

O-089-18

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3191435
BY ATUL KUMAR BANSAL
TO REGISTER**

CSQ

**AS A TRADE MARK
IN CLASS 36
AND
IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 408384
BY CQS CAYMAN LIMITED PARTNERSHIP**

BACKGROUND

1. On 16 October 2016 Atul Kumar Bansal applied to register the trade mark shown on the cover page of this decision for the following services:

Class 36: Financial asset management; Financial management; Financial management advisory services; Financial management of collective investment schemes; Financial management of pensions; Financial management via the Internet; Financial advisory services for individuals; Financial management advisory services; Financial portfolio management; Financial investment fund services; Financial management via the Internet; Financial and investment consultancy services; Financial advice relating to trusts; Financial advisory and management services; Financial management advisory services; Financial advisory services relating to assets management; Financial advisory services relating to retirement plans; Financial planning and investment advisory services; Financial management relating to investment; Financial management and planning; Financial analysis; Financial management for businesses; Financial management of pensions; Financial information services relating to financial stock markets; Financial strategy consultancy services; Financial advice relating to investment; Financial consultancy services relating to investments; Financial management of funds; Financial fund management; Financial management; Financial intermediary services; Financial investment management services; Financial advisory and consultancy services; Financial consultancy.

2. The application was published for opposition purposes on 28 October 2016.

3. The application is opposed in full by CQS Cayman Limited Partnership (“the opponent”). The opposition is based upon Section 5(2)(b) of Trade Marks Act 1994 (“the Act”) with the opponent relying upon the following two UK trade mark registrations:

- i) 2198901
CQS

Filing date: 28 May 1999

Registration date: 04 February 2000

ii) 2363158



Filing date: 13 May 2004

Registration date: 17 December 2004

4. The specifications for the above registrations are identical. The opponent indicates that it relies upon some of the services in its registrations, namely:

Class 36: Financial investment affairs; monetary affairs; capital and fund investment; financing of loans; unit trust services; loan services; raising of capital cash management; financial consultations; financial planning services; savings and investment services; corporate financing; financial and risk management; financial research; fund, asset, securities, stocks and bonds management; mutual funds; advisory, information and consultancy services relating to the aforesaid including such services provided on-line, via the Internet or by electronic means.

5. The opponent's registered marks are earlier marks in accordance with section 6 of the Act and, as they had been registered for more than five years before the publication date of the applicant's mark, they are subject to the proof of use requirements, as per section 6A of the Act. In its notice of opposition the opponent made a statement of use in respect of the services relied upon. However, as Mr Bansal indicated in its counterstatement that he did not require the opponent to provide proof of use, the opponent is entitled to rely upon its earlier marks in relation to all the services it has identified.

6. The opponent claims that the applied for mark is confusingly similar to the earlier marks and covers services that are identical with and/or similar to those under the earlier marks, such that there would be a likelihood of confusion. Mr Bansal filed a notice of defence and counterstatement, denying the claims.

7. Neither party filed evidence but both parties filed written submissions during the evidence rounds. Neither side requested a hearing but Mr Bansal filed written submissions in lieu. I will refer to these submissions as necessary below. The opponent is represented in these proceedings by Clifford Chance LLP. Mr Bansal represents himself.

DECISION

8. Section 5(2)(b) of the Act reads:

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

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

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

Section 5(2)(b) - case-law

9. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The opponent’s best case

10. Although the opponent has based its opposition on two marks, it is no. 2198901 which, in my view, offers the best prospect of success and it is on the basis of this mark that I shall conduct the comparison.

Comparison of services

11. In comparing the respective specifications, all the relevant factors should be taken into account. 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:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

12. The parties’ services are as follows:

Applicant’s services	Opponent’s services
Class 36: Financial asset management; Financial management; Financial management advisory services; Financial management of collective investment schemes; Financial	Class 36: Financial investment affairs; monetary affairs; capital and fund investment; financing of loans; unit trust services; loan services; raising of capital cash management; financial

