

O/586/21

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO. 3402154
IN THE NAME OF BABBLE FUTURE VENTURES LIMITED FOR THE TRADE
MARK**



BABBLE FUTURE VENTURES

IN CLASSES 35 & 36

AND

**THE APPLICATION FOR THE INVALIDATION THEREOF UNDER NO. 503055
BY BABBLE CLOUD LIMITED**

Background and pleadings

1. Babble Future Ventures Limited (“the proprietor”) is the registered proprietor of



the trade mark no. 3402154 in the UK for the trade mark BABBLE FUTURE VENTURES. It was accepted and published in the Trade Marks Journal on 29 July 2019, and was registered on 11 October 2019 in respect of the following services:

Class 35: Accounting services for mergers and acquisitions; Accounting services for pension funds; Accounting services relating to tax planning; Accounts (Drawing up of statements of -);Accounts (Preparation of -);Acquisition (Business -) searches; Acquisition of business information relating to company activities; Acquisition of business information relating to company status; Acquisition of commercial information; Acquisitions (Advice relating to -)plans; Administration of foreign business affairs; Administration of frequent flyer programs; Administration of incentive award programs to promote the sale of the goods and services of others; Administration of loyalty and incentive schemes; Administration of loyalty programs involving discounts or incentives; Administration of loyalty rewards programmes; Administration of loyalty rewards programs; Administration of loyalty rewards programs featuring trading stamps; Administration of membership schemes; Administration of newspaper subscription [for others];Administration of patient reimbursement programs; Administration of preferred provider plans; Administration of sales and promotional incentive schemes; Administration of sales promotion incentive programs; Administration of the business affairs of franchises; Administration of the business affairs of retail stores; Administration relating to business appraisal; Administration relating to business planning; Administration relating to marketing; Administration relating to sales methods.

Class 36: Administration of capital investment services; Administration of fund investment; Administration of funds and investments;

Administration of group insurance; Administration of group insurance plans; Administration of insurance business; Administration of insurance claims; Administration of insurance claims adjustment; Administration of insurance plans; Administration of insurance portfolios; Administration of investment funds; Administration of mortgage business; Administration of mutual funds; Administration of shares; Administration of trusts; Administrative services relating to investments; Advice relating to investment during retirement; Advice relating to investment for retirement; Advice relating to investments; Advice relating to loan recovery services; Advice relating to mortgages for residential properties; Advice relating to pensions; Advisory services relating to financial investments; Advisory services relating to financial matters.

2. Babble Cloud Limited (“the cancellation applicant”) applied to invalidate the trade mark registration under the provisions of Section 47(2)(a) and Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The invalidation is based on its earlier UK Trade Mark registration no. 3354660, which constitutes an earlier mark within the meaning of section 6 of the Act by virtue of its earlier filing date. The relevant details of this mark are set out in the table below:

Trade Mark	Filing date	Registration date	Services relied upon
BABBLE	19 November 2018	29 March 2019	Class 35: Advertising; business management; business administration; office functions; provision of business information; compilation of information on to computer databases; telephone answering for unavailable subscribers; data processing. data transcription, database management; provision of consumer product information

			<p>relating to office functions and telecommunication services; organisation and management of exhibitions for commercial or promotional purposes; organisation and management of business incentive and loyalty schemes; administration, management and organisation of customer loyalty programs including such programs involving discounts or incentives; advice, consultation and information services relating to the aforesaid services.</p> <p>Class 36: Financial services; credit, debit and prepaid card services; payment services via mobile phone and/or wireless device; financial services provided via the Internet; issuing of tokens of value in relation to bonus and loyalty schemes; provision of financial information; electronic funds transfer; billing. collection and settlement of payments between parties; clearing and reconciling financial transactions via a global computer network and communications network; banking</p>
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			<p>services; point of sale and point of transaction services; payment authorisation and settlement services; electronic funds transfer and currency exchange services; transaction authentication and verification services; dissemination of financial information via a global computer network and communications network; information services relating to finance and insurance provided online from a computer database or the internet; advice, consultation and information services relating to all the aforesaid services.</p>
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3. The cancellation applicant pleaded that the respective services are either identical, highly similar or similar, and that the marks are either highly similar or similar, and that there will be a likelihood of confusion between the marks. The cancellation applicant stated it informed the proprietor of its intention to file the invalidation action by way of a letter sent via email on 4 February 2020. The invalidation action itself was initially received by the Office on 9 March 2020, with the admissible form being sent to the proprietor by the Tribunal via an official letter dated 19 March 2020.

