O-406-21

TRADE MARKS ACT 1994

IN THE MATTER OF

UK TRADE MARK APPLICATION NO. 3428385

BY ARCMONT ASSET MANAGEMENT LIMITED
TO REGISTER

ARCMONT

FOR SERVICES IN CLASSES 35 AND 36

AND

OPPOSITION NO. 418913 THERETO

BY AERMONT CAPITAL LLP

BACKGROUND AND PLEADINGS

1. On 13 September 2019 Arcmont Asset Management Limited ("**the Applicant**") applied to register the word "ARCMONT" as a UK trade mark in respect of a range of services in Classes 35 and 36. On 3 December 2020 the Applicant requested a limitation to various items in its Class 36 specification in order to more narrowly describe the services offered by the Applicant, which it considered highly specialised. The contested application thus stands opposed on the basis of the following specifcation and for ease of reference I have underlined the limiting terms:

Class 35: *Advertising; business management; business administration; office functions; business advice; business assistance; business investigations; business management services; business acquisitions; business consultancy services; management consultancy services; preparation and provision of business reports; business appraisal; business promotion; business research; business auditing; business analysis services; business planning services; business data analysis; business information services; business organisation services; compilation of business data; business risk management services; database management services; compilation of computer databases; information, consultancy and advisory services relating to the aforesaid*.

Class 36: *Insurance; financial affairs; monetary affairs; real estate affairs; financial services; asset management; investment services; investment advice; investment management, namely private debt investment management services provided to corporate pension investors, private debt investment management services provided to public pension investors, private debt investment management services provided to insurance investors, private debt investment management services provided to family offices, private debt investment management services provided to sovereign wealth funds, private debt investment management services provided to endowments and foundations, and private debt investment management services provided to financial institutions; investment consultancy; private debt investment services; financing services; financial consultancy; financial planning services; financial analysis services; financial appraisals; financial valuations; investment asset management; capital investment advice; fund investment services; arranging of investments; managing of investments; financial investment research services; management of investment portfolios; financial management of risk capital, investment capital and development capital; financial lending; loan financing; corporate financing, namely providing regulated corporate financing for*

large scale private-equity backed companies; asset-based financing; private debt financing, namely providing regulated private debt financing to private-equity backed companies; raising of capital; venture capital services; wealth management; stress and distressed investing; private equity investing; infrastructure debt and equity investing; energy debt and equity investing; leveraged loans, high yield and CLO origination services and investing; information, consultancy and advisory services relating to the aforesaid.

2. The application was published for opposition purposes in the Trade Marks Journal on 27 September 2019. Aermont Capital LLP ("**the Opponent**") filed a notice of opposition on Christmas Eve, 2019. The filed opposition was based initially on claims under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("**the Act**"). However, in June 2020, the Opponent informed the Tribunal that it did not intend to file evidence of reputation or goodwill and requested that the Opposition proceed only on the basisof section 5(2)(b) of the Act.

3. The section 5(2)(b) claim is premised on the similarity between the applied-for mark and the Opponent's earlier-filed trade marks and on the identity or similarity between the parties' respective services operating to give rise to a likelihood of confusion among the average consumer of those services. The Opponent relied on five earlier-filed trade marks, namely:

The Opponent's earlier trade marks	
UKTM 3183630	AERMONT
EU015794118	AERMONT
EU015794126	AERMONT CAPITAL
EU015794134	AERMONT REAL ESTATE
EU015794142	AERMONT PARTNERS

4. The registered services relied on are:

Class 35: *Management consulting services; advisory services related to business management and business operations; business consulting services*

Class 36: *Financial services; real estate services; asset management business, focused on real estate and real estate investment; investment consulting services; investment and management services related to funds; assets management services; fund and capital investment services.*

The Applicant's defence

5. The Applicant filed a Form TM8 notice of defence, including a counterstatement which denied that the applied-for mark ARCMONT is visually, aurally or conceptually similar to any of the Opponent's earlier AERMONT marks and denied that there exists a likelihood of confusion.

6. Defence of the application was developed further during the evidence rounds and through an oral hearing. The Applicant's position included an emphasis on the high levels of attention likely to be paid by the average consumer of the contested services (arguing that some of the services involve an especially high level), and the submission that it is not uncommon for marks in the field of financial services to share common elements (such as "MONT" in this case).

