

O-281-14

IN THE MATTER OF THE TRADE MARKS ACT 1994

**AND IN THE MATTER OF TRADE MARK APPLICATIONS NUMBERS
2600897 and 2600901 in the name of CHINA CONSTRUCTION BANK
CORPORATION**

**AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS NUMBERS
102979 and 102980 by GROUPEMENT DES CARTES BANCAIRES**

**APPEAL TO THE APPOINTED PERSON BY THE OPPONENT FROM THE
DECISION OF MR MARK BRYANT on behalf of THE REGISTRAR OF TRADE
MARKS dated 3 OCTOBER 2013**

DECISION

Introduction

1. The Applicant for registration is the China Construction Bank Corporation ('CCB'). It seeks to register two trade marks:
 - (i) The word mark CCB INTERNATIONAL (application 2600901);
 - (ii) The following device mark:



2. Both marks are applied for across a range of goods and services in classes 9, 16, 35, 36 and 41:

Class 9

Computer software and programmes; computer hardware; computer software for trading of securities, options, foreign exchanges, futures, funds and commodities, investment management, investment research, investment advice, financial information services, financial analysis, market indices and financial projections; computer peripheral devices; magnetic disks; sockets, plugs and other contacts (electric connections); encoded cards; magnetic cards; mouse pads; memory devices; USB memory storage devices.

Class 16

Printed publications related to investment researches; magazines and newsletters containing financial and business information; published market indices; instructional, teaching and training materials in the field of financial services; documentation of computer software in the field of financial services; financial reports relating to merger, acquisition, restructuring and corporate finance affairs; paper and plastic materials for packaging (not included in other classes); paper; pamphlets; writing pads; memo pads; coasters of paper; note books; cards; envelopes; printed forms; printed matter; bookmarks; greeting cards; calendars; folders; stationery; pencil leads; writing materials; writing instruments; leaflets, promotional materials and other printed publications; boxes of cardboard or paper.

Class 35

Market analysis; business research; market research; economic forecasting; compilation and presentation of statistical information; business inquiries, appraisals, investigations and consultancy services; business information; computerized file management; compilation, classification and systemization of information into computer databases; data search in computer files [for others].

Class 36

Capital investment services; financial services relating to trading of securities, merger, acquisition, restructuring and corporate finance affairs, futures, currencies, options, foreign exchanges and commodities; shares and stocks brokerage; investment researches services; investment management and advisory services; installment loans; credit bureaux; debt

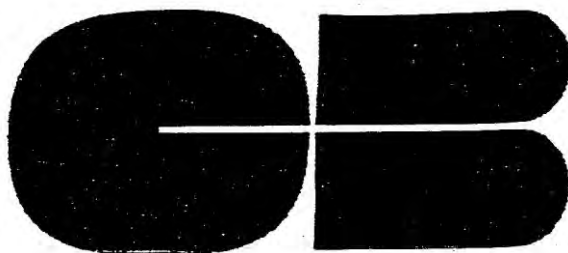
collection agencies; banking; public funds investments; investments; fund investments; money exchanging; providing of loans; fiscal assessments and evaluation; financial evaluation (insurance, banking, real estate); financing services; financial management; mortgage banking; savings banks; hire-purchase financing; financial analysis and consultancy; credit card and debit card services; electronic funds transfer; financial information; issuance of tokens with value; issuance of credit cards; retirement payment services; financial sponsorship; home banking; financial clearing; safe deposit services; deposits of valuables; brokerage and agents for bonds and other securities; stock exchange quotations; futures brokerage; investigation about credit card; brokerage; guarantees and surety; trustee services; trust services; trusteeship services; insurance; investment advisory consultancy services; issuing of travelers' cheques.

Class 41

Education and training relating to finance, investment and business; providing educational information relating to finance and investment; organizing simulation and role-playing as part of training relating to finance, investment and business; arranging and conducting of seminars, conferences, training workshops and road shows.

