

**O-419-17**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF**

**TRADE MARK REGISTRATION NO 3035323**

**IN THE NAME OF FIDERES PARTNERS LLP**

**FOR**

**THE TRADE MARK**

The logo for FIDERES consists of a stylized orange square icon on the left containing a white letter 'F'. To the right of this icon, the word 'FIDERES' is written in a bold, sans-serif font. The letters 'FID' are in grey, and the letters 'ERES' are in orange.

**IN CLASS 36**

**AND**

**THE APPLICATION FOR INVALIDATION THEREOF (UNDER NO. 501085)**

**BY**

**FIL LIMITED & FIL INVESTMENT SERVICES (UK) LIMITED**

## **Background**

1) On 17 December 2013, Fideres Partners LLP ('the proprietor') applied to register

**E FIDERES**

as a trade mark, in respect of the following services:

**Class 36:** Financial analysis; financing services; financial information; fiscal assessments; valuation of securities and derivatives; consulting services in the field of financial services; advice and consultancy services relating to the foregoing.

2) The application was published in the Trade Marks Journal on 24 January 2014 for opposition purposes. No opposition having been filed, the mark was entered in the register on 04 April 2014. FIL Limited and FIL Investment Services (UK) Limited ('the applicants') claim that the trade mark registration offends under sections 5(2)(b), 5(3), 5(4)(a) and 47(2)(a) of the Trade Marks Act 1994 ('the Act'). The applicants rely upon eleven earlier registered marks under section 5(2)(b). Ten of those registrations are also relied upon under section 5(3). Nine signs are relied upon under section 5(4)(a). All of the marks/signs relied upon can be found in Annex A to this decision. It suffices to set out here the following registrations only, as the other marks/signs relied upon do not improve upon the applicants' prospect of success. All are relied upon under section 5(2)(b); only the first three are relied upon under section 5(3). Their details are:

- UK registration 2100049 ('049) for the mark **FIDELITY** which has a filing date of 13 May 1996 and was entered in the register on 06 December 1996. The following services are relied upon:

**Class 36:** Investment services; financial management and advice; investment portfolio management services.

- UK registration 2583955 ('955) for the following two marks, as a series:



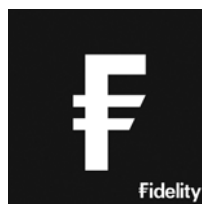
&



For the benefit of those reading a black and white copy of this decision, the second mark is registered in colour (the stylised 'F' is white on a red square background and the words in the mark are blue). It has a filing date of 8 June 2011 and was entered in the register on 02 December 2011. The applicant relies upon all of the services covered by that registration in class 36. It suffices to set out here only certain of those services, which are:

**Class 36:** Financial services.

- UK registration 2583956 ('956) for the following two marks, as a series:




&



It has a filing date of 8 June 2011 and was entered in the register on 02 December 2011. Again, the applicant relies upon all of its services in class 36 but it suffices to set out here only certain of those, which are:

**Class 36:** Financial services.



- EU registration 10956233 ('233') for the mark  which has a filing date of 12 June 2012 and was entered in the register on 05 November 2012. The applicant relies upon all of the services covered by that mark in classes 16, 36, 41 and 42. The services in class 36 include the following:

**Class 36:** Financial affairs.

3) It is claimed that the contested mark is similar to the applicants' marks. In particular, the word FIDERES is said to be visually, phonetically and conceptually similar to the distinctive element FIDELITY in the earlier marks and the figurative device in the proprietor's mark is said to be similar to, and in conjunction with the word FIDERES, brings to mind the applicants' marks that comprise or include the figurative 'F' device. It is claimed that the device appearing in the proprietor's mark is likely to be perceived as a stylised letter 'F', particularly because of its placement before the word FIDERES which begins with the letter 'F'.

4) It is further claimed that the earlier marks have a significant reputation in the UK and the EU for financial services and that there is a risk that the use of the contested mark will take unfair advantage of, and cause detriment to, the distinctive character and repute of the earlier marks. It is said that the proprietor would free ride on the

reputation of the earlier marks, that the proprietor's image may be inconsistent with and/or have a negative impact upon the image of the applicants' marks and that the distinctive character of the earlier marks will also be diluted.

5) All of the marks set out above are earlier marks in accordance with section 6 of the Act. Only the mark listed at the first bullet point had been registered for more than five years before the application for invalidation was filed and is therefore subject to the proof of use requirements, as per section 6A of the Act. The applicants made a statement of use for all of the services relied upon.

6) The proprietor filed a detailed counterstatement in which it put the applicants to proof of use in relation to UK registration 2100049 in respect of all of the services covered by that mark. The proprietor denies all of the grounds of cancellation stating that the respective marks are dissimilar. In particular, it states that the device in its mark will not be perceived as a stylised letter 'F'. It says the device in its mark is a mathematical symbol which it describes as a 'double turnstile'.

