

O/066/19

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION UK3254869

BY

CREDIT KEY LTD

TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 36

Credit Key

AND OPPOSITION THERETO (NO. 411523)

BY

SNAP CREDIT, INC.

Background and Pleadings

1. CREDIT KEY LTD (the Applicant) applied to register the word trade mark, Credit Key on the 6 September 2017 for services in class 36 listed below. It was accepted and published on the 1 December 2017.

Class 36: Credit information services.

2. SNAP CREDIT, INC. (the Opponent) opposes the application under section 5(1) and section 5(2)(a) of the Trade Marks Act 1994 (the Act). It relies on its two earlier UK and EU registered trade marks "CREDIT KEY". The first trade mark numbered EU015895477 (Mark 1) was filed on the 6 October 2016 and registered on the 10 February 2017, with a USA priority date of 11 April 2016, for services in class 36. The second earlier mark numbered UK3190223 (Mark 2) was filed on the 10 October 2016 and registered on the 31 March 2017 for services in class 36.

3. The Opponent opposes the application relying on its services in class 36 listed below for which the marks are registered claiming that there is a likelihood of confusion because under sections 5(1) and 5(2)(a) the trade marks are identical and are registered for services identical or similar to those for which the earlier mark is protected.

EU015895477 CREDIT KEY	Class 36: Providing loan financing, payment options and issuing credit for consumers at a point-of-sale.
UK3190223 CREDIT KEY	Class 36: Providing loan financing and payment options via online and global computer networks for consumers at a point-of-sale online, and in retail stores.

4. The Opponent submits that the marks are identical and the services are identical or, in the alternative, the services are highly similar, leading to a likelihood of confusion on the part of the public.

5. The Applicant filed a defence and counterstatement denying the claims made, submitting that “the Opponent has not satisfied the requirements of 5(1) of the act, there is no legal basis under that paragraph to refuse the Application.”

6. The Opponent is professionally represented by Cooley(UK) LLP. The Applicant is unrepresented. Only the Applicant filed evidence and only the Opponent filed submissions in lieu of a hearing. Neither party requested a hearing. The decision is taken upon the careful perusal of the papers and I have considered the caselaw raised by the Opponent in so far as it is relevant.

The Applicant’s evidence

7. The Applicant’s evidence consists of a statement completed by William Sinclair dated the 13 April 2018.

8. Mr Sinclair states that he is the Applicant’s Director.

9. From the outset he concedes that the Applicant’s mark is identical to the Opponent’s earlier marks in class 36. His statement, in the main, rehearses the law in relation to the requirements of section 5(1) and 5(2)(a) and refutes that the services are identical or similar. He does not expand further and gives no explanation as to why.

10. Whilst he raises proof of use towards the end of his statement, following correspondence with the tribunal the pleadings were amended and this ground was withdrawn.

Decision

11. The opposition is based on section 5(1) and 5(2)(a) of the Act which requires the respective marks to be identical. The Act states:

“5(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

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

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

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

12. An earlier trade mark is defined in section 6 of the Act, which states:

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

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) 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,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

13. In these proceedings, the Opponent is relying upon its UK and EU trade mark registrations, shown above, both of which qualify as earlier marks under section 6 of the Act. As these earlier marks have been registered for less than five years at the date the application was published they are not subject to the proof of use provisions contained in section 6A of the Act. Consequently, the Opponent is entitled to rely upon them in relation to all its Class 36 services of its registrations, as specified, without having to establish genuine use.

14. 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.

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 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 to mind the earlier mark, 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 the marks

15. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, Case C-291/00, the Court of Justice of the European Union (“CJEU”) held that:

“54... a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer.”

16. Both the Applicant’s mark and the Opponent’s marks consist of the words **Credit Key**. The Applicant’s mark is presented in title case whereas the Opponent’s marks

are in capitals. I take note that a word trade mark protects the word itself irrespective of font, capitalisation or otherwise and therefore a trade mark in capitals covers use in lower case and vice versa.¹ Upon this basis therefore I consider that the Applicant's mark has reproduced the Opponent's marks without modification, the marks are identical. The Applicant has conceded that the marks are identical and therefore I need not go on to compare or analyse the marks' individual components.

Comparison of the services

17. When conducting a goods and services comparison, all relevant factors should be considered as per the judgment of the CJEU in *Canon Kabushiki Kaisha v Metro Goldwyn Mayer Inc* Case C-39/97, where 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”.