Representation and papers filed

7. In these proceedings, Wynne-Jones IP Limited acts for the Opponent; Stobbs acts for the Applicant. During the evidence rounds, the Opponent filed no evidence or submissions; the Applicant filed evidence as I outline below. An oral hearing was requested by the Applicant, which took place before me by video conference on 10 March 2021. The Opponent chose not to attend, nor to file submissions in lieu. The Applicant was represented at the hearing by Julius Stobbs and a skeleton argument was filed in advance. I have closely read all the papers filed and shall refer to points to the extent I consider it warranted to do so.

THE EVIDENCE

8. The Applicant filed evidence based on the witness statements of (A) **Nathan Brown**, (B) **Kasongo Swana** and (C) **Richard Anthony**.

*(A) Witness Statement of **Nathan Brown** dated 12 October 2020 with Exhibits NB1 - NB10*

9. Mr Brown is the Chief Operating Officer and a Director of the Applicant, with 22 years' experience in the financial services industry. He gives evidence firstly about the Applicant's own business and secondly, about branding practice in the financial services industry. I note the following points from Mr Brown's 11-page witness statement and exhibits:

i. The Applicant is a company regulated by the Financial Conduct Authority ("**the FCA**");
ii. The Applicant launched publicly on 31 October 2019;
iii. The Applicant's services focus on "private debt investment";
iv. Mr Brown identifies consumers of private debt investment services as falling into two groups: (i) investors – seeking management of their funds; and (ii) businesses seeking loans.
v. As to group (i), these are typically institutional investors, mainly pension funds and insurance companies. These consumers are highly trained, professionally qualified investors who undertake extensive due diligence before investment. Investors pay an exceptionally high level of attention because of the scale and significance of establishing a relationship with a private debt asset manager and there is only a small pool of firms in UK and Europe. There is no "directory" or "online platform" that could be used to engage a private debt manager in the UK or Europe. Formal engagement with a new investor is a bilateral, extensive, involved, and lengthy process, involving preliminary screening even before due diligence on, for example, past investment track record and control processes. Investors often seek input from legal advisors and other consultants. Investors' capital is invested for several years into private debt (loans to companies) and related strategies. The "harvest period", when the loans repay, typically arises after two to three years, when the money is returned to investors with profits.
vi. As to Group (ii) the Applicant describes the businesses it loans to as typically EU-based market-leading corporate businesses. So a business that engages with the private debt services by accepting a loan would typically have revenues between 50 million and two billion Euros, and would usually be backed by leading private equity firms. Typical loan amounts would be in the tens or hundreds of milions of Euros, the loan documentation very lengthy and the process involving due diligence over many weeks.

Branding practice in the financial services industry

vii. In his evidence as to branding practice in the financial services industry, Mr Brown states that the financial services industry in the UK is extremely broad. It covers a multitude of different businesses from highly regulated, sophisticated investment asset management firms such as the Applicant to small, unregulated money lenders as an example. Mr Brown states in his witness statement that "*the financial services industry in the UK is comparable to the retail services industry in the sense that it could cover any number of different outlets because it has widely differing types of entities within the broad description "financial". For example, a small outlet selling market-stall clothing operating under name that is similar to a very large sophisticated store selling a high value product (such as luxury cars) would not be confused by customers, even if these two outlets are selling goods under a similar, or even the same, name*." Mr Brown goes on to state that "*with this background in mind*" he knows from his extensive experience "*that the financial services industry has a very high tolerance the similar brand names, particularly in relation to highly regulated investment management firms and other sophisticated operations that are dealing with relatively small numbers of savvy institutional investors (customers)*."

viii. Mr Brown refers to various promotional activities surrounding the Applicant's launch on 31 October 2019. These included: coverage in prominent publications such as Citywire, Bloomberg and the Financial Times (Exhibit NB5) and other online publicity (Exhibits NB6, NB7, and NB9); and around 13,000 emails at launch, with an immediate engagement of 250 investors and further "interactions" with nearly 1200 customers. Mr Brown states that despite this exposure, there have been no instances of confusion. He find this unsurprising in view of the highly sophisticated consumer of its services.