7) Both parties filed evidence. A hearing took place before me at which the applicants were represented by Mr Simon Malynicz QC, instructed by Maucher Jenkins and the proprietor by Mr Adrian Murray of Pinsent Masons LLP. A number of preliminary issues were dealt with at the beginning of the hearing. Taking them in turn, those issues were:

#### Number of marks relied upon

8) Mr Murray argued that the number of marks relied upon is unnecessary and disproportionate and stated that the applicants should pick their best case. I agreed with Mr Murray that the number of pleaded marks appeared to be excessive. Mr Malynicz maintained that the applicants wished to rely upon all of the pleaded marks arguing that which is the best mark is ultimately a matter for me. He did however make some concessions during the course of the hearing which narrowed the issues to some extent.

#### Strike out of the grounds under section 5(4)(a)

9) Mr Murray requested that these grounds be struck out on the basis that they had never been adequately particularized or clarified despite the proprietor's request for clarification made earlier in the proceedings. In light of this request, I asked Mr Malynicz whether he considered that the 5(4)(a) grounds put the applicant in any stronger position than the 5(2)(b) grounds. He conceded that the former were no stronger than the latter. It follows that it is unnecessary to consider the 5(4)(a) grounds and therefore whether they are adequately particularized or not becomes academic.

Request to strike out parts of the applicants' evidence in reply

10) Mr Murray contended that certain paragraphs in the second witness statement of James Harris and all of the exhibits thereto should be struck out on the basis that the evidence either post-dates the relevant date in these proceedings and/or does not show genuine use of the earlier marks and/or refers to marks not relied upon. I agreed with Mr Malynicz that these are all matters as to the weight of the evidence as opposed to matters which affect its admissibility. I refused to strike out any of that evidence.

Request to rely upon 'without prejudice save as to costs' correspondence in support of the proprietor's request for costs off the scale

11) Annex 5 to Mr Murray's skeleton argument consisted of a letter entitled 'without prejudice save as to costs'. Neither the letter nor page 32 of the skeleton argument which referred to the content of that letter have been passed to me. Instead, upon receipt of them, the Hearings Clerk informed the parties by email that the admissibility of the letter and page 32 of the skeleton argument would be dealt with as a preliminary point at the hearing.

12) At the hearing, Mr Murray argued that the letter should be admitted on the basis that, as it is entitled 'without prejudice save as to costs', it would be permissible for him to refer to it when giving his submissions on costs. I rejected that contention. As the substantive decision maker, it is clearly inappropriate for me to admit that letter

before I have issued my substantive decision. I refused to admit it at the hearing. Mr Malynicz stated that he had no objection to the letter being taken into account, but only at the appropriate time. I proposed to the parties that the best way forward would be for me to hear submissions on the substantive matters only at the hearing. I would then issue my substantive decision and provide the parties with a period thereafter to file written submissions on the matter of costs, at which point the relevant letter could be admitted. Both parties agreed that this was a sensible way forward.

#### Admissibility of Annexes 1, 3 and 4 to Mr Murray's Skeleton argument

13) Mr Malynicz pointed out that these Annexes contained new evidence. The evidence consists of lists of trade mark registrations i.e. 'state of the register' evidence. Given that Mr Malynicz did not, in his own words, object "too strenuously" to its admission and was also content to respond to it by way of oral submission at the hearing, I allowed the annexes to be admitted.

#### Evidence

14) The applicants' evidence consists of two witness statements and accompanying exhibits from Mr James Harris, Head of Marketing, UK Financial Services at FIL Investment Management Limited ('FIL Investment') which is an English subsidiary of FIL Limited ('FIL'). Rather than summarise the evidence here, I will refer to it at the appropriate time in the following decision when I address the issues to which the evidence relates.

15) The proprietor's evidence is from one of its founding partners, Mr Steffen Hennig. Mr Hennig provides information about the actual services provided by the proprietor and the clients to whom those services are provided together with details about how long the mark has been used and advertising and revenue figures. This is all said to show that the parties target different consumers and provide different types of financial services such that there has been no confusion with the applicants' marks and neither would there be any in the future. There is also an explanation about the genesis of the proprietor's mark i.e. the idea behind it, the meanings behind the

elements which make up the mark and so on. I will return to the applicants' evidence later when it is appropriate to do so.

## **Decision**

### **Proof of use**

16) As I mentioned earlier, of the marks relied upon, only the applicants' UK registration 2100049 for the word 'FIDELITY' is subject to proof of use. At the hearing, Mr Murray conceded that that mark had been put to genuine use in the UK in respect of 'investment services'. Whilst the registration also covers some other services, I consider the applicants' 'investment services' to be identical to at least some of the proprietor's services (as per my later assessment of the similarity of the respective services). If the applicants cannot succeed where it's 'investment services' are identical to the proprietor's services, its other services cannot put it in any stronger position even if I found genuine use in respect of them and that they were also identical to certain of the applicants' services. I will proceed on that basis.

