

TRADE MARKS ACT 1994

IN THE MATTER OF trade mark application No. 2229686
in the name of Marine and General
Mutual Life Assurance Society

AND

IN THE MATTER OF opposition No. 51828
by Gerrard Ltd. (formerly Greig Middleton & Co Ltd).

BACKGROUND

1. The application details are:

g2m

**g²
gm**

Applicants: Marine and General Mutual Life Assurance Society.

Application for a series of two marks

Specification:

Class 36

Financial advisory services; life assurance services; pension fund services; trustee administrator and nominee services.

2. The application was filed on 17th April 2000, published, and subsequently opposed by Greig Middleton & Co Ltd (the 'opponents', whose name was changed during proceedings to Gerrard Ltd.) on 7th December 2000. The applicants filed a

counterstatement and the normal evidence rounds took place. At the conclusion, the registry indicated that it did not consider that an oral hearing was necessary, given that the papers already on file and the known relevant authorities, were sufficient for a decision to be reached. The opportunity to be heard already was waived by the opponents; the applicants likewise did not request an oral hearing, though they did provide written submissions. Thus, this decision is based on a careful examination of the papers on file.

3. The opponent's grounds of attack are under section 5(2)(b), section 5(3) and section 5(4)(a). I will come to these later following my review of the evidence. I have not summarised the applicant's written submissions, but refer to them, as they become relevant, in the course of the decision.

The opponent's evidence

4. Stephen Clark, the Deputy Client Executive of Gerrard Ltd, gives evidence on behalf of the opponents in the form of a witness statement dated 28th June 2001. He says that the opponents are the proprietors of registration No. 2215434, the details of which I set out in the Annex to this decision. He says that the opponents have made significant use of their trade mark in respect of the Class 36 services covered by the registration. Exhibit A comprises examples of written material showing this use, and includes leaflets and application forms, in relation to financial management services, including stockbroking, pension and investment management, reviews and the like (none of this material is numbered, which has made reference to it difficult). The dates on the leaflets vary, but show the opponent's mark to be in use from 1996. The material provided shows the mark invariably being used alongside the name Greig Middleton.
5. Mr Clark says that the annual value of sales under the trade mark since 1997 is as follows:

1 st April 1997 - 31 st March 1998	£ 74 353 000
1 st April 1998 - 31 st March 1999	£80 414 000
1 st April 1999 - 31 st March 2000	£ 101 595 000
9 months from 1 st April - 31 st December 2000	£ 59 046 000

The annual amount being spent on advertising is as follows:

1 st April 1997 - 31 st March 1998	£ 493315
1 st April 1998 - 31 st March 1999	£ 338816
1 st April 1999 - 31 st March 2000	£427333
9 months from 1 st April - 31 st December 2000	£ 250000 (est.)

He says that the opponent's services are offered throughout the UK in major cities but also including smaller towns such as Guildford and Hereford.

The applicant's evidence.

6. Alan Fiddes has provided a statutory declaration dated 10th September 2001. He is Head of Trade Marks at DLA, the agents acting for the applicants. He does not believe that the services of the two parties can be described as services of the same description; the opponents offer private client investment and the applicants offer mortgage advice. He says that the marks, whilst having similar elements, differ in terms of graphical representation such that no likelihood of confusion is likely. He says that there has been no attempt to prevent the applicants using their mark, nor has there been any instances of confusion. He argues that the opponents have not established continuous or extensive use of their mark such that any actionable goodwill would arise, and finally he notes that the registry did not cite the opponent's marks during examination stage.
7. Richard Wood is the applicant's Head of Marketing and has also provided a statutory declaration which is dated 3rd September 2001. He says that his company has made use of the mark applicant's mark 'for some time', and is building up an extensive reputation in the mortgage business. He explains that the applicants first began developing their mark, in the context of a franchise operation, in mid-1999. Exhibit RW1 is the company's current brochure of customer services and shows the mark in use. The services relate solely to mortgage advice, that is, finding the best mortgage to suit the customer; the applicants themselves do not offer mortgages. Mr Wood says that income generated by the operation has been minimal so far as this is the first year of trading. Advertising expenditure in excess of £235,000 has included two pilot franchise shops in Portslade (near Brighton) and Chelmsford, 'PR', promotional items and so forth. Other promotional activity has involved press activity in national, trade, franchise and specialist press, as well as a G2M web site, prints from which comprise Exhibit RW3 (but is dated after the relevant date). Mr Wood is not aware of any instances of confusion between the opponents' and the applicants' mark.

DECISION.

8. The grounds of opposition are under sections 5(2)(b), 5(3) and 5(4)(a). I shall address section 5(2)(b) first. The section reads:

'A trade mark shall not be registered if because—

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

(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.

