

O-939-21

**TRADE MARKS ACT 1994
IN THE MATTER OF
TRADE MARK APPLICATION NO 3501637
BY CORRECTION
TO REGISTER**

Just. – virtual enforcement

**AS A TRADE MARK
IN CLASSES 36 & 45
AND OPPOSITION THERETO (UNDER NO. 423460)
BY
JLG GROUP PLC**

Background and pleadings

1. Correction (“the applicant”) applied to register the trade mark set out on the title page of this decision on 17 June 2020. The application was examined and published in the Trade Marks Journal on 4 December 2020 in class 45 which do not form part of these proceedings and in class 36 for *Debt and asset recovery services; repossession services*

2. On 4 March 2021, JLG Group Plc (“the opponent”) initially opposed class 36 of the application under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade marks Act 1994 (“the Act). Although the pleadings under sections 5(3) and 5(4)(a) have been subsequently withdrawn, the opposition proceeds under the section 5(2)(b) grounds only. The opponent relies on its earlier UK registration no. 3388530 in class 36. The earlier registration’s details are outlined below.

UK TM No.3388530	Class 36
JUST Filing date: 1 April 2019 Registration date: 13 December 2019	<i>Financing and loan services; credit services; arranging of loans; lending services; funding solution services; information and advisory services relating thereto; all the aforesaid services provided to businesses and none relating to retail lending; none of the aforesaid services including insurance services and pension services</i>

3. The applicant subsequently filed a Form TM8 and a counterstatement denying the grounds of opposition.

4. The opponent’s above-mentioned registration is an earlier mark, in accordance with Section 6 of the Act but is not subject to proof of use requirements as it has not been registered for five years or more before the filing date of the applicant’s mark, as per section 6A of the Act.

5. Both sides have been represented throughout. The applicant is represented by Agile IP LLP and the opponent by Wynne-Jones IP Limited. Both sides filed submissions and the applicant requested to be heard. The hearing took place before me on 9 November 2021 and the applicant's skeleton argument was received in advance. The applicant was represented by Ms Beth Collett of Counsel, appointed by Agile IP LLP. Initially the opponent gave notice that it did not intend to attend the scheduled hearing. However, on 8 November 2021, the opponent telephoned the Tribunal to request attendance at the hearing. I agreed but directed that a skeleton argument would be required by close of business that day. Nothing appeared from the opponent. On the morning of the hearing, in fact after it had started, the IPO hearings clerk discovered two emails from the opponent in the Tribunal junk email filter. The first email was dated 5 November and set out final written submissions in lieu of attending the hearing including a section titled Annex A containing examples of two UK businesses providing both loan services and debt collection services under the same brand name.

6. The second email dated 8 November requested that the hearing scheduled for the 9 November be postponed until the opponent could appoint counsel, but if that postponement request was denied then the opponent would rely on its final written submissions dated 5 November.

7. Clearly the two emails were not retrieved by the hearing clerk until after the hearing had started so postponement was not an option. With regard to the opponent's written submissions including Annex A, Ms Collett made oral submissions that paragraph 21 of the submissions which references Annex A and the annex itself should be considered inadmissible as it appeared to be further evidence and as such was filed outside of such evidence deadlines as had previously been set by the Tribunal. However, if I were prepared to admit the material contained in Annex A, Ms Collett made the following points:

- The screenshots of the two companies used as illustrations are dated 2 November 2021 which post-date the relevant date in these proceedings by a considerable length

- There is no explanation as to what purpose the material serves to the services in question
- The material has been provided too late to the applicant to scrutinise and confirm the veracity of the information

8. Having now considered the material contained in Annex A and taking into account the points made in oral submission, I agree with the applicant that the material should not be admitted. Therefore for the sake of clarity, I confirm that in this decision I have considered the opponent's written submissions dated 5 November 2021 with the exception of paragraph 21 and Annex A.

Decision

9. 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.

10. The following principles are gleaned from the decisions of the EU courts¹ 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.

¹ Although the UK has left the EU, section 6(3)(a) of the European (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 Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

The principles

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

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

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

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

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

Comparison of services

11. In the judgment of the Court of Justice for the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

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

12. 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.

13. In *Avnet Incorporated v Isoact Limited*², Jacob J. (as he then was) stated that:

“In my view, specification for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance as it were, the core of the possible meanings attributable to the rather general phrase”

14. Also in *YouView TV Ltd v Total Ltd*³ 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."

² [1998] F.S.R. 16

³ [2012] EWHC 3158 (Ch)

15. In *Sky v Skykick*⁴ 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.”

16. In *Kurt Hesse v OHIM*⁵, 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)*⁶, the General Court (“GC”) stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

17. In *Sanco SA v OHIM*⁷, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of

⁴ [2020] EWHC 990 (Ch)

⁵ Case C-50/15 P

⁶ Case T-325/06

⁷ Case T-249/11

examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.