### **Section 5(2)(b)**

17) Sections 5(2)(b) and 47(2) of the Act provide:

“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.”

“47. - (1) ...



- (2) The registration of a trade mark may be declared invalid on the ground-
- (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
  - (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

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

18) The leading authorities which guide me are from the Court of Justice of the European Union ('CJEU'): *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.

### **The principles**

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a 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.

## **Comparison of services**

19) As I mentioned earlier, a large part of the proprietor's evidence purports to show that there is no likelihood of confusion because the parties do not provide the same services or target the same consumers. As Mr Malynicz rightly pointed out, the way in which either party uses their mark is irrelevant. The assessment I must make is a notional and objective one made on the basis of the terms listed in the respective specifications. There is ample authority to this effect.<sup>1</sup> Accordingly, the proprietor's evidence on that point does not assist it.

20) In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05 ('*Meric*'), 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 für 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”.

21) The applicants' 'Financial services' and 'Financial affairs' covered by marks '955, '956 and '233 are broad terms which encapsulate all of the proprietors' services in class 36; the parties' services are identical in accordance with *Meric*.

22) The applicants' 'Investment services' covered by mark '049 fall within the proprietor's 'financing services'. They are identical in accordance with *Meric*.

### **Average consumer and the purchasing process**

23) It is necessary to determine who the average consumer is for the respective services and the manner in which they are likely to be selected. In *Hearst Holdings*

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<sup>1</sup> See for instance, *Devinlec Développement Innovation Leclerc SA v OHIM*, Case C-171/06P, where the Court of Justice of the European Union stated: “59. As regards the fact that the particular circumstances in which the goods in question were marketed were not taken into account, the Court of First Instance was fully entitled to hold that, since these may vary in time and depending on the wishes of the proprietors of the opposing marks, it is inappropriate to take those circumstances into account in the prospective analysis of the likelihood of confusion between those marks.”

*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.”

The average consumer of the parties’ services includes both the general public and business professionals. Mr Malynicz accepted Mr Murray’s submission that the level of attention paid by both types of consumer is likely to be above average<sup>2</sup>. I would expect the purchasing act to be primarily a visual one with the respective marks being encountered on websites, in newspapers and on signage over premises etc. However, aural use of the marks is also an important consideration bearing in mind word of mouth recommendations or discussions with representatives, for example.

### **Comparison of marks**

24) 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




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<sup>2</sup> See the hearing transcript, page 47, paragraph 1.

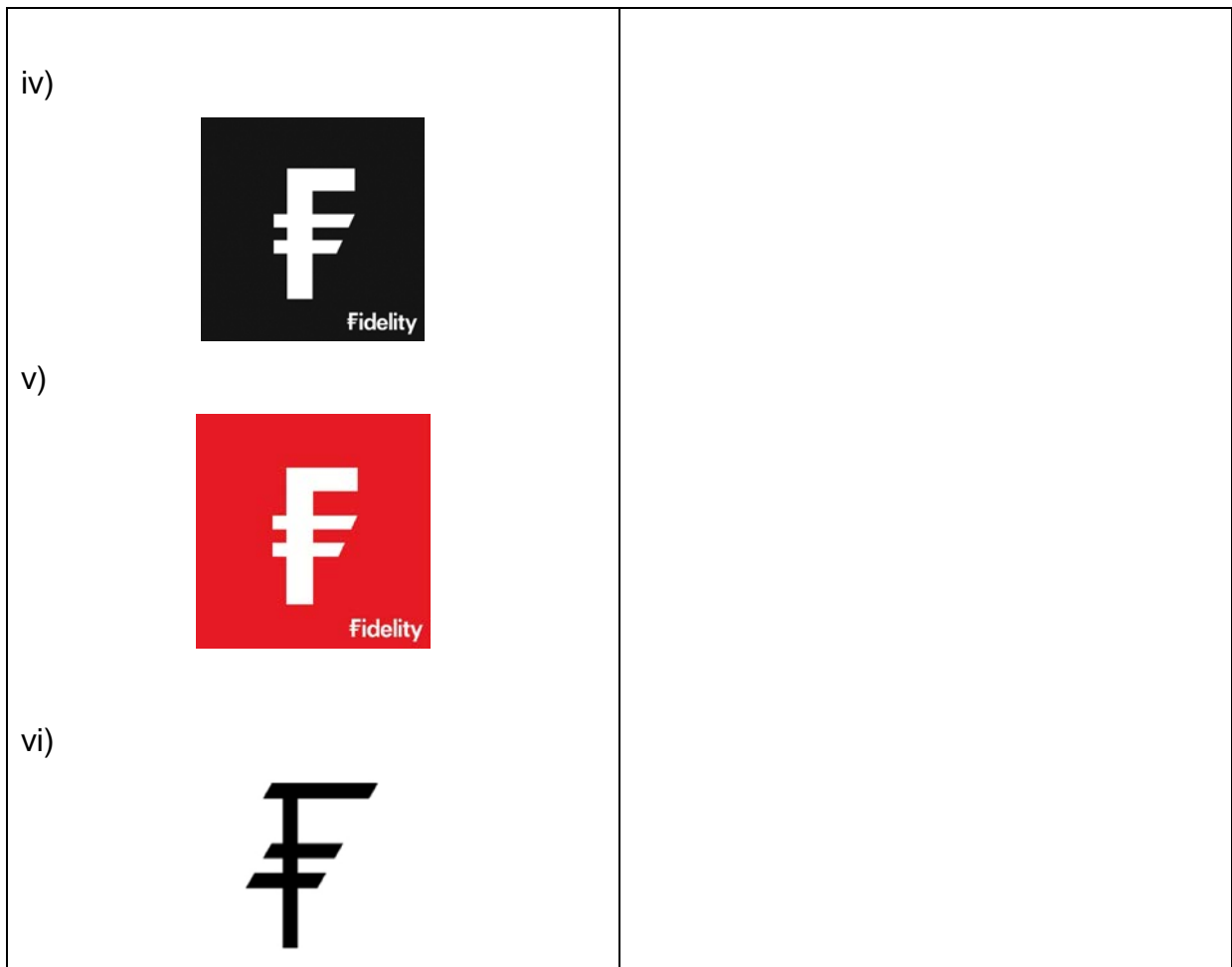
means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