(B) Witness Witness Statement of Kasongo Swana dated 12 October 2020 with Exhibits KS1-KS4

10. Ms Swana is a legal professional at Stobbs, whose on-line research evidence is filed in support of the Applicant's submission that similar company/brand names frequently coexist in the financial services industry, which coexistence is possible due to the attentive nature of the average consumer. I note, however, that only in a minority of the instances listed in the evidence do the companies satisfy all of the aspects for which Ms Swana had searched i.e. (i) a financial services company operating in the UK whose

name has a shared common component (ii) a validly registered UK/EU trade mark and (iii) current FCA registration. The high point illustrations are perhaps "BlackRock", "Blackstone" and "Bluestone" (in Exhibit KS1) and "Clermount" and "Coremont" in Exhibit KS2, which also includes, for example, Greymont Financial, although the latter is not shown to be FCA-regulated. Exhibit KS3 shows company names in the financial sector (at large) featuring the element STERLING, ALPHA, LLOYD or PEAK.

(C) Witness Statement of Richard Anthony dated 11 November 2020

11. Mr Anthony has worked in the financial services sector for 24 years; he is the CEO of Evercore Private Funds Group, which he states is a market-leading Private Funds business, raising capital globally for investment managers. He gives evidence firstly to confirm the accuracy of the overview provided in the witness statement of Nathan Brown as to the rigourous process applicable in engaging the services of a large investment manager such as the Applicant. Secondly, he states that his company has relationships with over 500 underlying investors and has encountered no manager or underlying investor who has confused the names or organisations of Arcmont and Aermont.

DECISION

My approach to the earlier marks

12. One of the five earlier marks is a UK-registered trade mark, the other four are registered at the EUIPO. None of the marks is subject to proof of use, each earlier mark is a plain word mark and each is registered for precisely the same services, which are all relied on to oppose the whole of the contested application. One of the EU trade marks is identical to the earlier UK mark relied on, and the other three marks include additional terms - CAPITAL, REAL ESTATE and PARTNERS - which, according to the Opponent's statement of grounds, are "*descriptive and will not be analysed in the comparison of signs.*" Those additional elements are at any rate not present in the contested sign. During the evidence rounds the Opponent filed no evidence or submissions, which might otherwise have borne on considerations of distinctiveness of the earlier marks. In view of these circumstances, I shall focus in this decision on the earlier mark "AERMONT" (solus), since it self-evidently represents the Opponent's best case.

The applicable law

13. Section 5(2)(b) of the Act, reads as follows:

"5. – […]

(2) A trade mark shall not be registered if because – […]

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

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

14. Determination of a section 5(2)(b) claim must be made in light of the following principles, which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P. The principles are:

(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 the services

15. Section 60A(1)(a) of the Act makes clear that services are not to be regarded as being similar to each other only on the ground that they appear in the same class under the Nice Classification. Rather, in considering the extent to which there may be similarity, I take account of the guidance from relevant case law. Thus, in *Canon* the Court of Justice of the European Union ("**the CJEU**") stated that:

"*In assessing the similarity of the goods or services concerned … 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*".[1]

1 Case C-39/97, at paragraph 23.

16. In *Boston Scientific*, the General Court described goods as "complementary" in circumstances where "... *there is a close connection between* [the goods]*, 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*".[2] I also take note that in *Kurt Hesse v OHIM*, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods.[3]

17. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case[4] for assessing similarity were:

    (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;

    (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.

18. Moreover, and of particular relevance in the present case, it is established case law - notably from the ruling of the General Court in *Gérard Meric* - that where services designated by an earlier mark are included in a more general category designated by a trade mark application - or vice versa - such services may be considered identical.[5]

19. I also note the guidance of Floyd J. (as he then was) in *YouView v Total* cautioning against allowing such a liberal interpretation of trade mark registrations "*that their limits become fuzzy and imprecise*", but that "*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*

2 *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM),* Case T-325/06
3 *Case C-50/15 P*
4 *British Sugar PLC v James Robertson & Sons Ltd* [1996] R.P.C. 281
5 See paragraph 29 of the ruling of the General Court in *Gérard Meric v Office for Harmonisation in the Internal Market,* Case T- 133/05, EU:T:2006:247.

for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."[6] I take that guidance to apply similarly for services.