<p>management of pensions; Financial management via the Internet; Financial advisory services for individuals; Financial management advisory services; Financial portfolio management; Financial investment fund services; Financial management via the Internet; Financial and investment consultancy services; Financial advice relating to trusts; Financial advisory and management services; Financial management advisory services; Financial advisory services relating to assets management; Financial advisory services relating to retirement plans; Financial planning and investment advisory services; Financial management relating to investment; Financial management and planning; Financial analysis; Financial management for businesses; Financial management of pensions; Financial information services relating to financial stock markets; Financial strategy consultancy services; Financial advice relating to investment; Financial consultancy services relating to investments; Financial management of funds; Financial fund management; Financial management; Financial intermediary services; Financial investment management services;</p>	<p>consultations; financial planning services; savings and investment services; corporate financing; financial and risk management; financial research; fund, asset, securities, stocks and bonds management; mutual funds; advisory, information and consultancy services relating to the aforesaid including such services provided on-line, via the Internet or by electronic means.</p>
---	---

Financial advisory and consultancy services; Financial consultancy.	
---	--

13. 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.

14. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court (GC) 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”.

15. In *Gérard Meric v OHIM*, Case T- 133/05, 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”.

16. The contested *financial asset management; financial management, financial management of collective investment schemes, financial management of pensions, financial management via the Internet, financial portfolio management, financial management via the Internet, financial advisory and management services, financial management relating to investment, financial management and planning, financial management for businesses, financial management of pensions, financial management of funds, financial fund management, financial management and financial investment management services* either encompass or are encompassed by the term *financial and risk management* covered by the earlier mark. These services are identical on the principle outlined in *Meric*.

17. The various financial advisory and consultation services listed in the contested specification, namely: *financial management advisory services, financial advisory services for individuals, financial management advisory services, financial and investment consultancy services, financial advice relating to trusts, financial management advisory services, financial advisory services relating to assets management, financial advisory services relating to retirement plans, financial planning and investment advisory services, financial information services relating to financial stock markets, financial strategy consultancy services, financial advice relating to investment, financial consultancy services relating to investments, financial advisory and consultancy services* and *financial consultancy* are all included in the broad category of the opponent’s *financial consultations*. These services are also identical on the *Meric* principle.

18. Although the contested *financial investment fund services* and the *capital and fund investment* services of the earlier mark are worded slightly differently, the services are essentially identical.

19. This leaves *financial analysis* and *financial intermediary services*.

20. The contested *financial analysis* must, in my view, be regarded as identical to the opponent's *financial research*. If the services are different, I find that *financial analysis* would be at least highly similar (if not encompassed by and therefore identical) to the opponent's *financial investment affairs* and *monetary affairs* since the services are all financial services that have the same distribution channels, target the same consumers and are complementary as they are frequently offered by the same undertakings, i.e. banks, financial institutions.

21. *Financial intermediary services* refer to services provided by someone who acts as a middleman between two parties in a financial transaction. As the business undertaken by investment funds constitutes a financial intermediary service, I find that the contested *financial intermediary services* encompasses the opponent's *capital and fund investment* and would also fall within the opponent's *financial investment affairs* and *monetary affairs*. These services are also identical on the *Meric* principle.

The average consumer and the nature of the purchasing act

22. As the case law above indicates, it is necessary for me to determine who the average consumer is for the services at issue; I must then determine the manner in which these services will be selected 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.”

23. The opponent submits that the contested services can be aimed at ordinary members of the public, e.g. consumers seeking advice on savings and pensions, and/or to more specialised commercial customers or financial institutions, e.g. investors. It refers to the first group as “average consumers” and carries on saying that “average consumers will have a limited attention span when it comes to trade mark recognition and may not scrutinize the mark in its minutiae. They may also have an imperfect recollection of a particular mark and may not pay much attention to the inversion of the couple of letters”.

24. Mr Bansal argues that the opponent’s services are intended for sophisticated high-net-worth consumers (rather than, as he says, “average individual consumers”), who “are likely to be careful” during the purchase. In this connection, he reproduces texts which are said to have been taken from the opponent’s website and are aimed to support his claim that the opponent’s services are not offered to the general public. Leaving aside the fact that the information provided by Mr Bansal should have been filed as evidence if he had wanted it to be admitted into the proceedings, the matter is to be approached on a notional basis, not on the basis of the parties’ current customer base.