It would therefore be wrong, artificially, to dissect the 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 the marks. The marks to be compared are:

25) There was some discussion at the hearing as to whether the applicants’ black and white marks covered all colours. Mr Murray argued that that was the case. Mr Malynicz disagreed. I note that there is some conflicting authority on the point.<sup>3</sup> I will proceed by considering the applicants’ marks as they appear i.e. in black and white and the various combinations of red, white and/or blue and I will return to this point later.

Applicants’ marks	Proprietor’s mark
i) <p style="text-align: center;">FIDELITY</p>	
ii) 	
iii) 	

<sup>3</sup> See *Pico Food Gmbh v OHIM*, General Court, T-623/11 and, on the other hand, *Specsavers v Asda Stores Ltd*, CJEU Case C252/12 and the judgment of the Court of Appeal in *Specsavers* [2014] EWCA Civ 1294, at paragraph 5.



26) The proprietor's mark is a composite one consisting of a device element presented in white and orange preceding the word FIDERES, where FIDE and RES are presented in grey and orange respectively. The impact of the device is far from insignificant given its prominent position at the beginning of the mark. However, it is the word element, FIDERES, which carries the greater weight in the overall impression of the mark given the larger proportion of the mark that it occupies and that it is that element by which the average consumer is likely to refer to the mark. I accept Mr Malynicz's argument that the device and the FIDERES element each retain an independent distinctive role.

27) The overall impression of the applicants' FIDELITY mark rests solely on that word; it does not lend itself to deconstruction.

28) The applicants' mark ii) consists of three elements. The first is the stylised letter 'F' in a square, the second is the stylised word 'FIDELITY' and the third is the words

'WORLDWIDE INVESTMENT'. The latter element is entirely descriptive and very small within the mark as a whole; it carries very little weight (if any) in the overall impression. Both the 'F' device and the word 'Fidelity' make a substantial impact, but of the two, I consider that 'Fidelity' has the greater weight in the overall impression. The same considerations apply to mark iii); the colours of that mark (red, blue and white) do not make any material difference to the assessment. I accept Mr Malynicz's view that the 'F' device plays an independent distinctive role in the mark.

29) The applicants' mark iv) consists of a stylised 'F' on a square background with the word 'Fidelity' written in smaller font on the bottom right-hand corner of the square. Whilst the stylised 'F' on the square is visually more dominant than 'Fidelity', the latter is clearly visible and makes an important contribution to the mark's overall impression, bearing in mind that I consider the word 'Fidelity' to be relatively more distinctive than the stylised 'F' on the square. The same considerations apply to mark v) which is presented in red and white.

30) The applicants' mark vi) consists of the stylised representation of a letter 'F'. It cannot be broken down; its overall impression rests in the whole.

31) It is now necessary to consider the visual, aural and conceptual similarities between the marks bearing in mind the above conclusions. I will take each of the applicants' marks in turn.

#### Mark i)

32) Mr Malynicz pointed out that the respective marks share the same four letters at the beginning and that the words are similar lengths. That is true, however, the endings of the respective words – LITY and –RES are visually very different. Whilst I accept Mr Malynicz's submission that consumers generally pay a greater degree of attention to the beginnings of marks/words, that is a general rule of thumb rather than an immutable rule; each case must be assessed on its own merits. In the case before me, the very different endings of the respective words, makes a notable and striking point of contrast. I find the visual similarity between the respective words to be very low and viewing the marks as a wholes, bearing in mind the device element

in the proprietor's mark which is absent from the applicants' mark, there is little, if any visual similarity between them overall.