4. The invalidation action was initially filed based on a second ground, under sections 47(1) and 3(6) of the Act, namely that the application was made in bad faith. The cancellation applicant pleaded this ground on the basis that the name under which the registration appeared on the register did not appear to be a valid legal entity (this was initially shown to be “Babble Future Ventures”). As this was subsequently amended, the Tribunal wrote to the cancellation applicant on 17 March 2021, informing them that unless the cancellation applicant was able to further substantiate this ground, it was the registry’s

preliminary view to strike it out entirely, and that it would do so if no response was received from the cancellation applicant by 31 March 2021. Both parties were informed that if they disagreed with the preliminary view, they were entitled to request a hearing by the same date. No response was received, and as such the parties were informed by way of a letter dated 9 April 2021 that section 3(6) would be struck out of proceedings. I will therefore not consider this ground further within this decision.

5. The proprietor filed a counterstatement denying the claims made, and also denying that the cancellation applicant notified it of its intention to file an application for invalidation against its registration, prior to the receipt of the notice that the action had been filed from the Tribunal.
6. Only the cancellation applicant filed evidence in these proceedings, and this will be summarised to the extent that it is considered necessary. Both parties filed submissions during the evidence rounds, which will not be summarised but will be referred to as and where appropriate during this decision.
7. A Hearing took place before me on 1 July 2021 at 13.30. Only the cancellation applicant attended the hearing and was represented at the same by Mr Duncan Welch of Icen Law Limited. The proprietor is unrepresented in these proceedings.
8. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied upon in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

Evidence

9. The evidence filed comprises a witness statement dated 19 January 2021 in the name of Duncan A Welch. Mr Welch is described as a director for the cancellation applicant's representative, Icen Law Limited. The witness statement introduces six exhibits, namely Exhibit DAW1 – Exhibit DAW6. These all appear to be aimed at showing that contact was made with the proprietor

prior to the filing of the invalidation or showing the steps made to investigate the proprietor as a registered entity, and so whilst they have been considered they will be summarised only briefly.

10. Within his witness statement, Mr Welch explains that Exhibit DAW1 is a copy of the letter sent to the email address info@lacorporate.co.uk on 4 February 2020. The exhibit comprises a letter providing details of the earlier mark relied upon and requesting the “voluntary cancellation” of the trade mark which is the subject of this cancellation action, amongst other requests to cease use of the mark. Exhibit DAW2 is a screenshot of the page www.lacorporateaccounting.co.uk displaying the contact email of info@lacorporate.co.uk as mentioned by Mr Welch in the witness statement, and the cover email showing the letter at Exhibit DAW1 being sent to that email address on 4 February 2020, as well as a reminder email to the same email address dated 11 February 2020.

11. In his witness statement Mr Welch explained that after obtaining the registry file for the trade mark, shown at Exhibit DAW3, he found the details of the proprietor on Companies House which showed dormant accounts for January 2020. Details of these are provided at Exhibit DAW4. Mr Welch explained he used Companies House to seek details of LA Accounting Ltd as this appeared on the TM8 in box 4.¹ Exhibit DAW5 consists of papers from the investigations made into the various companies related to LA Accounting Ltd as well as Abdul Gufar.² Exhibit DAW6 is a copy of the register showing the details of the contested trade mark as of 14 January 2021, with the owner name appearing simply as ‘BABBLE FUTURE VENTURES’.

Proof of use

12. As the earlier mark was under five years old at the date on which both the application and the invalidation were filed, namely 26 May 2019 and 9 March

¹ The details “LA ACCOUNTING LTD” are given in the address box only of the TM8.

² Abdul Gufar completed the TM8 on behalf of the proprietor.

2020 respectively, proof of use is not applicable in these proceedings under section 6A of the Act.

Preliminary Issues

13. In its TM8, the proprietor has expressed that the cancellation applicant and itself are in different fields of business. In addition, within its submissions, the proprietor makes reference to the element BABBLE FUTURE VENTURES within its own mark being in a totally different font to the cancellation applicant's mark, and also to the use of the cancellation applicant's logo. However, the invalidation action has been filed on the basis of the word mark BABBLE, and it is this which I must consider in these proceedings. Matter used with, but extraneous to, the mark itself is not a relevant consideration,³ nor is the way the services are marketed, as this is subject to change over time.⁴ It is well established that it is the marks as registered, including the services as registered that I am to consider in cases where there is no requirement for the cancellation applicant to prove use. In this case, the mark relied upon is not yet subject to proof of use provisions as outlined above. I am therefore only required to consider the mark as registered, namely the word mark BABBLE, for the specification of services as registered and relied upon, and the likelihood of confusion between this and the contested trade mark as registered, in respect of the services as registered.