9. The opponent's 'earlier trade mark', in accordance with section 6(1), is No. 2215434, which is shown in the Annex to this decision.
10. In deciding substantive questions based on section 5(2)(b) it is established practice that the registrar has regard to the following key ECJ cases: *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723. It is clear from these cases that:-
 - a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel*, paragraph 22;
 - (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel*, paragraph 23; 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; *Lloyd*, paragraph 27;
 - (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel*, paragraph 23;
 - (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel*, paragraph 23;
 - (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon*, paragraph 17;
 - (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel*, paragraph 24;
 - (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel*, paragraph 26;
 - (h) further, 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; *Marca Mode*, paragraph 41;
 - (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of that section; *Canon KK v Metro-Goldwyn-Mayer Inc*, para 29.

The services.

11. The applicants submit that the respective services are not similar. That is, in the actual market place, their mark is being used in relation to advice on mortgages and the opponent's mark in relation to personal, or private client, investment services. However, the analysis required for section 5(2)(b) goes to notional and fair use across the range of services for which registration is sought and for which the prior rights holder has protection. Applying this test, the services covered by the opponents' earlier mark and the mark being applied for are similar or identical. Financial advisory services; pension fund services and trustee administrator and nominee services are all identical with services covered by the opponent's specification, whilst life assurance services are, in my view, similar, for one thing, they are likely to be offered through the same channels by the same people, most notably, independent financial advisors (see *Canon*, paragraph 23).

The users of the services.

12. I believe the applicant's contention (paragraph 2.2 of their written submissions) is valid, that people seeking financial advice, whether it be general financial advice on investments or more specific advice on which mortgage to take out, are likely to exercise considerable care in relation to the source of that advice. I would expect the users of such services to be more than 'reasonably circumspect'. The choice of where to go for such personally important advice will not be undertaken casually.

Enhanced distinctiveness of the opponent's mark?

13. The opponents have used their mark for some 4 years prior to the application for the mark in suit. Following the ECJ case law indicated above, where a mark has been extensively used, an opponent can claim enhanced distinctiveness, and consequent increased likelihood of confusion (point (f), above). Certainly the opponent's evidence establishes use of their mark back to 1996, and their claimed 'sales' are large (paragraph 5 above). The applicants are critical of this evidence, saying that it is not clear that the sales figures relate to value of the financial instruments being traded or an indication of their fee income. The claim does suffer from being fairly non-specific; Mr. Clark, in paragraph 6 of his Declaration, states the sales under the mark relate to services in Class 36 which, in terms of the opponent's own specification, is rather wide. Some idea of the size of the opponent's operation can nevertheless be gleaned from the material supplied in Exhibit A to Stephen Clark's witness statement. In one of leaflets, dated November 1996, I see that, on merger with another firm, the combined investments amounted to £10bn for more than 60,000 clients, with a network of 21 offices.
14. The opponents claim to be 'the leading provider of stockbroking and management services to private clients in the UK' (see a leaflet entitled 'Investment Review for independent Financial Advisors' (dated November 1996)), and this appears to be where their main reputation lies. It certainly reflects the bulk of the content of the documents in Exhibit A. I accept that these services fall within - or are similar to - the rather broad

description, specified in the application ‘..financial advisory services..’. What of the other services in that specification, which includes ‘life assurance services; pension fund services; trustee administrator and nominee services’?

15. I note the following from Exhibit A:

- ! ‘The Investment Management Department, while primarily focused on private clients, has ***established an expanding presence in pension fund ... management***’.
- ! Our Financial Services Company ***provides independent advice on financial investment and pension planning***. The specialist staff in this company advise both individuals and companies in their respective areas.’ ((Extracts from a leaflet entitled ‘Your guide to the Greig Middleton Group’ (dated ‘6/97’); emphasis mine).

However, there is nothing to suggest that the opponents are the possessors of a particular reputation for pension management. I also note, from a leaflet called ‘GM A Distinctive Service’ (dated March 1997), that they provide a ‘nominee service’, which relates to use of nominee companies (whose sole function is to hold shares or securities on behalf of another). This appears to be captured by ‘trustee administrator and nominee services’; I assume both fall under Part IV of the Trustee Act 2000. Nevertheless, again, there is no evidence demonstrating extensive activity in this field. Finally, I see nothing in the evidence to show that the opponents have been involved in life assurance services.

16. What am I to make of this evidence insofar as it is said to engender a reputation sufficient for enhanced distinctiveness under their mark as described in *Sabel*, paragraph 24? I note the following from *Lloyd*:

‘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 May 4, 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v. Huber and Attenberger* [1999] E.C.R. 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)'.