33) Aurally, the applicants' mark, being a well-known word, will be pronounced in a predictable fashion as FIDD – EL – IT – TEA (with FIDD as in 'fiddle'). The parties agreed that the device in the proprietor's mark would not be pronounced<sup>4</sup>. In terms of the word FIDERES, Mr Malynicz accepted that the latter syllables of the marks are dissimilar however, he argued that the first two syllables of FIDERES will sound the same as the first two syllables in the applicants' mark. Mr Murray, on the other hand, argued that the 'FIDE' part of FIDERES will either be pronounced as "fee-day" or "fide" and that, either way, the beginnings of the marks will sound very different. I agree with Mr Murray about how the 'FIDE' part of the proprietor's mark is likely to be vocalised, although I would add that it may also be pronounced as 'FIDD-DEE'. Whichever pronunciation occurs, I find that, when considered overall, the respective marks are aurally similar to only a very low degree.

34) From a conceptual perspective, there was no dispute between the parties that the applicants' mark will be perceived as meaning 'faithfulness or loyalty'. However, the parties disagreed about how the proprietor's mark was likely to be conceptualised. Mr Murray submitted that the device is a mathematical symbol from propositional logic (as explained in Mr Hennig's evidence about the genesis of the mark) but he also stated that the average consumer would not know this and would merely see it as an obscure symbol with no meaning. Contrastingly, Mr Malynicz argued that the device will be perceived as a stylised letter 'F', particularly because of its positioning before the word FIDERES which begins with the letter 'F'. As to the FIDERES element, Mr Murray argued that this does not send a clear conceptual message and will likely be seen as a fanciful invented word. Mr Malynicz submitted that, although the word as a whole is unlikely to be understood, there is a conceptual overlap with the applicants' mark because FIDERES has a "similar resonance" to FIDELITY as it will likely be seen as meaning 'trust', as the proprietor intended. In support of this, Mr Malynicz referred me to Mr Hennig's evidence in which he explains that the word FIDERES was coined because it consists of two latin words,

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<sup>4</sup> See the hearing transcript, page 18, penultimate paragraph.



'FIDE' (meaning 'trust') and RES (meaning 'things, actions, facts'), which the proprietor considers represents both what it does and what it stands for.

35) I agree with Mr Murray that the device in the proprietors' mark does not have the appearance of an 'F', but rather an obscure symbol which is likely to be meaningless to the average consumer. This is so, despite its presence before the initial F of FIDERES. As regards the FIDERES element, whilst Mr Hennig explains why the word was coined, he does not state that the average consumer would be aware of the meaning of it; rather his explanation of the genesis of the name is framed in terms of its particular meaning and significance to the FIDERES business<sup>5</sup>. I agree with Mr Murray that it is likely to be perceived as an invented word with no meaning. If that is right, the marks are conceptually different. However, I will also consider the position in the event I am wrong i.e. where FIDERES would be perceived as being evocative of 'trust' and the device as a letter 'F'. In that scenario, I accept that there would be a degree of conceptual similarity between the respective words within the marks, but only to a low degree.

#### Mark ii)

36) My comments in paragraphs 32-35 are equally applicable here, at least insofar as the 'Fidelity' element of the applicants' mark is concerned. The words 'WORLDWIDE INVESTMENT' are entirely descriptive and very small within the applicants' mark; although they create a very small visual difference between the respective marks, they are unlikely to be vocalised or form part of the conceptual hook. Mr Malynicz argued that there is a striking visual similarity between the marks by virtue of the placement of a device element of an 'F' on a square background positioned in front of similar words. I disagree. The device in the proprietors' mark bears little visual resemblance to the device in the applicants' mark and I have already commented on the visual similarities between the words. Taking into account all of those factors and viewing the marks as wholes, there is little, if any, visual similarity. Aurally, the same conclusion applies as in paragraph 33 given that it is unlikely that the 'F' or the words 'WORLDWIDE INVESTMENT' in the applicants'

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<sup>5</sup> Paragraph 36 of Mr Hennig's witness statement.

mark will be vocalised. Conceptually, my comments in paragraph 35 also apply here. Further, even if the device in the proprietors' mark were perceived as the letter 'F', I am doubtful that the perception of a letter per se constitutes a concept in the sense described in the case law<sup>6</sup>. I am therefore not persuaded that this "conceptual similarity" identified by Mr Malynicz adds anything to the visual and aural similarities.