20. Similarly, I note Lord Justice Arnold's consideration in *Skykick* of the validity of trade marks registered for, amongst many other things, the general term 'computer software', where he set out the following summary of the correct approach to interpreting broad and/or vague terms:

> *" …the applicable principles of interpretation are as follows:*
> *(1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.*
> *(2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.*
> *(3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.*
> *(4) A term which cannot be interpreted is to be disregarded."*[7]

21. The Applicant's defence made no denial as to the existence of similarity or identity between the parties' respective services. The skeleton argument filed on behalf of the Applicant identified the services that the Applicant submitted were identical, similar and not similar – I further refer to these below.

22. The Applicant's skeleton argument states that a term such as "financial services" is comparable to "retail services", or to goods such as "software", in that it is extremely general. It would cover many sub-categories of services, which may be quite distinct from one another. I also note the Applicant's submission that bearing in mind the guidance from *Skykick*, there is a question as to whether or not the term "financial services" is of sufficient clarity and precision to be an acceptable, valid and enforceable term, given the likely lack of intention to use the Opponent's mark in respect of all "financial services".

23. I recognise that the term "financial services" undoubtedly covers a vast range of activities; such a term, in common with a term like "monetary affairs" where its boundaries are not clear-cut, can complicate the task of undertaking a comparison, on a notional basis, with other specified service terms. However, I am not aware of any case law authority that

6 *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), at paragraph 12 of that judgment.
7 *Sky Plc v Skykick UK Ltd* [2020] EWHC 990 (Ch), in the context of the ruling of the CJEU in Case C371/18

has found the specification of "financial services" to be unacceptable for trade mark registration;[8] I do not view financial services as a term that cannot be interpreted within the guidance from *Skykick*. I will proceed to construe it as best I can on the basis of my understanding of what may at core fall naturally within the scope of the term (taking account, where appropriate, of any evidence filed or case law cited in proceedings).

24. In line with the Applicant's own submissions/admissions as to identity or similarity, I find the services in the table below to be either identical (especially taking account of the inclusion principle in *Gérard Meric*) or else similar (in my view highly so). For the sake of clarity, I have underlined those which the Applicant submitted to be identical. Among the services that it submitted to be identical or similar, the Applicant also identified those which it considered to be highly specialised, and therefore engaging a particularly high level of attention on the part of the average consumer. For reference later in this decision, I have replicated the approach from the skeleton argument and those **highly specialised** services are presented in **bold print** in the table below.

Identical or highly similar service	
Applied-for services in Class 35	**Opponent's services in Class 35**
business management; business advice; business assistance; business management services; business acquisitions; business consultancy services; management consultancy services; preparation and provision of business reports; business appraisal; business promotion; business research; business auditing; business analysis services; business planning services; business data analysis; business information services; business organisation services; compilation of business data; business risk management services; information, consultancy and advisory services relating to the aforesaid.	Management consulting services; advisory services related to business management and business operations; business consulting services.
Applied-for services in Class 36	**Opponent's services in Class 36**
financial affairs;	Financial services; real estate services;

8 (Nor, clearly, is there any question of bad faith raised in these proceedings.)

monetary affairs real estate affairs; financial services; asset management; investment services; investment advice; **investment management, namely private debt investment management services provided to corporate pension investors, private debt investment management services provided to public pension investors, private debt investment management services provided to insurance investors, private debt investment management services provided to family offices, private debt investment management services provided to sovereign wealth funds, private debt investment management services provided to endowments and foundations, and private debt investment management services provided to financial institutions;** investment consultancy; **private debt investment services;** financing services; financial consultancy; financial planning services; financial analysis services; financial appraisals; financial valuations; investment asset management; capital investment advice; fund investment services; arranging of investments; managing of investments; financial investment research services; management of investment portfolios; **financial management of risk capital, investment capital and development capital;** financial lending; loan financing; **corporate financing, namely providing regulated corporate financing for large scale private-equity backed companies;** **asset-based financing;** **private debt financing, namely providing regulated private debt financing to private-equity backed companies;** **raising of capital;** **venture capital services;** wealth management; **stress and distressed investing;** private equity investing; **infrastructure debt and equity investing;** **energy debt and equity investing;** **leveraged loans, high yield and CLO origination services and investing;** information, consultancy and advisory services relating to the aforesaid.	asset management business, focused on real estate and real estate investment; investment consulting services; investment and management services related to funds; assets management services; fund and capital investment services.