17. It seems to me that some key material is missing from the opponent's evidence. I am given no information on the size of the market in which they claim their reputation, nor any measure of the extent of that reputation amongst the relevant public (which I take to be any consumer seeking financial advice, not just those who wish to invest significant sums in the stock market). There is no independent evidence going to reputation. I note the following from the *Duonebs Trade Mark Opposition* (BL 0/148/01), at paragraph 14:

'In my judgment, I believe what the ECJ had in mind was the sort of mark which by reason of extensive trade had become something of a household name so that the propensity of the public to associate other less similar marks with that mark would be enhanced'.

18. Despite these observations, I have no reason to doubt that the extensive client base which the opponents have built up, before the date of this application, and of course anyone else with an interest in private client stockbroking and investment services, would be familiar with the opponent's trade mark. To this extent they have satisfied me that they are the possessors of a reputation under their GM name, for this range of services.

The marks themselves

19. In paragraph 2.1 of their written submissions I understand the applicants to argue that since the opponents have used their mark, its scope of protection, following the ECJ case *Sabel*, is limited to the particular stylised form in which the mark is used. Thus when you compare the two, stylised, marks together there is little visual or phonetic similarity. If I have understood the applicants' submission correctly I do not agree with it. It seems to me clear from *Sabel* that use may enhance the distinctiveness of a mark, granting it a greater 'footprint' (penumbra) of protection, but it cannot reduce the rights under the mark as established at registration. The applicant's submission would mean that an earlier trade mark which has been used by an opponent may be less potent in any opposition than a mark which has not been used at all. This cannot be. I must assume notional and fair use by the opponents of their mark in a manner which does not differ materially from their registration.
20. I am of course aware that the applicants have applied for a series of 2 marks. They differ in respect of the position of the number '2' in relation to the letter element. My analysis applies equally to both marks in the series. Both the applicant's and the opponent's marks share a common 'gm' element. It is true that there are visual and graphical differences; the opponent's mark is in upper case with partial 'wave style' underlining, the applicant's mark is in lower case. One should not however analyse these differences too carefully as it is overall impression, made by the dominant components of the marks, on the consumer that really counts. I do not believe that either parties' marks can claim particular inherent distinctiveness *per se*; the opponents is simply a two letter mark embellished with an underline whilst the

applicants is also a two letter mark but with the number '2' inserted. I am not saying that all two letter marks are inherently 'weak', simply that by opting for a 'minimalist' trade mark, it would not take much difference (a different letter or some other component) for the likelihood of confusion to be substantially reduced.

21. In this case, I believe the number '2' creates significant differences between the marks: orally, visually and conceptually. It is of equal prominence as the letter element. I do not need to expand on the visual difference as this is obvious. Conceptually, the opponent's mark is likely to be linked by consumers to the initials of the company itself - particularly as they nearly always use the name Greig Middleton together with their sign - whilst the crucial insertion of the number '2' in the applicants' mark renders the letters 'gm' less significant; they could in fact mean anything. The consumer will not necessarily be troubled to know what the 'gm' stands for; he may well take the mark purely at face value as being a cryptic trade mark. The number '2' may be seen as alluding to chemical or mathematical formulae ('squared') or, alternatively, as another way of saying 'to'. The important thing is that it takes the overall impression away from being a simple letter only mark. Finally, inasmuch as aural use may be an important factor in the choice of these services, I would say that the '2' would inevitably form part of the mark in normal speech. The applicants' marks are not simple 'gm' marks, they are 'g2m' marks.

No instances of confusion

22. The applicants also say that there have been no instances of confusion despite the period of simultaneous use in the market place. I do not place great weight on this fact in relation to a section 5(2)(b) analysis, but it may nevertheless serve to provide some comfort in relation to my overall assessment of the likelihood of confusion.

Conclusion under section 5(2)(b).

23. On the basis of a prime facie comparison, I find that there is not a likelihood of confusion between the marks, despite the identical or similar nature of the services at issue. The opponent's mark is, in my view, minimalist, and therefore any differences between it and the applicants are going to be amplified and of great weight in the overall assessment of likelihood of confusion. I do not think that my findings in relation to the opponent's reputation (see para 18 above) displace my prima facie comparison of the marks themselves. I have found that the opponents had a particular reputation at the material time this application was filed, but this, of itself, is not decisive and is but one factor in my overall analysis. In these circumstances I would not say, on the basis of the evidence before me, that the opponent's reputation results in an enhanced distinctiveness of their own mark, such that likelihood of confusion would arise in relation to, at least, the opponent's field of activity before the material date. I should not forget to mention the other material factor in my assessment, that is, the fact that the relevant public for these services are likely to be more than '*reasonably* circumspect'.