#### Mark iv)

37) I said in the preceding paragraph that the device in the proprietors' mark bears little visual resemblance to the stylised 'F' device in mark ii). Mark iv) has the added visual difference created by the word 'Fidelity' in the bottom right-hand corner. I find that there is a very low degree of visual similarity between mark iv) and the device in the proprietors' mark and that there is little, if any, visual similarity between the marks as wholes (bearing in mind the FIDERES element of the proprietor's mark which is absent from the applicants' mark). Aurally, I consider it unlikely that the consumer will only articulate the letter 'F' in the applicants' mark, as contended by Mr Malynicz. It is true that the letter 'F' is much larger than the word 'Fidelity' but the latter is still clearly visible and the natural instinct of the consumer, when faced with a distinctive word in a mark, will be to pronounce it, especially where it is the only word present. I therefore find that the applicants' mark is likely to be pronounced as 'F Fidelity' or just 'Fidelity'. Either way, there is a very low degree of aural similarity with the proprietors' mark. Conceptually, I find that the conceptual hook for the consumer from the applicants' mark is likely to come from the word 'Fidelity' despite it being much smaller in size than the letter 'F'. This is because words tend to send concrete conceptual messages whereas letters, per se, do not. On that basis there is no conceptual similarity between the applicants' mark with the device element of the proprietor's mark (whether or not the latter were perceived as a letter 'F') and a low degree of conceptual similarity between the respective marks as wholes for the same reasons given in paragraph 35.

#### Mark vi)

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<sup>6</sup> See, for example, *Poloplast v OHIM — Polypipe (P)*, Case T-189/09, at paragraph 83.

38) Mr Malynicz described this mark as the “slim F”. It is similar to the stylised ‘F’ in the applicants’ other marks but is slimmer in appearance and is without the square background. The top arm of the ‘F’ also juts out slightly to the left of the stem and the two middle arms are set in a more diagonal fashion than in the other marks. Mr Malynicz argued that this ‘F’ is similar to the device in the proprietors’ mark. I cannot see that this mark is materially any more or less similar to the proprietor’s device than the applicants’ other stylised ‘F’s in its other marks. Consequently, there is little visual resemblance, no aural similarity (as I said earlier, Mr Malynicz has conceded that the device in the proprietor’s mark will not be pronounced) and no conceptual similarity (in the sense described in the case law).

#### Marks iii) and v)

39) Mark iii) is presented in red, white and blue, mark v) in red and white. Mr Malynicz argued that the red colour in the applicants’ marks and the orange in the proprietor’s mark, whilst not being the same colour, are nevertheless not ‘a million miles away’ and are both bright colours. I accept those points but nevertheless, I do not consider the degree similarity between the proprietor’s mark and marks iii) and v) to be materially different to the degree of similarity between the proprietor’s mark and marks ii) and iv). Neither do I consider there to be a materially different degree of similarity between the respective device elements of themselves.

40) I said earlier that I would return to the dispute between the parties about whether the applicants’ black and white marks cover all colours. Nothing turns upon this point in this particular case. Even if I were to consider the relevant respective marks used in the same colours, I would not find that the degree of similarity between any of the respective marks is materially different to that concluded above.

#### **Distinctive character of the earlier marks**

41) The distinctive character of the earlier mark must be considered. The more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion (*Sabel BV v Puma AG*). 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).”

From an inherent perspective, I find that mark i) has an average degree of distinctiveness. Turning to mark ii), ‘WORLDWIDE INVESTMENT’ is non-distinctive for obvious reasons. The ‘Fidelity’ element is averagely distinctive. Insofar as the stylised ‘F’ element is concerned, letters of the alphabet per se are extremely simple and commonplace signs which tends to make them less eye-catching and memorable and therefore less distinctive than other types of signs. That said, the ‘F’ here is not an ‘F’ per se but a stylised ‘F’. I find that the presentation of the ‘F’ on the square background elevates that element’s distinctiveness to some degree, along with the fact that the ‘F’ has two lower arms rather than just one, but I still consider that element of the marks to have below average distinctiveness. The mark as a whole is averagely distinctive. Similar considerations apply to mark iv) but, of course, that mark does not include any non-distinctive words and ‘Fidelity’ is much smaller and placed within the square device. Again, I find the ‘F’ in the square to be of below

average distinctiveness and 'Fidelity' to be averagely distinctive; the mark as a whole is averagely distinctive. As regards, mark vi), bearing in mind the particular stylisation of that letter 'F', I find that it has a below average degree of distinctive character. I do not consider that the colours of marks iii) and v) render those marks (or the elements within them) any more or less distinctive than I have found for marks ii) and iv) respectively.

42) I now turn to the question of whether the marks' inherent distinctiveness has been elevated in the UK through the use made of them. Mr Malynicz submitted that marks i) – v) have acquired a high degree of distinctive character, as a whole, as a consequence of the use made of them in the UK. He also contended that the 'F' device, of itself, has a high degree of enhanced distinctiveness as a result of the use with the word 'Fidelity'. He accepted that the evidence shows no use of mark vi). Mr Murray submitted that the 'FIDELITY' mark may have enhanced distinctive character but the 'F' device, of itself, does not as it has not been used alone.