18. The respective services to be compared are:

Opponent's class 36 services	Applicant's class 36 services
<i>Financing and loan services; credit services; arranging of loans; lending services; funding solution services; information and advisory services relating thereto; all the aforesaid services provided to businesses and none relating to retail lending; none of the aforesaid services including insurance services and pension services</i>	<i>Debt and asset recovery services; repossession services</i>

19. In its skeleton argument⁸, the applicant contends that,

“Plainly the services and the consumers thereof are not similar. In a basic

⁸ Skeleton argument dated 5 November 2021, paragraphs 28 and 30

assessment, the Opponent's Consumers are those who are recipients of the loan, whereas the Applicant's Consumers are those who are the distributors of a loan (or equivalent), all of whom will have obtained an order of the court and therefore pay a higher degree of attention. The consumers are different (and by extension so is the average consumer), and the services are different; the only similarity is the involvement of something of value: asset recovery does not necessarily mean a monetary return".

and

"Debt and asset recovery services and repossession services are only financial services in the sense that they are services which enable the enforcement of loans and legal agreements. The services are not inherently financial, they merely can enforce financial arrangements/agreements, in the same way that the commercial court does not provide "financial services" even if one can use the court to recover money. They are even further away from the information and advisory services asserted against them, whether in respect of retail or non-retail customers.

20. Taking the above submissions into account and viewing them in conjunction with the guidance given in *Treat*, I agree with the applicant on this point. I do not find that the nature and use of the respective services are the same. Neither do I find that the users are the same. In my view, users of the opponent's services are businesses seeking financing or loans, whereas users of the applicant's services are those who have possibly provided loans now seeking to recover debt or those seeking to recover other outstanding monies such as from property rental as an illustrative example. It follows then that the channels of trade by which these services reach the market are also different as those seeking a loan and those seeking to recover a debt would find that particular service provision in different sectors of the wider financial market. Moreover, given the services are intended for different consumer groups and are not substitutable, I do not find the services are in competition with each other.

21. This leaves the issue of complementarity, for which the opponent contends in its written submissions⁹ that,

“The question therefore arises as to the complementary nature of financial loans to businesses and debt collection services. Typically, when a commercial debt is owed to a company, the company can use a debt recovery agency to collect these outstanding payments”.

and

“In such cases, there is a risk that the company seeking a loan or debt collection may use the same undertaking. Moreover, if these undertakings operate under the same/similar brand, there is a real risk of confusion (including association)”.

22. In my consideration of the complementarity issue, I remind myself of the guidance given in *Kurt Hesse* that there must be a close connection between the respective services such that one is indispensable or important for the use of the other in such a way that consumers may think the responsibility for both services lies with the same undertaking. I acknowledge the opponent’s point in paragraph 22 of their submissions¹⁰ that there are some companies who act as both loan provider and debt recoverer. However, as has already been established the users of the opponent’s services are different from the users of the applicant’s services therefore the opponent’s users are seeking loans and not seeking debt recovery services so therefore will not make any such connection that loan provision and debt recovery are in some way either indispensable or important to each other. Therefore, I do not find the respective services to be complementary to any degree.

23. In *eSure Insurance v Direct Line Insurance*¹¹, Lady Justice Arden stated that:

⁹ Written submissions dated 5 November 2021, paragraphs 19 and 20

¹⁰ Written submissions dated 5 November

¹¹ [2008] ETMR 77 CA

“49..... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity”.

24. As I have not found any similarity nor complementarity of the respective services, then it follows that there is no likelihood of confusion.

Conclusion

25. The opposition fails in its entirety. The application can proceed to registration in full, subject to any appeal against this decision.

Costs

26. As the applicant has been successful, it is entitled to a contribution towards its costs incurred in these proceedings. Ms Collett set out the applicant’s views on costs in the skeleton argument in particular as to the preparation of the defence of the application against the 5(3) and 5(4)(a) grounds which were subsequently dropped and made further oral submissions at the hearing, but did not identify any off-scale considerations outside the guidance in Tribunal Practice Notice 2/2016. However Ms Collett made reference to the opponent’s behaviour being below the standard it should have been, with regard to the confusion over whether the opponent would attend the hearing or not, the eleventh hour request to postpone the hearing as I outlined in paragraph 6 and the attempted submission of late material. I agree with the applicant’s points on the behavioural matters relating to the confusion of whether the opponent would attend the hearing or not, although it is not the opponent’s fault that its emails went in to the Tribunal’s junk email folder, and even though the material contained at Annex A was not admitted, it nonetheless had to be considered by the applicant. As such I make the following award based on the applicant’s submissions:

£450	Considering of the notice of opposition and preparation of a counterstatement
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£1000	Considering the opponent's submissions and preparation of the applicant's submissions
£1600	Preparation for and attending the hearing
£3050	Total

27. I order JLG Group Plc to pay Correction the sum of £3050. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 29th day of December 2021

**June Ralph
For the Registrar,
The Comptroller General**