25. The parties’ specifications cover a range of financial services, in particular investment, management and advisory services, and I agree with the opponent that some consumers may be high-net-worth and others may be members of the general public. For the sake of clarity, I should explain that both groups represent different categories of average consumers: as the above case law explains the term “average consumer” refers to the typical consumer for the concerned services, be it a professional consumer (or a business) or a member of the general public. In *Morgan v Morgan*, Case T-399/15 the GC stated:

“29. Next, in order to determine the relevant public, it is necessary to take into account all of the services in respect of which registration of the mark is sought, regardless of the actual use of that mark (see, to that effect, judgment of 20 May 2014, *Argo Group International Holdings v OHIM — Arisa Assurances (ARIS)*, T-247/12, EU:T:2014:258, paragraph 26). Consequently, even though the applicant claims that the relevant public is composed exclusively of specialists in the field of insurance, it is necessary to take into account each of the services for which registration is sought, inter alia sickness or accident insurance services, and to consider that each of those services is liable to be intended both for specialist consumers and for the general public.

30. According to settled case-law, when the relevant public is made up of two categories of consumers each having a different level of attention, the public with the lower level of attention must be taken into consideration (see judgments of 15 July 2011, *Ergo Versicherungsgruppe v OHIM — Société de développement et de recherche industrielle (ERGO)*, T-220/09, not published, EU:T:2011:392 paragraph 21 and the case-law cited, and of 20 May 2014, *ARIS*, T-247/12, EU:T:2014:258 paragraph 29). The Board of Appeal was therefore right to take into account the general public in order to determine whether there is a likelihood of confusion.”

26. Accordingly, the average consumer with the lower level of attention, i.e. members of the general public, must be taken into account. Proceeding on that basis, the purchasing act for all of the respective services will be well considered, i.e. above average, as the average consumer will take note of, inter alia, charges, interest rate, potential return, price comparison and accessibility of services before entering into purchasing act. Even if I were to find that where the services are more specialised it is possible that they are intended only for professionals in the financial sector and financial institutions, which are likely to have a higher level of attention, there is no evidence as to what services must be regarded as specialised.

27. In all cases the purchase may be made visually from a website, brochure, prospectus, etc., or aurally such as in the local branch of a bank, over the telephone or via a broker, financial advisor or other intermediary.

Distinctive character of earlier mark

28. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*²⁶, 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).”

29. As no evidence of use has been filed by the opponent, I have only the inherent distinctive character to consider. In relation to the distinctiveness of the mark the opponent states:

“The earlier mark [is] an unusual combination of letters in relation to class 36 services and have no meaning in relation thereto. [It is] inherently distinctive in relation to the services in question”.

30. Mr Bansal states:

“We submit that the earlier trademark, being just an acronym, does not contain the description of the goods and services for which it is registered (class 36) the less the distinctiveness of the mark and the narrower its scope of protection should be” (my emphasis)

31. Whilst I appreciate that Mr Bansal is not professionally represented, I must explain that there is a plain antithesis in its statement. If it were the correct construction, the fact that the earlier mark is not descriptive, would make it less distinctive. What the Courts have said is, instead, that if a mark is not descriptive in relation to the goods or services concerned it must be regarded as inherently distinctive.

32. There is no evidence to show the opponent's mark has any meaning in respect of the services at issue and I find that it is neither allusive nor descriptive. That being the case, it is endowed with an average degree of distinctive character.

Comparison of marks

33. 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.”

34. It would be wrong therefore 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 them. The marks to be compared are:

Application	Earlier mark
CSQ	CQS

Overall impression

35. The applied for mark consists of the three letters CSQ presented in upper case. The overall impression of the mark will be of a string of three letters and its distinctiveness rests in its totality. The opponent’s mark consists of the three letters CQS presented in upper case. The mark has no dominant element, and its distinctiveness lies in the mark as a whole.

Visual similarity

36. In his submission Mr Bansal referred me at various points to the European Union Intellectual Property Office (EUIPO) Opposition Guidelines. In particular, he refers to the following paragraph:

“One may argue that the perception the relevant consumers have of the signs is that they are completely fancy terms, a syllable inversion will not be noticeable and, therefore, will not contribute to a conclusion of similarity.”