Decision

Section 47

14. Section 47 of the Act states as follows:

47. –

³ *J.W. Spear & Sons Ltd and Others v Zynga Inc.* [2015] EWCA Civ 290

⁴ *Devinlec Développement Innovation Leclerc SA v OHIM*, Case C-171/06P,

(1) [...]

(2) The registration of a trade mark may be declared invalid on the ground -

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5 (4) is satisfied

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

Section 5(2)(b)

15. Section 5(2)(b) of the Act is 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”.

The Principles

16. The following principles are gleaned from the decisions of the Court of Justice of the European Union (“CJEU”) 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 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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of services

Similarity of services – Nice Classification

17. Section 60A of the Act provides:

“(1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the "Nice Classification" means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1975."

18. 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 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. 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 the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 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”.

20. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the General Court 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. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court stated that goods were “complementary” in instances where:

“...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”.

22. The case law provides further guidance on how the wording of goods and services as registered and filed should be interpreted within the comparison. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was) 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."

23. In *Sky v Skykick* [2020] EWHC 990 (Ch), Lord Justice Arnold considered the validity of trade marks registered for, amongst many other things, the general term 'computer software'. In the course of his judgment 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.”

24. With these factors in mind, the services for comparison are below:

Cancellation Applicant’s services (as relied upon)	Proprietor’s services
<p>Class 35: Advertising; business management; business administration; office functions; provision of business information; compilation of information on to computer databases; telephone answering for unavailable subscribers; data processing. data transcription, database management; provision of consumer product information relating to office functions and telecommunication services; organisation and management of exhibitions for commercial or promotional purposes; organisation and management of business incentive and loyalty schemes; administration, management and organisation of customer loyalty programs including such programs involving discounts or incentives; advice, consultation and information services relating to the aforesaid services.</p> <p>Class 36: Financial services; credit, debit and prepaid card services; payment services via mobile phone and/or wireless device; financial services provided via the Internet; issuing of tokens of value in relation to bonus and loyalty schemes; provision of financial information; electronic funds transfer; billing. collection and settlement of payments between parties; clearing</p>	<p>Class 35: Accounting services for mergers and acquisitions; Accounting services for pension funds; Accounting services relating to tax planning; Accounts (Drawing up of statements of -);Accounts (Preparation of -);Acquisition (Business -) searches; Acquisition of business information relating to company activities; Acquisition of business information relating to company status; Acquisition of commercial information; Acquisitions (Advice relating to -)plans; Administration of foreign business affairs; Administration of frequent flyer programs; Administration of incentive award programs to promote the sale of the goods and services of others; Administration of loyalty and incentive schemes; Administration of loyalty programs involving discounts or incentives; Administration of loyalty rewards programmes; Administration of loyalty rewards programs; Administration of loyalty rewards programs featuring trading stamps; Administration of membership schemes; Administration of newspaper subscription [for others];Administration of patient reimbursement programs; Administration of preferred provider plans; Administration of sales and promotional incentive schemes; Administration of sales</p>

<p>and reconciling financial transactions via a global computer network and communications network; banking services; point of sale and point of transaction services; payment authorisation and settlement services; electronic funds transfer and currency exchange services; transaction authentication and verification services; dissemination of financial information via a global computer network and communications network; information services relating to finance and insurance provided online from a computer database or the internet; advice, consultation and information services relating to all the aforesaid services.</p>	<p>promotion incentive programs; Administration of the business affairs of franchises; Administration of the business affairs of retail stores; Administration relating to business appraisal; Administration relating to business planning; Administration relating to marketing; Administration relating to sales methods.</p> <p>Class 36: Administration of capital investment services; Administration of fund investment; Administration of funds and investments; Administration of group insurance; Administration of group insurance plans; Administration of insurance business; Administration of insurance claims; Administration of insurance claims adjustment; Administration of insurance plans; Administration of insurance portfolios; Administration of investment funds; Administration of mortgage business; Administration of mutual funds; Administration of shares; Administration of trusts; Administrative services relating to investments; Advice relating to investment during retirement; Advice relating to investment for retirement; Advice relating to investments; Advice relating to loan recovery services; Advice relating to mortgages for residential properties; Advice relating to pensions; Advisory services relating to financial investments; Advisory services relating to financial matters.</p>
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25. The earlier mark covers the term *financial services*. This is a broad term covering a range of services relating to finances. I find this to incorporate the following services covered by the proprietor's class 36, rendering the services identical within the meaning of *Meric*:

Administration of capital investment services; Administration of fund investment; Administration of funds and investments; Administration of investment funds; Administration of mortgage business; Administration

of mutual funds; Administration of shares; Administration of trusts; Administrative services relating to investments; Advice relating to investment during retirement; Advice relating to investment for retirement; Advice relating to investments; Advice relating to loan recovery services; Advice relating to mortgages for residential properties; Advice relating to pensions; Advisory services relating to financial investments; Advisory services relating to financial matters.

26. Further, I find the cancellation applicant's *financial services* to have a similar nature and purpose to the proprietor's services below, in that they are all related to looking after and dealing with capital:

Accounting services for mergers and acquisitions; Accounting services for pension funds; Accounting services relating to tax planning; Accounts (Drawing up of statements of -); Accounts (Preparation of -);

27. I note there will also likely be shared trade channels with the above services and that at some level they will share users, those being members of the general public or professionals. The services will not be in competition or complementary. Overall, I find the proprietor's services above similar to the cancellation applicant's *financial services* to a medium degree.

28. The earlier mark also protects *information services relating to finance and insurance provided online from a computer database or the internet*. Whilst I note that the information services differ to administration services, in that one is for the provision of information and one will cover the actual actioning and/or maintaining of a service, I note the proprietor's services below share a subject matter with cancellation applicant's services below:

Administration of group insurance; Administration of group insurance plans; Administration of insurance business; Administration of insurance claims; Administration of insurance claims adjustment; Administration of insurance plans; Administration of insurance portfolios;

29. Due to the shared subject matter, I find it very likely in this instance that the trade channels will be shared, with the services very often offered by the same

entities. Further, the users of the services will be shared, those being both members of the general public and business requiring insurance. Overall, I find the services to be similar to at least a medium degree.

30. The cancellation applicant has protected the services *business administration*. The proprietor's services below all fall within the meaning of this term, rendering them identical under *Meric*:

Administration of foreign business affairs; Administration of the business affairs of franchises; Administration of the business affairs of retail stores; Administration relating to business appraisal; Administration relating to business planning;

31. In addition to the above, I also find the following services covered by the proprietor to fall under the broader term of *business administration* in the cancellation applicant's specification, on the basis they all relate to the administration of what I view to be business activities, rendering them identical within the meaning of *Meric*:

Administration relating to marketing; Administration relating to sales methods; Administration of patient reimbursement programs.

32. However, if I am wrong about the identity of these services, they will share a nature in that they are administration services, and I find they will likely share trade channels, with the same entities offering administration services relating to the types of services above as those dealing with business administration. Further, I find they will share users, those being professionals seeking to reduce their administrative burden. If the services are not identical within the meaning of *Meric*, I find them to be similar to at least a medium degree.

33. The cancellation applicant's mark covers the services *administration, management and organisation of customer loyalty programs including such programs involving discounts or incentives*. These services are either self

evidently identical to, or include or are included within the proprietor's services below making them identical under *Meric*:

Administration of frequent flyer programs; Administration of incentive award programs to promote the sale of the goods and services of others; Administration of loyalty and incentive schemes; Administration of loyalty programs involving discounts or incentives; Administration of loyalty rewards programmes; Administration of loyalty rewards programs; Administration of loyalty rewards programs featuring trading stamps; Administration of membership schemes; Administration of preferred provider plans; Administration of sales and promotional incentive schemes; Administration of sales promotion incentive programs

34. I do not find that the *Administration of newspaper subscription [for others]* covered by the proprietor falls within the meaning of *administration [...] of customer loyalty programs [...] covered under the earlier mark*. In my view, a loyalty program will be something that rewards the customers loyalty by way of regular spending with certain discounts, rewards or freebees, whereas a subscription service is a service where the consumer exchanges a payment at regular and preset intervals for a particular item, in the case of the above, a newspaper. However, I note that the nature of the administration services will be shared, as will the trade channels, with the administration of newspaper subscriptions for others likely being offered by the same entities that will offer the administration of loyalty programs. These will also likely share users, those being professionals and businesses relying on others to deal with the administration of these programs, although I note that they will also have shared users at a more general level, those being members of the public looking to use the subscription or loyalty schemes. Overall, I find the proprietor's services *Administration of newspaper subscription [for others]* to be similar to the cancellation applicant's goods to a medium degree.