Section 5(3)

24. In view of my findings in paragraph 11 above in relation to the identical nature of services covered by the specification I do not think that section 5(3) applies at all and will not therefore give it consideration.

Section 5(4)(a)

25. Section 5(4)(a) reads:

‘(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented—

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade,..’

26. The conventional test for determining whether an opponent has succeeded under this section has been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC sitting as the Appointed Person in *Wild Child Trade Mark* [1998] RPC 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

(1) that the opponent’s goods or services have acquired goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the applicants (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the applicants are good and services of the opponents; and

(3) that the opponents have suffered or are likely to suffer damage as a result of erroneous believe engendered by the applicant’s misrepresentation.

27. Sections 5(2) and 5(4)(a), when raised in opposition to the registration of a mark, pose entirely different questions. A section 5(2) objection will be based on rights granted by registration and asks the registrar to consider a mark’s distinctiveness as one of the factors in the overall global test: distinctiveness can be enhanced through use as well as being inherent. Grounds for opposition under Section 5(4)(a), on the other hand, invites the registrar to consider a notional passing off action brought at the time the application is filed, on the basis of the elements cited above.

Conclusion under section 5(4)(a)

28. In many cases before the registrar a finding under section 5(2)(a) or (b) will be determinative of an alternative section 5(4)(a) attack. Plainly, an opponent whose

earlier trade marks are found, on the basis of notional and fair use, not likely to lead to confusion with the applicants, is not likely to be in any better position under section 5(4)(a). This seems to me one of those cases. The opponents have clearly, in my view, established a reputation under their mark for the private client investment and stockbroking services. However, their evidence and in particular, the absence of independent evidence, does not allow me to determine the extent and nature of their goodwill. Moreover, following my consideration of the differences between the marks found above, I do not see that the section 5(4)(a) objection leaves the opponents any better off than under the section 5(2)(b) ground. The objection based on section 5(4)(a) fails.

Costs.

29. The applicants request their costs and are entitled to a contribution based on the current published scale. There has been no hearing although the applicants have filed written submissions, the evidence has not been voluminous. I award the applicants £1000 to be paid within one month from the date of this decision or within seven days of the final determination of the case if any appeal against my decision is unsuccessful.
- 30.

Dated this 26th day of June 2002

Edward S Smith
For the Registrar, the Comptroller-General.



Class 9

Apparatus for processing card transactions and data relating thereto and for payment processing; apparatus for verifying data on magnetically encoded cards; video recordings; digital video discs; cash registers, calculating machines; apparatus for input, output, transmission, storage and/or processing of data; computer software and programs; computer hardware; encoded cards and smart (programmable) cards; cash dispensing apparatus; apparatus and programs for accessing the Internet and electronic mail services; magnetic data carriers, optical data carriers and magneto-optical data carriers; cds, cd roms, discs and tapes; parts and fittings for all the aforesaid goods; none of the aforesaid goods relating to genetic modification.

Class 16

Printed matter; publications; books, booklets, magazines; manuals; cardboard and plastic cards; writing instruments; files and folders; document wallets; office requisites (except furniture); none of the aforesaid goods relating to genetic modification.

Class 35

Compilation, production and dissemination of advertising matter; business planning, assistance and management services; business administration services; office functions; management assistance services; business investigations and surveys; book-keeping and accounting services; tax assessment preparation; preparation and completion of income tax returns; provision of information relating to tax; tax consultancy and planning services; business consultancy and advisory services; provision of information relating to accounts; provision of statements of account; document reproduction services; data processing services; computerised record keeping, accounting and database management services; consultancy, information and advisory services relating to all the foregoing; none of the aforesaid services relating to genetic modification.

Class 36

Banking services; administration of financial affairs; trustee services; charitable fund raising services; mutual funds services; cash management services; factoring services; cash dispensing services; foreign exchange services; merchant banking and investment banking services; investment and savings services; financial and investment management services; stock broking services; unit trust services; tax services; financial planning and investment advisory services; financial research services; pension fund services; provision of financial

information; administration and valuation of investments; collateral agency services; consultancy, information and advisory services relating to all the foregoing; none of the aforesaid services relating to genetic modification.

Class 42

Legal services; security services; computer software and programming services; computer services; leasing of access time to databases; lease, hire and rental of computer equipment, hardware, software and programs; providing access to computer servers, databases and networks; providing access to the Internet; design of web sites; printing services; none of the aforesaid services relating to genetic modification.

Date of filing: 25th November 1999.