43) I have no doubt that marks i) – iii) have been used to a significant extent in the UK in relation to investment services. There is ample use shown of those marks in the exhibits<sup>7</sup> in relation to those services and when taken in conjunction with the substantial advertising and sales figures<sup>8</sup>, it is clear that they have acquired a high degree of distinctiveness. There is no use shown before me of marks iv) and v); I find no enhanced distinctiveness for those marks. As to whether the 'F' device, of itself, should also be attributed with enhanced distinctiveness due to the use of it in conjunction with the word 'Fidelity, whilst I accept Mr Malynicz's point that a mark need not be used in isolation in order to benefit from enhanced distinctiveness<sup>9</sup>, every case must be assessed on its own merits. There is nothing in the evidence to satisfy me that the average consumer is likely to perceive the 'F' device as having a high distinctive character independently of the composite Fidelity marks.

### **Likelihood of confusion**

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<sup>7</sup> In particular, exhibits JH1-JH5, JH10 and JH11.

<sup>8</sup> Paragraphs 11 & 25 of Mr Harris' witness statement.

<sup>9</sup> As per *Société des Produits Nestlé SA v Mars UK Ltd*, Case C-353/03.

44) I must now feed all of my earlier findings into the global assessment of the likelihood of confusion, keeping in mind the following factors: i) the interdependency principle, whereby a lesser degree of similarity between the goods may be offset by a greater similarity between the marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*); ii) the more distinctive the earlier mark is, the greater the likelihood of confusion (*Sabel BV v Puma AG*), and; iii) imperfect recollection i.e. that consumers rarely have the opportunity to compare marks side by side but must rather rely on the imperfect picture that they have kept in their mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*).

45) I remind myself that I have found identity between the parties' services. As Mr Malynicz was keen to stress, this is an important factor in the applicants' favour because it can offset a lower degree of similarity between the respective marks. A further point weighing in the applicants' favour is the high degree of distinctiveness of marks i) –iii). However, the other marks and the 'F' device, of itself, within marks ii) and iii) do not enjoy enhanced distinctiveness and I remind myself of their inherent levels of distinctiveness set out earlier (which range from below average to average).

46) In terms of the similarities between the respective marks, I found that there is a little, if any visual similarity between mark i), ii) and iii) and the proprietor's mark, a very low degree of aural similarity and conceptual difference, although, if I am wrong, there is a low degree of conceptual similarity. In respect of marks iv) and v), I found that there is a very low degree of visual similarity between those marks and the device in the proprietors' mark (which has an independent distinctive role) and little, if any visual similarity between the marks as wholes. There is also a very low degree of aural similarity. In terms of concept, there is no conceptual similarity between marks iv) and v) and the device in the proprietor's mark and a low degree of conceptual similarity between the marks as wholes. Finally, insofar as mark vi) is concerned, there is little visual similarity, no aural similarity and no conceptual similarity with the device in the proprietors' mark or the mark as a whole.

47) Having considered all of the above factors and keeping in mind that an above average degree of attention is likely to be paid during the mainly visual purchase (but that aural considerations are important), I come to the firm view that, there is no

likelihood of direct or indirect confusion. The ground under section 5(2)(b) fails in its entirety.

48) I should make clear that in reaching this conclusion, I have given no weight to the 'state of the register' evidence submitted with Mr Murray's skeleton argument. As Mr Malynicz submitted, there is nothing before me to show that any of those marks are actually in use in the UK.

### **Section 5(3)**

49) Section 5(3) of the Act provides:

“(3) A trade mark which-

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

50) The leading cases in assessing a claim under section 5(3) of the Act are the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L'Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

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

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

- (c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the later mark would cause an average consumer to bring the earlier mark to mind; *Adidas Saloman, paragraph 29 and Intel, paragraph 63.*
- (d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*
- (e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79.*
- (f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious likelihood that this will happen in future; *Intel, paragraphs 76 and 77.*
- (g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74.*
- (h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later



mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L’Oreal v Bellure NV*, paragraph 40.

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

## **Reputation**

51) The required level of reputation was described by the CJEU in *General Motors* in the following way:

“23. ... In so far as Article 5(2) of the Directive, unlike Article 5(1), protects trade marks registered for non-similar products or services, its first condition implies a certain degree of knowledge of the earlier trade mark among the public. It is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks, even when used for non-similar products or services, and that the earlier trade mark may consequently be damaged.

24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.

25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

52) I have already commented earlier in this decision on the use that has been made of some of the applicants’ marks (marks i), ii) and iii). Advertising spend and sales figures have been significant over the ten years prior to the relevant date, with adverts placed in widely distributed publications such as ‘The Times’, ‘Financial Times’ and ‘Daily Telegraph’<sup>10</sup> and there is evidence to show that ‘Fidelity’ is a highly regarded market leader in the provision of ISAs and investments in general, having won numerous awards such as “Best Online Funds Service”<sup>11</sup>. I find that marks i), ii) and iii) had a very strong reputation in the UK at the date of filing of the proprietors’ mark for investment services. However, there is nothing to show that the ‘F’ device, of itself, within marks ii) and iii) enjoys a reputation.