3. The Opponent is Groupement Des Cartes Bancaires, a legal entity existing under the laws of France. Its business is the operation of an inter-bank and universal card payment and cash withdrawal system in Europe. It opposes the applications relying on two earlier marks:
 - (i) Community Trade Mark 269290 for the word mark CB

(ii) Community Trade Mark 269415 for the following device



4. Both earlier marks are registered inter alia in class 36 (the only part of the specification relied on) for the following services:

Insurance and finance, namely insurance underwriting, foreign exchange bureaux; issuing of travellers' cheques and letters of credit; financial affairs, monetary affairs, banking; savings banks; management of banking and monetary flow by electronic means; electronic purse services; issuing of and services relating to prepayment cards, debit cards, credit cards, cash withdrawal cards, chip (integrated circuit) cards, magnetic cards and smart cards; issuing of bank cards, non-electronic; cash withdrawal using chip (integrated circuit) cards, electronic funds transfer; electronic payment; card payment services; prepaid card services; financial transactions by card holders via automated teller machines; authentication and verification of parties involved; financial information via all means of telecommunication; authorisation and regulation of payments by card numbers; remote secure payment; financial information, namely remote collection of financial information and data.

5. The consolidated Oppositions were brought under s5(2) and s5(3) of the Act. They were rejected in their entirety following a hearing before Mr Mark Bryant ('the Hearing Officer').

6. The Hearing Officer concluded, in short, as follows:

(a) The Opponent had failed to show the necessary use of its 'CB' word mark in the 5 years prior to publication of the applications in issue, namely the period 10 December 2006 to 9 December 2011, as required by s6A of the Trade Marks (Proof of Use, etc.) Regulations 2004. The CB word mark therefore could not be relied on as an earlier mark under s5(2) or s5(3).

(b) The Opponent had shown the necessary use of its device mark in the relevant period, but only in respect of a limited class of services in class 36, namely:

management of banking and monetary flow by electronic means; electronic purse services; issuing of and services relating to prepayment cards, debit cards, credit cards, cash withdrawal cards, chip (integrated circuit) cards, magnetic cards and smart cards; issuing of bank cards, non-electronic; cash withdrawal using chip (integrated circuit) cards, electronic funds transfer; electronic payment; card payment services; prepaid card services; financial transactions by card holders via automated teller machines; authentication and verification of parties involved; ...; authorisation and regulation of payments by card numbers; remote secure payment; ...

(c) In respect of a number of the goods and services for which the marks applied for were sought to be registered, there was no similarity with the services in class 36 for which the applicant could show use of its device mark (ie the services set out above).

(d) In respect of the goods and services where there was relevant similarity, there was no likelihood of confusion between the marks in the mind of the average consumer as required by s5(2).

(e) The Opponent had failed to demonstrate the necessary reputation amongst average consumers in the UK of its device mark to support any opposition under s5(3).

7. The Grounds of Appeal raise the following complaints about the Decision of the Hearing Officer:

(a) It is said that the Hearing Officer was wrong to find that the CB word mark had not been used in the relevant period. In particular it is said:

- (i) that he should not have dismissed the evidence of use in the 2007 and 2010 Annual Reports of the Opponent;
- (ii) was wrong to ignore certain other alleged uses to which his attention had been drawn;
- (iii) should have found that the Opponent's services would be referred to orally as 'CB' and that this was sufficient to amount to use of the mark;
- (iv) should have found that the use of the device mark constituted use of the word mark.

(b) It is said that the Hearing Officer was wrong to find there was no likelihood of confusion between the opponent's device mark and the trade marks applied for. In particular it is said:

- (i) that he placed undue reliance on the word 'INTERNATIONAL' as a distinction between the marks;
- (ii) that he should have found that the distinctiveness of the opponent's device mark had been enhanced by the use made of it by the opponent. Specifically that he should have taken into account the reputation of the device mark in Europe.