25. The Applicant submitted that the following of its applied-for services were *not similar* to any of the services under the Opponent's earlier mark(s): **Class 35:** *advertising; business administration; office functions; business investigations;* and **Class 36:** *Insurance*. I do not agree with the Applicant's submitted position on these services.

26. The applied-for Class 35 services of "advertising" involve offering promotional services to draw consumers' attention to the goods or services of a particular undertaking. I note that the Opponent's earlier Class 35 services are "business consulting services" and "advisory services related to business management and business operations". Those services of the Opponent could include advice on how a business may promote itself, but would not naturally extend to the actual delivery of advertising materials. It is also self-evident that the users of business consultancy services will be businesses, and that businesses too will be consumers of advertising services. The combination of overlap in purpose, trade channels and users may be sufficient to found a degree of similarity, albeit in my view a low degree of similarity.

27. With regard to the applied-for "business administration" and "office functions" it seems to me that there is greater central connection to the earlier services of giving advice about managing business operations (i.e. "advisory services related to business management and business operations". These respective services share not only users (businesses), but also purpose (the smooth and effective running of business enterprise) and potentially channels of trade. I consider those services similar to a medium degree.

28. It is not clear to me what is the intended scope of the term "business investigations". However, at its core I find it could accommodate the needs both of a consumer seeking to engage a service provider to carry out an investigation of a third-party business, and of a consumer seeking to explore a particular business issue. On the latter construction there may be an overlap with the "business consulting services" specified under the Opponent's earlier trade mark. These respective services share not only users (businesses), but also purpose (exploration and elucidation of business issues) and potentially channels of trade. I consider those services similar to a medium degree.

29. Turning lastly to "Insurance" in Class 36. The focus of securing insurance services is to offset risk in relation to some or other eventuality, but the services have some similarity with financial services owing to an overlap in nature, users and distribution channels. I consider those services similar to a medium degree. I am fortified in that assessment in

view of the observation by Arnold J (as he then was) in *FIL v Fidelis*,[9] which was among the authorities relied on by Mr Stobbs: Arnold J noted that "*there is a tendency towards convergence between different areas of financial services, and in particular between insurance and investment*."

The average consumer and the purchasing process

30. In *Hearst Holdings Inc,*[10] Birss J explained that "… *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 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 word "average" denotes that the person is typical".*

31. In the present proceedings, the services at issue include many that are of primary or exclusive interest to business consumers – for instance all of the Opponent's Class 35 services and most of the applied-for services in that same class. Arguably, since the applied-for services in Class 35 include "advertising" is a broad term I find that the average consumer may include a member of the public at large, not only businesses – for instance for the sale of second-hand personal items or to promote a one-off community event.

32. The services in Class 36 also involve a mix of average consumer, with many of the services of primary or exclusive interest to business consumers – such as the applied-for "corporate financing" – but with many of the services also of interest to the general public at large – including "insurance", "real estate services", as well as many of the various species of financial services.

33. However, it seems to me that *all* of the services would be selected with a level of attention that is at least medium, and in some instances very high. I have acknowledged that financial services covers a vast array of offerings, but even at the lower end of the market where a member of the public engages with high street or online savings providers the level of care and attention will be above medium, given not only the relative infrequency with which the services will be sought, but also the consumer's deliberate choice to build or safeguard their personal wealth, even if on a modest scale. Likewise, a member of the public will commonly seek "insurance" as a service, and in that process will pay at least

9 [2018] EWHC 1097 (Pat); see paragraph 153 of that judgment.

10 *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), at paragraph 60.

a medium level of attention. In general, businesses may be expected to pay a greater level of attention to the selection of the services at issue.

34. I have noted the services singled out in the Applicant's skeleton argument as attracting an especially elevated degree of attention on the part of a sophisticated professional user group. I have also noted the evidence of Mr Brown as to the meticulous and rigorous process that attends such services, where the moneys involved are substantial. The evidence of Mr Brown is supported by that of Mr Anthony. I do not overlook that Mr Brown's evidence relates to the particular circumstances of the Applicant, and I am conscious that the process of determining an objection on the basis of section 5(2)(b) must take account of the notional circumstances in which the services may be provided. While the Applicant itself is one of the upper-end players in this private debt investment sector (managing capital in the tens of billions), it seems to me that by any measure private debt investment is a niche activity. Moreoever, I have only the evidence filed by the Applicant – there is no evidence or submission in reply to contradict or argue against the account provided. In the circumstances I find that a very high level of attention will be engaged in relation to all of the services set out in bold in the table earlier in this decision, and which I re-present in extract here:

- investment management, namely private debt investment management services provided to corporate pension investors, private debt investment management services provided to public pension investors, private debt investment management services provided to insurance investors, private debt investment management services provided to family offices, private debt investment management services provided to sovereign wealth funds, private debt investment management services provided to endowments and foundations, and private debt investment management services provided to financial institutions;
- private debt investment services;
- financial management of risk capital, investment capital and development capital;
- corporate financing, namely providing regulated corporate financing for large scale private-equity backed companies;
- asset-based financing;
- private debt financing, namely providing regulated private debt financing to private-equity backed companies;
- raising of capital;
- venture capital services;
- stress and distressed investing;
- infrastructure debt and equity investing;
- energy debt and equity investing;
- leveraged loans, high yield and CLO origination services and investing;

35. Whereas Mr Brown states that there there is no “directory” or “online platform” to engage a private debt manager, the majority of services at issue, whether financial, or advertising or based in the fields of real estate or business administration or consultancy (and so on) will be promoted under their trade marks online or in print adverts in selected publications, and sometimes in signage at places of business. The average consumer’s mode of encounter with the marks is therefore primarily visual, but it is also the case the services at issue may be recommended by word of mouth, so the way the marks sound is also a consideration.

Comparison of the marks

36. It is clear from *Sabel* 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 in *Bimbo* 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*.”[11]

37. It would therefore be wrong to dissect the trade marks artificially, but it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features that are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are shown below:

The earlier (best case) trade mark:	**AERMONT**
The Applicant’s mark:	**ARCMONT**

38. The overall impressions both of the Opponent’s earlier word mark (on its best case) and of the applied-for mark of course derive solely from the respective words. The words will strike the average consumer as essentially made-up words.

11 *Bimbo SA v OHIM, Case C-591/12P (*at paragraph 34)

Visual similarity

39. As the Opponent noted in its statement of grounds, the marks share the same number of letters, the same first letter and the same final four letters. The visual difference comes from the second and third letters – the ER in the earlier mark, and the RC in the applied-for mark. In my view, taking account of the overall impressions, of distinctive (made-up) seven-letter words, both ending MONT and both opening with a three-letter component that begins with A and features an R, **the marks are visually similar to a degree that is pretty high – higher than medium.**

Aural similarity

40. The opening syllable of the earlier mark will be pronounced as "AIR" - as the same letters are said in "aeroplane". The opening syllable of the applied-for mark will be pronounced as "ARK". The second syllable of both of the words is MONT, which will sound the same in both marks. In my view, the marks may be considered **aurally similar to – at most - a medium degree.**

Conceptual similarity

41. The Applicant submits that UK consumers would associate the element ARC present in the Applicant's mark with the English word "arc" or "arch", indicating a curve, and that in contrast, AER has no meaning in English. The Applicant submits that MONT would be understood as referencing a mountain. Its evidence indicates that the selection of the suffix MONT is not unique to the parties and I took the position of the Applicant to be that the MONT component is not very distinctive. The Applicant argued that MONT in combination with a distinct element such as ARC means that the Applicant's mark takes on a conceptual meaning that is not present in the earlier mark, and that the marks are conceptually similar to only a low degree, at best.

42. The position of the Opponent as set out in its statement of grounds is that conceptually none of the marks has a meaning and that the conceptual element of the comparison is neutral. While I have noted the Applicant's arguments as to what the average consumer may potentially discern in the marks, I also take note of the case law cautioning against artificial dissection of a trade mark. In my view, the overall impressions of the marks are that they are both invented terms without a clear, immediately graspable meaning. I

therefore agree with the Opponent that, the position in comparing the marks on a conceptual basis is **neutral**.

Distinctiveness of the earlier mark

43. The distinctive character of the earlier mark must be assessed, as, potentially, the more distinctive the earlier mark, either inherently or through use, the greater the likelihood of confusion.[12] In *Lloyd Schuhfabrik*, 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-2779, 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)".

44. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctive character of a mark may be enhanced by virtue of the use that has been made of it.