35. The earlier mark covers the services *provision of business information; compilation of information on to computer databases* in class 35. I find that

proprietor's services, namely *Acquisitions (Advice relating to -)plans* will fall within the meaning of the provision of business information, and so I find these services to be identical under *Meric*.

36. Whilst the provision and compilation of information differs to the acquisition of the information itself, as covered by the proprietor's services below, these services will be complementary, in that the acquisition of information is essential for the compilation and provision of the same, and it is my view that the consumer will be likely to expect the services will be offered by the same undertaking. Further, the users will be shared, generally being professionals seeking business information. I therefore find the below services to be similar to the cancellation applicant's to between a medium and high degree:

Acquisition (Business -) searches; Acquisition of business information relating to company activities; Acquisition of business information relating to company status; Acquisition of commercial information;

Comparison of marks


37. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union 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.”

38. It would be wrong, therefore, to dissect the trade marks artificially, although it is necessary to take into account the distinctive and dominant components of

the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

39. With this in mind, the respective trade marks are shown below:

Earlier trade mark	Contested trade mark
BABBLE	

40. The earlier mark consists of the single word BABBLE, and this is where the overall impression lies.

41. The cancellation applicant submitted that the contested mark is clearly a “Babble mark”, however, I cannot discount that the later mark is made up of several elements, the most dominant of which in terms of size and position is the large device element including the letter ‘B’. In the context of the mark as a whole, the letter ‘B’ appears to be related to the later text as the first letter of the word BABBLE, which features in the relatively small standard font underneath the mark, reading ‘BABBLE FUTURE VENTURES’. In the context of the services offered, I find FUTURE VENTURES may be seen as a descriptive or at least an allusive term, and whilst it will not be ignored by the consumer, it plays a lesser role in the overall impression of the mark than BABBLE, which appears to have no meaning in relation to the services.

Visual comparison

42. Visually, the marks coincide through the use of BABBLE in both marks. As the earlier mark is filed as a word mark it may be used in any standard font. Further, I note the wording in the contested mark uses a standard font. In respect of the BABBLE element, which is where the visual similarities lie, whilst it is the entire earlier mark, it appears only in small font and in addition to several other visual elements, including the more dominant device element, in the contested mark. Overall, I find the marks to be visually similar to a low degree.

Aural comparison

43. The earlier mark will be pronounced in its entirety, namely as the single, two syllable word BAB-BLE. It is my view that, partly due to it indicating the first letter of the later word element, and in view of it appearing in the stylised device element of the mark, the single letter 'B' is unlikely to be verbalised by the consumer in the contested mark. Instead, I find the consumer will pronounce the contested mark as the three words and six syllables, namely BAB-BLE FUTURE VEN-TURES. Due to the identical first word featuring in both marks, which is placed at the beginning where the consumer is likely to pay more attention, I find the marks to be aurally similar to just below a medium degree.

Conceptual comparison

44. The earlier mark comprises the word BABBLE only. It is my view this will allude to the action of speaking a lot and quickly about something that is possibly of little relevance, or of the noises a child makes before learning to talk. To some it may also connote running water, namely a 'babbling' brook.

45. To a significant portion of consumers, it is my view that the device element in the later mark will appear to be simply decorative, and it won't convey an obvious conceptual meaning. However, I acknowledge that to another portion of consumers, this may convey the concept of a sun or a star. The word BABBLE will convey the same concept in this mark as it does in the earlier mark above, and the wording FUTURE VENTURES will convey to the consumer that the services are concerned primarily with ventures in the future. The word venture tends to convey that they will be of a business or financial nature.

46. Whether or not the device element of the contested mark will be viewed as a sun or a star, the marks coincide conceptually through the use of the word BABBLE. Where the device is viewed as a sun or star, the marks are conceptually similar to between a low and medium degree. Where this element will be viewed as purely decorative, the marks are conceptually similar to a medium degree.

Average consumer and the purchasing act

47. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

48. 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.”