And concludes that:

“Based on above we submit that there is no visual similarity between the two trade marks”

37. Aside from the fact that the EUIPO guidelines do not apply to proceedings before the UKIPO, Mr Basal has not provided any copy of the text he reproduced so it is difficult to understand the principles he refers to without the relevant context. In any event the text refers to inversion of syllables not letters, so it would not be relevant on that basis either. Thus, I shall say no more about it.

38. Both marks have the same lengths and coincide in the three letters C, S and Q with the letter C being placed in first position. The letters S and Q are in different order. There is no other element or stylisation in either mark. Even though the marks are short, their first letter is identical and the mere inversion of the second and third letter does not create a significant visual difference. Overall, the marks are similar to a medium to high degree.

Aural similarity

39. Aurally since both marks will most likely be perceived as abbreviations or acronyms, they will be pronounced by reference to each letter, i.e. C-S-Q and C-Q-S respectively. The pronunciation of the first letter is identical and the sound of the letters S and Q is also identical although they are pronounced in an inverted order. In this connection, Mr Bansal states that the emphasis and intonation is “clearly” in the middle letters S and Q. I disagree. The natural tendency would be to stress to first letter C in both marks and I see no reason why the average consumer would do otherwise. There is a medium to high degree of aural similarity.

Conceptual similarity

40. Mr Bansal submitted that CSQ in the application stands for Carlton Square Capital. However, the only element of the mark is the sequence CSQ which is not a known acronym for Carlton Square Capital. That being the case, in the absence of

any indication in the mark itself of the context of the words for which it stands, I cannot see how the average consumer would understand CSQ as an acronym for Carlton Square Capital particularly given the inclusion of the letter Q.

41. The average consumers will see the marks simply as sequences of letters or acronyms having no descriptive or allusive significance for them. The conceptual position is neutral.

Likelihood of confusion

42. 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 marks may be offset by a greater degree of similarity between the respective services and vice versa. I must also keep in mind the average consumer for the services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has retained in his mind.

43. There are two types of relevant confusion to consider: direct confusion (where one mark is mistaken for the other) and indirect confusion (where the respective similarities lead the consumer to believe that the respective goods and services come from the same or a related trade source). This distinction was summed up by Mr Iain Purvis Q.C. sitting as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed

in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.”

44. In his submissions Mr Bansal refers to the registration of the marks i) CCS and SCC and ii) ACB and ABC for similar services. Although not clearly stated, Mr Bansal’s point appears to suggest that the registrations of those marks should demonstrate that there is no likelihood of confusion between the application and the earlier mark. I am unpersuaded by Mr Bansal’s reliance on these registrations. The comparisons provided by Mr Bansal are examples that he has made up himself, they relate to different marks and the mere fact that these marks are on the register does not mean that an opposition would have been unsuccessful if launched.

45. Earlier in my decision I found that the respective services are identical (or highly similar) a factor which weighs in favour of the opponent. The marks are visually and aurally similar to a medium to high degree. The conceptual position is neutral because the marks will be perceived as abbreviations or acronyms and will have no conceptual hook that will assist consumers in distinguishing between them. The services will be selected both visually and aurally with the average consumers paying an above average degree of attention. The earlier mark is distinctive to an average degree.

46. Though I bear in mind that consumers will more easily perceive differences between short marks, they rarely have the chance to compare marks side by side and instead react on the basis of the possibly imperfect recollection of the mark they first encountered. The fact that the marks contain the same three letters of which the position of the first is identical creates a similar overall impression. Further, there is no conceptual hook that will aid the consumer memory. In my view, even taking into account the above average degree of attention paid during the selection, it is likely that consumers will remember in particular the identical beginning of the marks¹ and the letters of which the marks are made up but will not notice that the position of the

¹ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

second and third letters of the marks is reversed. **There is a likelihood of direct confusion.**

Conclusion

47. The opposition has succeeded.

COSTS

48. As the opponent has been successful, it is entitled to a contribution towards its costs. Using the guidance in Tribunal Practice Notice (TPN) 2/2016, I award costs on the following basis:

Official fee:	£100
Preparing the notice of opposition and considering the counterstatement:	£200
Written submissions:	£200
Total	£500

49. I order Atul Kumar Bansal to pay CQS Cayman Limited Partnership the sum of £500 as a contribution towards its costs. This sum is 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 day 5th February 2018

Teresa Perks

For the Registrar

The Comptroller – General