45. The earlier word mark "AERMONT" appears to be a made-up word and has no obvious allusive message in connection with its registered services. In my view, the

12 *Sabel* at [24]

distinctiveness of the earlier mark on an inherent basis is **high**. There is no evidence of use of the mark serving to enhance its distinctiveness among the average consumer.

Conclusion as to likelihood of confusion

46. In my global assessment of likelihood of confusion, I take account of my findings set out in the foregoing sections of this decision and of the case law principles outlined in paragraph 14 above. Central points from my analysis above may be summarised broadly as follows:

- The great majority of the services at issue are identical or highly similar. There is a lower degree of similarity – a medium degree - in relation to the applied-for services *business administration; office functions; business investigations* (in Class 35) *insurance* (in Class 36), and a lower still degree of similarity – a low degree - in relation to the applied-for Class 35 services of *advertising;*
- The average consumer for some of the services will be a business, other services will target both businesses and the wider general public;
- In general, businesses may be expected to pay a greater level of attention to the selection of the services at issue, but all of the services would be selected with a level of attention that is at least medium, and in some instances very high;
- Visual considerations predominate in the selection of the services and the marks are visually similar to a degree that is higher than medium; aural considerations are also a factor, on the basis of word of mouth recommendations, and the marks may be considered aurally similar to a medium degree (at best);
- Comparison of the marks on a conceptual basis produces a neutral outcome because neither mark has an immediately graspable concept;
- The earlier mark is highly distinctive on an inherent basis.

47. The question is whether there is a likelihood of confusion amongst a significant proportion of the relevant public.[13] The relative weight of the factors is not laid down by law, but is a matter of judgment for the tribunal on the particular facts of each case.[14] Confusion can be direct or indirect. Whereas direct confusion involves the average consumer mistaking one trade mark for the other, indirect confusion is where the average consumer realises

13 Kitchin L.J. in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41 at §34
14 See paragraph 33 of the decision of Iain Purvis QC sitting as the Appointed Person in Case No. O-079-17, (*Rochester Trade Mark*).

that the trade marks are not the same but puts the similarity that exists between the trade marks/goods down to the responsible undertakings being the same or related.

48. Evaluating a likelihood of confusion implies some interdependence between the relevant factors and, in particular, between the degree of similarity between the marks and that between the goods or services. *Canon* expressly steers that a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the services and vice versa.[15] Clearly the identity or high similarity prevalent in the services in this case weigh in the scale towards a likelihood of confusion. As a counterweight, the Applicant submits that the average consumer will pay most attention to the beginning part of the signs,[16] and will notice that the beginning of the marks in issue are different, so will not mistake one of these marks for the other. It argued that this is the case whether the marks are seen or heard and especially so given the higher-than-average level of care and attention likely to apply in the selection of the services.

49. The legal test 'likely to cause confusion amongst the average consumer' is inherently imprecise, not least because the average consumer is not a real person; it involves a prediction as to how the relevant public might react to the presence of two trade marks in ordinary use in trade and it is often very difficult to make such prediction with confidence.[17] Mr Stobbs referred me to the conclusion in the *Fidelis* case, [18] where Arnold J found there was no likelihood of confusion between the marks Fidelity and Fidelis despite similarity of (financial) services. An influential element in that case was the level of attention paid. I acknowledge that in the present case the difference between the marks is front-loaded in the second and third letters (which case law has suggested is a focus of consumer attention), whereas in the *Fidelis* case, the difference is in the terminal letters. However, that particular attention should be paid to the beginnings of marks is not a hard-and-fast rule, and I anyway note that (i) the *Fidelis* case was an infringement case whereas opposition proceedings are founded on notional assessments (ii) that "Fidelity" is a widely known standard word (iii) that the marks in that case are of slightly different lengths.

50. In the present case, a good proportion of the contested services involve an experienced and sophisticated consumer and engage an especially high degree of attention – I will

15 Case C-39/97 cited above.
16 Case T-133/05 Meric v OHIM – Arbora & Ausonia (PAM- PIM'S BABY-PROP) [2006] ECR II-2737, at [51]).
17 Again see comments of Iain Purvis as the Appointed Person, ibid.
18 *FIL Ltd & Anor v Fidelis Underwriting Ltd & Ors* [2018] EWHC 1097.

deal with those separately. However, as acknowledged in the Applicant's evidence and submissions, the breadth of some of the services encompasses a wide range of offerings which will be accessed - whether on the high street or online - by a member of the general public; these services include, for example, in Class 36: insurance, financial affairs; monetary affairs; real estate affairs; financial services; asset management; investment services; investment advice; financial planning services; arranging of investments; etc. The level of attention will be above medium, but not necessarily high. Even in Class 35, where the services are mostly targeted at businesses, the user may not be an especially sophisticated business and the level of attention may not necessarily be high; these services include, for example, business advice; business assistance; business promotion; business information services etc.