18. I am also guided by the relevant factors for assessing similarity identified by Jacob J in *Treat*, [1996] R.P.C. 281 namely:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;

¹ *Bentley Motors Limited v Bentley 1962 Limited* BL O/159/17

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

19. In addition, in *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J stated that:

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless, the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

20. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court ("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 competing and services are:

Applicant's Services	Opponent's Mark 1	Opponent's Mark 2
Class 36: Credit information services.	Class 36: Providing loan financing, payment options and issuing credit for consumers at a point-of-sale.	Class 36: Providing loan financing and payment options via online and global computer networks for consumers at a point-of-sale online, and in retail stores.

22. I have no submissions of any significance from either party regarding the identity or similarity of the services in issue. To my mind “*credit information services*” is a broad generic term encompassing the imparting of information regarding lending services, or the provision of information as to financial background and credit worthiness. The core purpose of the Opponent’s “*providing loan financing, payment options and issuing credit for consumers at a point-of-sale*” and “*providing loan financing and payment options via online and global computer networks for consumers at a point-of-sale online, and in retail stores*” services concerns the offering of financial assistance and the facilitation of that process to include advice on affordability and repayment terms. I am mindful of the cases above regarding the identity or otherwise of the services at issue. To my mind the parties’ services are not identical or identical according to *Meric*, but they are complementary. The imparting of credit information either generally or specifically in relation to the financial standing of the consumer and their ability to pay, goes hand in hand with the offering of credit. The services share the same purpose, trade channels, and end users. They are similar to a high degree.

23. On the basis of this finding the opposition under section 5(1) fails and is dismissed accordingly. I will now go on to consider the opposition under 5(2)(a).

Average Consumer

24. When considering the opposing trade marks I must determine first of all who the average consumer is for the services and the method of selecting these services.

25. 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.”

26. The parties have made no submissions on the average consumer or the purchasing process for the services in question. The services provided by both parties will either be to members of the general UK public or businesses, looking for information as to how to obtain credit, or organisations offering credit. In both scenarios, the ability to ascertain credit worthiness is key and therefore the purchasing process is likely to be well considered and involve a great deal of care. I would determine that the purchasing process is likely to be visual with consumers attracted to the services through print or online search engines and advertisements. I do not

discount aural considerations however through word of mouth or sales staff recommendations.

Distinctiveness of the earlier mark

27. 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).”

28. The matter must be considered based on inherent characteristics as the opponent has not filed any evidence regarding its use of the marks. The earlier marks consist of the words “CREDIT” and “KEY” which individually are clearly recognisable English

words. The word “CREDIT” is wholly descriptive and allusive to borrowing and lending services offered by the Opponent whereas the word “KEY” will be known as meaning an instrument used for opening something. The inherent distinctiveness of the mark lies in the words in combination. When used in this way they are suggestive of the Opponent’s services providing the answer to resolve the user’s debt. Overall, I consider that the earlier mark has a low to medium degree of inherent distinctiveness.

Likelihood of Confusion

29. When considering whether there is a likelihood of confusion between the two marks I must consider whether there is direct confusion, where one mark is mistaken for the other or whether there is indirect confusion where the similarities between the marks lead the consumer to believe that the respective goods originate from the same or related source.

30. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“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 recognised 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, I conclude that it is another brand of the owner of the earlier mark.”

31. In determining whether there is a likelihood of confusion there are a number of factors to bear in mind. The first is the interdependency principle i.e. a greater degree of similarity between the respective goods may be offset by a lesser degree of similarity between the respective trade marks and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the Opponent's trade marks, the average consumer for the goods and the nature of the purchasing process. In doing so, I must consider 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 that he has retained in his mind.

32. The marks are identical (which is not in dispute) and the services are similar to a high degree. Even with a low to medium degree of inherent distinctiveness and a greater degree of care in the selection process I am satisfied that the average consumer will directly confuse one mark with the other.

33. In case I am wrong about direct confusion I will consider indirect confusion as explained in L.A. Sugar. The services are so similar within similar fields of industry that the average consumer will consider that the same provider has extended their offerings and that the respective services come from the same or economically linked undertaking. There is therefore a likelihood of indirect confusion.

Outcome

34. The opposition under section 5(2)(a) succeeds in full; subject to any successful appeal, the application is refused.

Costs

35. As the Opponent has been successful it is entitled to a contribution toward its costs. Awards of costs in proceedings are based upon the scale as set out in Tribunal Practice Notice 2 of 2016. Applying that guidance, I award costs to the Opponent on the following basis:

Preparing a Notice of opposition	£200
and reviewing the counter statement:	
Reviewing the Applicant's evidence and	£300
preparing submissions in lieu of hearing:	
Official fee:	£100
Total:	£600

36. I order CREDIT KEY LTD to pay SNAP CREDIT, INC. the sum of £600 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.

30th January 2019

Leisa Davies
For the Registrar