49. Before deciding on the likelihood of confusion, I must first identify the relevant consumer of the services. The relevant consumer will vary in respect of the different services under the mark. Many of the class 36 services, including *financial services*, may be offered to both professional consumers and the general public. Some of the more specific services, such as *Advice relating to investment for retirement and Advice relating to mortgages for residential properties* may be more specifically aimed at the general public, although it is still possible that there will also be professionals seeking these services on behalf of their client(s). I find that the nature of the services in class 36, which pertain mainly to finances, borrowing and investment, will warrant at least an above average level of attention from the general public, as the consumer is likely to give a good level of thought and consideration into who they trust to handle their financial affairs, due to the possible financial risks this may pose. Further, professionals are likely to have a slightly higher level of attention due

to the increased liability that goes along with their professional position and seeking these services either on behalf of their business in general, or their client's, rendering their level of attention as fairly high.

50. The class 35 services appear to be mostly aimed at the professional consumer, with many of the services being aimed at businesses themselves, such as *advertising*, *business information* and *business appraisal*. Generally, the professional consumer will pay a higher degree of attention when engaging these types of services, due to the increased importance on choosing the right services for the business. Engaging these services may have a direct result on the success of the business, and it is my view that the professional consumer will pay an above average degree of attention in respect of the same. I note that some of the services, such as the administration of newspaper subscriptions and loyalty programs for example, may be aimed at both the businesses, such as newspaper and other companies looking for a party to deal with the administration of these programs, but it is also possible that the general public will deal with these companies direct and will therefore also be a consumer of the same. Although subscription and loyalty programmes may be relatively low costs, they generally involve signing up and committing for a number of months, and they are likely to receive at least an average degree of attention from the general public. Businesses looking for someone to deal with the administration of these programs will likely pay a higher degree of attention as it may impact the reputation of the business as a whole if not administered well, and so they are likely to pay an above average degree of attention in respect of the same.

51. The services relating to the administration of insurance may also be aimed at both professional consumers and the general public. The general public will consider factors such as cost, cover and excess amounts, and are likely to pay at least an average level of attention. The professional consumer will likely have additional considerations and will be purchasing policies of a higher value and with higher consequences if they are not correct, and as such is likely to pay an above average level of attention in respect of the same.

52. All of the services will primarily be purchased visually, often via a website. However, I note the services may also be purchased following verbal recommendations or over the phone, and so I cannot completely discount the aural considerations.

Distinctive character of the earlier trade mark

53. 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).”

54. The earlier mark comprises the word BABBLE. This will be viewed as having one of several meanings as described in my conceptual comparison, but none of these meanings are descriptive or allusive of the services offered under the mark. I find the mark to be inherently distinctive to a medium degree.

55. No evidence of use of the earlier mark has been filed in these proceedings, and so I cannot find that the inherent distinctiveness of the mark has been enhanced through use in this instance.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion

56. Prior to reaching a decision under Section 5(2)(b), I must first consider all relevant factors, including those as set out within the principles A-K at paragraph 16 of this decision. I must view the likelihood of confusion through the eyes of the average consumer, 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 they have kept in their mind. I must consider the level of attention paid by the average consumer, and consider the impact of the visual, aural and conceptual similarities of the marks by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. I must consider that the level of distinctive character held in the earlier marks will have an impact on the likelihood of confusion. I must consider that the likelihood of confusion may be increased where the distinctive character held in the earlier mark is high and may be less likely where it is low, and that the distinctiveness of the common elements is key.⁵ I must keep in mind that a lesser degree of similarity between the services may be offset by a greater degree of similarity between the marks, and vice versa. I must also consider that both the degree of attention paid by the average

⁵ See *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, in which Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar.

consumer and how the services are obtained will have a bearing on how likely the average consumer is to be confused.

57. I consider at this point that there are two types of confusion that I may find. The first type of confusion is direct confusion. This occurs where the average consumer mistakenly confuses one trade mark for another. The second is indirect confusion. This occurs where the average consumer notices the differences between the marks, but due to the similarities between the common elements, they believe that both products derive from the same or economically linked undertakings.⁶

58. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C. (as he then was), as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

59. It was submitted at the hearing by Mr Welch that the cancellation applicant's strongest case was that of direct confusion, but that its fallback position was that there is a likelihood of indirect confusion between the marks. I therefore will begin my assessment by considering the likelihood of direct confusion, and subsequently consider the likelihood of indirect confusion should this fail.