51. When I consider (a) the identity or at least medium degree of similarity between such services (those engaging less than a consistently very high degree of attention) (b) the inherent distinctiveness of the earlier mark and (c) the principles of interdependence of factors and of imperfect recollection, I find that a significant proportion of the relevant public will confuse one made-up word mark that is "A - - MONT" where one of those missing letters ("-") is an "R", with another made-up word mark that is "A - - MONT" where one of those missing letters ("-") is an "R". Since neither is a standard English word (like "fidelity") the effect of imperfect recollection is more likely. There is a significant risk of misremembering - a likelihood of direct confusion (though no risk of indirect confusion, since if the consumer were to notice the difference between the marks they would put the suffix 'mont' down to coincidence). I find this is the case despite the notable phonetic difference in the opening elements of the marks.

52. However, when I consider (a) the services that are similar to a degree that is less than medium – namely the Class 35 services of "*advertising*" (b) the services, which though identical or highly similar, engage a consistently very high degree of attention (and involve a sophisticated consumer and selection process) and (c) the differences between the marks, I find that neither the inherent distinctiveness of the earlier mark, nor the principles of interdependence of factors or of imperfect recollection leads to a likelihood of confusion. I have noted the evidence from Mr Brown and Mr Anthony as to no instances of any actual confusion in the context of the relatively limited co-existence of the two

marks. Such evidence is not a factor in my conclusion, but nor, on the basis of my reasoning above, do I find it surprising that there has been no actual confusion.[19]

53. **OUTCOME:** I therefore find that opposition fails in part, and subject to any appeal, the application may proceed to registration in relation to the following intact parts of the specification, but not for the terms scored through:

Class 35: Advertising; ~~business management; business administration; office functions; business advice; business assistance; business investigations; business management services; business acquisitions; business consultancy services; management consultancy services; preparation and provision of business reports; business appraisal; business promotion; business research; business auditing; business analysis services; business planning services; business data analysis; business information services; business organisation services; compilation of business data; business risk management services; database management services; compilation of computer databases~~; information, consultancy and advisory services relating to the aforesaid.

Class 36: ~~Insurance; financial affairs; monetary affairs; real estate affairs; financial services; asset management; investment services; investment advice~~; investment management, namely private debt investment management services provided to corporate pension investors, private debt investment management services provided to public pension investors, private debt investment management services provided to insurance investors, private debt investment management services provided to family offices, private debt investment management services provided to sovereign wealth funds, private debt investment management services provided to endowments and foundations, and private debt investment management services provided to financial institutions; ~~investment consultancy; private debt investment services; financing services; financial consultancy; financial planning services; financial analysis services; financial appraisals; financial valuations; investment asset management; capital investment advice; fund investment services; arranging of investments; managing of investments; financial investment research services; management of investment portfolios~~; financial management of risk capital, investment capital and development capital; ~~financial lending; loan financing~~; corporate financing, namely providing regulated corporate financing for

19 On the supportive nature of an absence of any evidence of actual confusion to a finding no likelihood of confusion, see Arnold J in the Fidelis case at paragraph 153 and the decision of Dr Brian Whitehead as the Appointed Person in Appeal Decision BL O/304/21, at paragraph 77.

large scale private-equity backed companies; asset-based financing; private debt financing, namely providing regulated private debt financing to private-equity backed companies; raising of capital; venture capital services~~; wealth management~~; stress and distressed investing; ~~private equity investing~~; infrastructure debt and equity investing; energy debt and equity investing; leveraged loans, high yield and CLO origination services and investing; information, consultancy and advisory services relating to the aforesaid.

COSTS

54. Since both parties have enjoyed an approximately equal measure of success in these opposition proceedings, I make no award of costs, and direct that each party shall bear its own costs in this matter.

Dated this 1st day of June 2021

Matthew Williams
For the Registrar