 42 are identical. The services applied for in class 41 are not similar or complementary to any of the opponent’s goods or services.
- the marks of the two parties are similar to at least a medium degree.
- the opponent’s mark has an average level of inherent distinctiveness but cannot benefit from an enhanced distinctiveness through use.

56) In view of the above, and allowing for the concept of imperfect recollection, there is a likelihood of consumers being confused into believing that the goods and services in classes 9, 35 (with exceptions), 36, 38 and 42 applied for under the mark in suit are those of the opponent or provided by some undertaking linked to it. **The opposition under Section 5(2) (b) therefore succeeds in part.**

CONCLUSION

57) The opposition in relation to the goods and services in classes 9, 36, 38 and 42 has succeeded completely. However, as the opposition to the following services in Classes 35 and 41 have failed, the application can now be registered for all of the services listed below:

Class 35: “Business management; business consultancy; information, advisory and consultancy services relating to all the aforesaid services”.

Class 41: "Entertainment; casino and gaming services; electronic games services provided from a computer databases or by means of the internet; information, advisory and consultancy services relating to all the aforesaid services."

COSTS

58) As the opponent has been mostly successful it is entitled to a contribution towards its costs.

Preparing a statement and considering the other side's statement	£300
Expenses	£200
Preparing evidence and considering the other side's evidence	£500
Preparing submissions	£500
TOTAL	£1,500

59) I order Zapaygo Ltd to pay IPCO 2012 Limited the sum of £1,500. This sum to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 8TH day of April 2016

**George W Salthouse
For the Registrar,
the Comptroller-General**