(c) It is said that the Hearing Officer was wrong to find insufficient reputation, once again because he was wrong to ignore the reputation of the opponent's device mark and/or its word mark in Europe. He should therefore have gone on to consider the s5(3) case and should have found in the Opponent's favour on detriment and/or unfair advantage.

8. I shall deal with these points in order below.

(a) Non-use of the Opponent's CB word mark

(i) Use in the annual reports

9. In the evidence of Ms Briat filed on behalf of the opponent, two documents were exhibited at MB2 which were described as 'GCB's Annual Reports for 2010 and 2007'. The letters 'CB' appear on some of the pages of these documents, apparently as shorthand for the full name of the Opponent. The document is in English. No explanation is given by Ms Briat as to the distribution of this document, either in terms of numbers, types of recipients, or places of residence of recipients.

10. The Hearing Officer dismissed this evidence of use in paragraph 29 of his Decision as being '*not use in the course of trade and...not use in respect to goods and services.*' By that I take him to mean that use as shorthand for the name of the company in a document described as an annual report does not on the face of it satisfy the necessary requirements for use of a trade mark as laid down in the various CJEU authorities including Ansul BV v Ajax C-40/01 which he had previously cited by reference to the summary of the law provided by Arnold J in Stichtung BDO v BDO Unibank [2013] EWHC 418. This requires that the use:

'must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, ie exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market'.

11. The Opponent challenges this finding. In its skeleton argument at paragraph 13, it says this:

'Amongst the purposes of an 'annual report' is to provide the public with information concerning the activities conducted by the undertaking in question during the previous year and to provide corresponding performance and financial information and predictions. Such reports are distributed to investors and potential investors and other stakeholders, including for instance the banks that subscribe to the CB network. The Appellant's annual reports are no different in this respect. They are used as a means of communicating to investors and subscribers the reach and scope of the Appellant's CB network and thereby to maintain its critical mass and ongoing success.'

12. I am simply not in a position to assess whether this statement is correct. None of the assertions made are supported by any evidence whatsoever. In argument on behalf of the opponent Mr Bartlett invited me to:

'use your general knowledge about who is likely to get these annual reports'.

Were this an annual report of a UK limited company, it might have been possible to invite the tribunal to use its own general knowledge to fill the holes in the evidence (at least to some limited extent). But this is an annual report of a French entity, whose precise legal status is obscure. I have no knowledge of the legal obligations or usual practice of such entities in France so far as annual reports are concerned, let alone in relation to what is probably a translation of a French original.

13. Where an Opponent (or any party to proceedings) has the burden of showing use of a trade mark, it is plainly not sufficient simply to exhibit a document which makes use of the mark. If the tribunal is to be asked to make findings of use based on that document, it has to be provided with evidence as to how, where, when, to whom and for what purpose the document was circulated. If specific or direct evidence is not available for some reason, then the party should provide the best evidence it can from someone who has sufficient information and experience as to draw inferences as to how the document is likely to have been distributed. The tribunal can then weigh up the evidential value of that evidence.

14. It is not acceptable to fail to provide any evidence at all and then to invite the tribunal to make assumptions based on its own '*general knowledge*'. This is for at least three reasons:
 - (i) The decision in a case should not depend on the extent of the tribunal's personal knowledge of the area of trade with which the case is concerned. Otherwise, the outcome of a case would turn not on the law or the evidence but on the specific background of the individual taking the decision.
 - (ii) The tribunal's own knowledge might of course be out-of-date or unreliable, and cannot be tested by the parties as evidence can.
 - (iii) An unscrupulous party who knew that a particular document had not been distributed in the 'usual' way could simply fail to deal with the point and rely on the tribunal making an assumption as to what had happened which would be false.

15. I therefore do not accept that there is any basis for criticizing the Hearing Officer for failing to place any weight on the use of the letters CB in the Annual Reports.