### **The link**

53) In addition to having a reputation, a link must be made between the proprietor’s trade mark and the earlier mark. In *Adidas-Salomon*, the CJEU stated:

“The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark

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<sup>10</sup> Exhibit JH2 and JH4.

<sup>11</sup> Exhibits JH10, JH11 and JH12

and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 General Motors [1999] ECR I-5421, paragraph 23). The existence of such a link must, just like a likelihood of confusion in the context of Article 5(1)(b) of the Directive, be appreciated globally, taking into account all factors relevant to the circumstances of the case (see, in respect of the likelihood of confusion, SABEL, paragraph 22, and Marca Mode, paragraph 40).”

54) In *Intel* the CJEU provided further guidance on the factors to consider when assessing whether a link has been established. It stated:

“41 The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case...

42 Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public”.

Most of the above factors have already been assessed under section 5(2)(b). I bear in mind my summary of the similarities between the respective marks at paragraph 46. As to the second factor, the respective services are identical. In respect of the

third and fourth factors, the applicants' marks (i), ii) and iii)) had a very strong reputation at the relevant date. In terms of distinctiveness, marks i), ii) and iii), as a whole, enjoy a high degree of distinctiveness in relation to investment services as a consequence of the use made of them (the 'F' device, of itself, in marks ii) and iii) is of below average distinctiveness). As regards the fifth factor, I found there to be no likelihood of confusion.

55) Weighing all of the abovementioned factors against each other, I find that the very strong reputation and high degree of distinctiveness of the earlier marks and the identity between the respective services is insufficient to offset the degree of similarity between the marks. None of the applicants' marks will be brought to mind when the average consumer encounters the proprietors' mark. In other words, a link will not be made. Without a link, there can be no damage. The ground under section 5(3) of the Act fails in its entirety.

#### **Section 5(4)(a)**

56) As I said earlier, Mr Malynicz accepted that the applicants are in no better position here than under section 5(2)(b).

#### **Overall outcome**

**57) The application to invalidate the registration fails.**

#### **COSTS**

58) As the proprietor has been successful, it is entitled to an award of costs.

59) In keeping with my earlier comments at paragraph 12, the proprietor is allowed a period of 14 days from the date of this decision to file submissions on the matter of costs (and to file the relevant letter headed 'without prejudice save as to costs', should it still wish to do so). Any request for off-scale costs should be supported by full reasons and a breakdown of the costs incurred in these proceedings. The proprietor must send a copy of its submissions to other side. The applicants will have

14 days from receipt by them to file written submissions in reply which must be copied to the proprietor. Thereafter, I will issue a supplementary decision in which I will decide the matter of costs. The period for appeal against this substantive decision and the decision on costs will run from the date of the latter.

**Dated this 7<sup>th</sup> day of September 2017**

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

## Annex A

All eleven registrations in the table below are relied upon under section 5(2)(b); the first ten are also relied upon under section 5(3). The applicants rely upon all goods and services covered by each of the registrations for both grounds.

TM No	Representation	Relevant dates
EU3844925	FIDELITY	Filing: 21/05/04 Registration: 21/09/05
UK2100049	FIDELITY	Filing: 13/05/96 Registration: 06/12/96
EU4579009	Fidelity International	Filing: 04/08/05 Registration: 07/07/06
UK2398490	Fidelity International	Filing: 03/08/05 Registration: 28/04/06
EU10054377		Filing: 16/06/11 Registration: 02/08/12
EU10054393		Filing: 16/06/11 Registration: 13/07/12
UK2583955	Series of 2:  	Filing date: 08/06/11 Registration: 02/12/11

EU10054294		<p>Filing date: 16/06/11  Registration: 14/07/12</p>
EU10054336		<p>Filing date: 16/06/11  Registration: 13/07/12</p>
UK2583956	<p>Series of 2:</p>  	<p>Filing date: 08/06/11  Registration: 02/12/11</p>
EU10956233		<p>Filing date: 12/06/12  Registration: 05/11/12</p>

**Under section 5(4)(a), the applicants rely upon the following signs which are claimed to have been used for financial and investment services:**

**FIDELITY** – used throughout the UK since 1973.

**FIDELITY INTERNATIONAL** – used throughout the UK since 1969.

**FIDELITY WORLDWIDE INVESTMENT** – used throughout the UK since 2011.

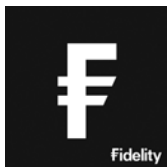


and

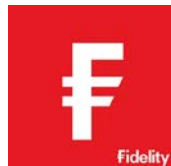


- used throughout the UK since

2011.



and



- used throughout the UK since 2011.

Two signs corresponding to the stylised 'F' signs listed above but without the word 'Fidelity' in the bottom right-hand corner – used throughout the UK since 2011.