60. I found the visual similarities between the marks to be low, and that the marks are aurally similar to just below a medium degree. I found the marks were conceptually similar to either a low to medium degree, or a medium degree. I found the consumer will pay at least an average level of attention in respect of the services, and that the marks are inherently distinctive to a medium degree. I found the services to range from identical to similar to a medium degree. With consideration to all of the relevant factors, it is my view that the differences are too great for the consumer not to notice these, and there is no likelihood of

⁶ *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10

direct confusion between the marks even where the consumer will pay the lowest level of attention and the services are identical.

61. In respect of indirect confusion, I consider again all of the factors set out above. I note particularly that the element BABBLE is of a medium level of distinctiveness, and although it is not the most dominant element in the contested mark, it is the most distinctive of the word elements. I have asked myself if the consumer, where paying at least an average level of attention but also sometimes a higher level of attention, would view the element BABBLE in both marks and believe this indicates that the marks derive from the same economic undertaking. It is my view in this instance that this will be the case. I find that the addition of a device element in the contested mark is likely to be viewed as a more decorative version of the earlier mark, and the wording FUTURE VENTURES will either indicate a different branch of the services offered, or alternatively just the use of the full name of trade mark due to the descriptive or allusive nature of this wording. Whilst I do not therefore believe that consumers would mistake these marks for each other, I do find that they would be unlikely to put the use of BABBLE down to coincidence in respect of the services offered. Instead, I find they would believe these to be two different trade marks used by the same entity. I find this to be the case even where the services are similar only to a medium degree. For this reason, I find there is a likelihood of indirect confusion in respect of all of the services as filed.

Final Remarks

62. The invalidation action has succeeded in respect of all of the services as registered, and subject to a successful appeal, the earlier registration will be invalidated in its entirety.

COSTS

63. The cancellation applicant has been successful and is entitled to a contribution towards its costs. At the hearing, Mr Welch requested that off the scale costs be considered in favour of the cancellation applicant. This was not foreshadowed within the skeletons provided. Mr Welch provided three reasons for the off scale cost request, those being:

- The initial confusion and lack of clarity surrounding the name of the proprietor;
- The lack of engagement in the proceedings by the proprietor; and
- The fact that the proprietor was unwilling to negotiate.

64. At the hearing, I indicated to Mr Welch that it was my initial view that scale costs are appropriate, but that I would consider his submissions further and if appropriate I may contact both parties for further comment on the off scale costs request, giving the proprietor a chance to make submissions on the same should I find it necessary.

65. Having further considered the submissions made at the hearing, I find that the reasons set out by Mr Welch do not warrant off scale costs. Cost awards within the Tribunal are contributory and I have no discretion to award punitive costs. I do not find a lack of engagement in the proceedings will have increased the costs for the cancellation applicant, rather it will likely have decreased them as there would be no requirement to consider extensive submissions or evidence, or to spend an increased time at the hearing itself. Issuing an off scale cost award on the basis of a lack of engagement would, to my mind, be punitive.

66. Further, from reviewing the file, it appears to me that the confusion surrounding the proprietor's name was a simple error and it was partly the fault of the Registry that this was not rectified sooner. Whilst this is unfortunate, I do not find it appropriate to issue costs off the scale against the proprietor on this basis.

67. Finally, it is not a requirement that the proprietor negotiate with the cancellation applicant. Mr Welch submitted this was a clear case of confusion and as such the proprietor should have engaged in negotiation, but I do not accept that this

was clear to the proprietor. Further, issuing an off scale cost award against the proprietor for his lack of engagement in settlement negotiations would again be punitive. The fact that he did not surrender his registration and did not win the proceedings is reflected in a compensatory award on the regular scale.

68. I therefore award the cancellation applicant costs on the scale set out under the Tribunal Practice Notice 2/2016. I note the cancellation applicant filed evidence in these proceedings, however, this evidence was of no assistance to my decision and so I make no cost award in relation to the filing of the evidence. In the circumstances I award the cancellation applicant the sum of £2000 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Official fee:	£200
Preparing and filing the invalidation and considering the counterstatement:	£200
Preparing for and attending a hearing:	£1600

69. I therefore order Babble Future Ventures Limited to pay Babble Cloud Limited the sum of £2000. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 5th day of August 2021

**Rosie Le Breton
For the Registrar**