(ii) The other CB references in the evidence

16. The Opponent criticizes the Hearing Officer for not taking account of other references to 'CB' which were in Ms Briat's evidence. These comprise the following:

(a) 'Press Releases'. There are two of these in one of Ms Briat's exhibits, dated 3 January 2010 and 10 February 2010.

It is correct that the Hearing Officer did not refer to this evidence. However, it is hardly surprising. Once again, there was no evidence whatsoever about the distribution of these 'Press Releases', or even that they were distributed at all. Without that evidence, he was simply not in a position to assess whether the Press Releases were sufficient (either on their own or cumulatively with other evidence) to prove use of the earlier mark in question.

(b) References to CB on what Mr Bartlett described as 'the Appellant's Website'.

Mr Bartlett relies here on exhibit MB1 to Ms Briat's statement which she describes simply as '*a list of the 131 financial institutions which were members of our CB system in 2011*'. Mr Bartlett points out, looking at the exhibit, that it appears to have been taken from a web-page found on an web-archive site, dating from July 2011. He says this is a web-page from a site belonging to the opponent. This may be so, but in the absence of any evidence to that effect from Ms Briat, let alone any evidence that the web-site was ever accessed by consumers, once again the tribunal is simply not in a position to conclude that this is evidence of use.

(c) Various extracts from websites of third party financial service companies who were users of the services of the opponent exhibited at MB4 to Ms Briat's statement.

It is rather strange that the Hearing Officer should be criticised for not referring to these, since Ms Briat only referred to these as evidencing the use of the device mark, and indeed only highlighted the use of the device in the documents themselves (by a pointing arrow). There is of course no evidence of the number of times any relevant page in these websites has been accessed. In any event the usage of the word mark on the websites appears to be small-scale. I do not consider that this point justifies overturning the decision of the Hearing Officer on the question of use.

(iii) The 'oral use' point

17. The Opponent accepted that there no evidence of oral use of the word mark was presented to the Hearing Officer. In the circumstances, it does not seem to me that he can be said to have erred by not taking such oral use into account.

(iv) Use of the device mark

18. This is perhaps the most substantial attack on the Hearing Officer's decision on lack of use of the word mark.
19. The Opponent contends that the Hearing Officer should have found that the use of the device mark (which he accepted had taken place) inherently comprised use of the word mark, bearing in mind s6A(4)(a) of the Trade Marks (Proof of Use etc) Regulations 2004:

'use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered.'

20. I believe that this issue needs to be considered in two stages:
- (a) Is the device mark within the scope of the word mark, so that it would amount to infringement under s10(1) if it were to be used in relation to the same goods or services? If so, then use of the device mark plainly counts as use of the word mark.
- (b) If not, are the differences such as do not alter the distinctive character of the mark?
21. Dealing with stage (a) first. It is well established that a 'word mark' protects the word itself, not simply the word presented in the particular font or capitalization which appears in the Register of Trade Marks. See for example Present-Service Ullrich GmbH & Co. KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), Case T-66/11 at [57]. A word may therefore be presented in a different way (for example a different font, capitals as opposed to small letters, or hand-writing as opposed to print) from that which appears in the Register whilst remaining 'identical' to the registered mark.
22. The question here therefore is whether the two graphic shapes which form the device mark comprise the letters C and B. This is not as simple a question as first appears, in part because the human brain is very open to suggestion and tends to see patterns when prompted to do so. Thus, as soon as one is told that the device mark represents the letters C and B, one starts to see the letters in the device. Similarly, if one had been told it was the head of a rabbit on its side, that would be what one will tend to see. I consider that the question of identity must be an objective test,

setting aside any prior 'education' as to what the mark might represent. Considered in isolation, does the device comprise the letters C and B?

23. In my view it does not. At best it 'alludes' to the letters for those who might want to see them in the pattern. But the shapes are not actually the letters at all. For example, even if one takes the two elements on the right hand side of the device as forming part of a single shape, it has no open spaces inside the top and bottom elements and no stalk joining them together (both of which are to my mind essential characteristics of a capital B).
24. Turning to stage (b), the Opponent relied on the decision of the Court of Appeal in Budweiser [2003] RPC 25. This found that the use of the plain words 'BUDWEISER BUDBRAU' was sufficient to support use of a trade mark comprising the words written in a particular configuration in gothic script. This seems to me a very different matter from the present case. Here, the registration is for the letters themselves, and the use relied on is an abstract device. It seems to me self-evident that the differences are more than sufficient to alter the distinctive character of the mark. The abstraction of the device dominates the use and significantly alters the distinctive character of the mark.
25. In conclusion therefore, I do not consider that any of the arguments I have heard justify reversing the decision of the Hearing Officer on the use of the CB mark.

(b) Likelihood of Confusion between the Device Mark and the marks applied for

(i) Undue reliance on the word INTERNATIONAL

26. Obviously the word INTERNATIONAL appears in both the marks applied for. It does not appear in the Opponent's device mark. The Opponent contends however that the word is so descriptive that it should essentially be discounted in the comparison exercise as a distinguishing element between the marks.
27. The difficulty with this point on appeal is that the Hearing Officer seems to have agreed with the Opponent. Indeed, he went out of his way on several occasions to explain that the word was not distinctive. See for example paragraph 66 where he says this:

'In the applicant's mark the word 'international' indicates geographical scope and as such will not be perceived by the relevant public as adding, to any great extent, to the distinctive character of the mark.'

He added at paragraph 74:

'Whilst Ms Wiseman submitted that there is no evidence that the words 'International' is non-distinctive, I take judicial notice of its meaning conveying geographical scope.'

28. The Opponent complains that it was wrong for the Hearing Officer in the circumstances even to consider the word 'International' as comprising a difference between the marks when considering their visual, aural and conceptual similarities. I do not agree. The word may be of little distinctive value, but it cannot be entirely ignored when comparing the marks.

29. I therefore reject this ground of Appeal.

(ii) Enhancement of distinctiveness as a result of use in Europe

30. The Hearing Officer accepted that there had been significant use of the device mark in continental Europe, but not in the United Kingdom. He therefore concluded that the mark did not have an 'enhanced distinctive character' in the United Kingdom such as might increase the likelihood of confusion.

31. The Opponent contends that this was an error of law. Mr Bartlett submits that the Hearing Officer was bound to take into account the reputation of the mark in Europe (and in particular France) when considering the likelihood of confusion under s5(2). In this respect he cited the decision in Pago International GmbH v Tirolmilch Registrierte Genossenschaft mbH (C-301/07). In that case, which concerned the extended protection granted to marks with a reputation under Article 9(1)(c) of the Trade Mark Regulation, it was held by the CJEU that knowledge of a CTM by a

'significant part of the public concerned...in a substantial part of the territory of the Community'

was sufficient to enjoy the benefit of Article 9(1)(c). Even a reputation within a single territory could suffice (and on the facts of that case a reputation within the state of Austria did suffice). On that basis, Mr Bartlett contended that since the Opponent was relying on a Community Trade Mark, the Hearing Officer was wrong to refuse to take into account its substantial reputation in France.

32. I consider that Mr Bartlett's submission is wrong. It mixes up the question of reputation of a Community Trade Mark under Article

9(1)(c) with the question which is before this tribunal, namely the likelihood of confusion under s5(2) of the Trade Marks Act.

33. The 'reputation' being considered by the CJEU in Pago was the condition provided by the Regulation before a mark could claim the extended protection provided by Article 9(1)(c) (that is to say the right to prohibit use of signs even where there is no confusion). We are not concerned in this case with any such condition. We are concerned with s5(2) of the Trade Marks Act 1994, and the single question whether there would a likelihood of confusion between the marks amongst average consumers of the goods or services in question in the United Kingdom. The 'reputation' of the earlier mark may be taken into account as a factor which may increase its distinctive character and therefore increase the risk of confusion – see Sabel v Puma [1998] RPC 199. However, since the only question to be asked is whether there is a likelihood of confusion amongst consumers in the United Kingdom, a reputation (and therefore enhanced distinctive character) amongst consumers outside the United Kingdom will by definition be entirely irrelevant.
34. I therefore do not consider that the Hearing Officer made any error on the question of enhanced distinctiveness under s5(2).

(c) Reputation and s5(3)

35. Mr Bartlett has a better point under s5(3). Here the Hearing Officer first had to decide whether the device mark overcame the condition of showing a 'reputation' sufficient to trigger the extended protection provided by that section.
36. The question the Hearing Officer asked himself here was whether the device mark had the necessary reputation in the United

Kingdom. Given his findings as to the lack of extensive exposure of the mark in the UK, he naturally found that it did not. On that basis he rejected the objection under s5(3) without even proceeding to consider whether there was a likelihood of detriment or unfair advantage as a result of use of the mark applied for.

37. Mr Bartlett points out that this approach is inconsistent with s5(3) of the Trade Marks Act. This provides as follows:

(3) A trade mark which

(a) is identical with or similar to an earlier trade mark,

(b) [...]

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC), in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.'

38. So, the correct question to ask when considering the 'reputation condition' in respect of a Community Trade Mark under this section is whether it has a reputation in the European Community, not whether it has a reputation in the United Kingdom. The Hearing Officer was therefore wrong on this point.
39. In the light of the Pago decision to which I have referred, it would almost certainly be sufficient for reliance on s5(3) for the opponent to show a reputation in its device mark even just in the territory of France. It therefore seems likely given the findings of fact made by the Hearing Officer that the opponent should have been considered to have satisfied the condition and to have been permitted to rely on s5(3).

40. Despite this error, I believe that the ultimate decision under s5(3) was nonetheless correct. In order to succeed under s5(3), the opponent has to show either that the distinctive character or repute of its earlier mark would be damaged by reasonable and fair use of the mark applied for, or that such reasonable and fair use would take unfair advantage of the reputation of its earlier mark. The reasonable and fair use of the mark applied for can only be use in the United Kingdom, since this is the entire territorial scope of the application.
41. If the reputation of the earlier mark does not extend to the United Kingdom, it is difficult to see how (at least in the usual case) it could be damaged by use of a mark in the United Kingdom, or that such use could be said to take unfair advantage of the earlier mark. For one thing, the necessary 'link' between the marks in the mind of the average consumer which must be established in any case which relies on the extended protection (see Adidas-Salomon v Fitnessworld [2004] ETMR 10) would not exist. There is certainly no evidence in the present case which explains how any 'link' could be made in the UK absent a reputation here.
42. On the evidence before the Hearing Officer, therefore, I do not consider that the case under s5(3) has been established.

Conclusion and costs

43. I uphold the decision and order of the Hearing Officer. The oppositions are rejected and the marks shall proceed to grant.

44. I shall order that the Opponent pays the Applicant £1000 towards its costs of the Appeal.

IAIN PURVIS QC

THE APPOINTED PERSON

19 June 2014

O-281-14

IN THE MATTER OF THE TRADE MARKS ACT 1994

**AND IN THE MATTER OF TRADE MARK APPLICATIONS NUMBERS 2600897
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**AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS NUMBERS 102979
and 102980 by GROUPEMENT DES CARTES BANCAIRES**

**THE APPOINTED PERSON, HAVING HEARD THE APPEAL AGAINST THE
DECISION OF THE HEARING OFFICER, MR MARK BRYANT, DATED 3
OCTOBER 2013**

DO HEREBY ORDER AND DECLARE THAT:

- (1) The appeal is dismissed;
- (2) The Appellant, Groupement des Cartes Bancaires, shall pay the Respondent, China Construction Bank Corporation, £1000 towards its costs within 14 days.

IAIN PURVIS QC

THE APPOINTED PERSON

19 JUNE 2014