

O-335-16

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3132215
BY MOOLA SYSTEMS LIMITED
TO REGISTER THE TRADE MARK:**

MOO.LA

**IN CLASSES 9, 35 AND 36
AND
IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 60000383
BY LESTER ALDRIDGE LLP**

BACKGROUND

1. On 19 October 2015 Moola Systems Limited (the applicant) applied to register the mark shown on the cover page of this decision in respect of goods and services in classes 9, 35 and 36.
2. The application was published for opposition purposes on 6 November 2015.
3. The application is opposed by Lester Aldridge LLP (the opponent) under the fast track opposition procedure.
4. The opposition is based upon Section 5(2)(b) of the Trade Marks Act 1994 (the Act). The form TM7 indicates that the opposition is directed against the following services in class 36: *financial services*.
5. The opponent relies upon the UK Trade Mark Registration No. 3064853 for the mark **LA**, applied for on 18 July 2014 and for which the registration procedure was completed on 31 October 2014, in respect of the following services in class 36: *financial services*.
6. For the sake of completeness, I should say that the applied for specification in class 36 includes services other than 'financial services'¹ and in its statement of grounds the opponent seems to refer to all of the applied for services in class 36, since it claims that the respective services are identical or very similar. However, for reasons which will become apparent, I do not need to address this point here and I will proceed on the basis that the opposition is directed only against *financial services*.
7. The applicant filed a counterstatement in which he denied the basis of the opposition.

¹ Class 36: Financial services; financial management, administration and valuation services; investment management and agency services; financial administration services; stock broking services; management of wealth; financial planning and investment advisory services; provision of finance, money exchange and money transmission services; information, advisory and consultancy services relating to the aforementioned services.

8. Rules 20(1)-(3) of the Trade Marks Rules (TMR) (the provisions which provide for the filing of evidence) do not apply to fast track oppositions but Rule 20(4) does. It reads:

“(4) The registrar may, at any time, give leave to either party to file evidence upon such terms as the registrar thinks fit.”

9. The net effect of the above is to require parties to seek leave in order to file evidence (other than the proof of use evidence which is filed with the notice of opposition) in fast track oppositions.

10. No leave was sought in respect of these proceedings.

11. Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if 1) the Office requests it or 2) either party to the proceedings requests it and the registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate cost. Otherwise written arguments will be taken.

12. A hearing was neither requested nor considered necessary. Only the applicant filed written submissions which I will refer to, as necessary, below.

DECISION

13. Section 5(2)(b) of the Act states:

“5(2) A trade mark shall not be registered if because-

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

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

14. An earlier trade mark is defined in Section 6 of the Act, which states:

“6.-(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.

[...]

(2) Reference in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

15. Given its date of filing, the opponent’s mark is an earlier mark in accordance with Section 6 of the Act. I note that, in its counterstatement, the applicant requested the opponent to prove use of its mark, however, as the opponent’s mark had not been registered for five years or more at the publication date of the opposed application, it is not subject to the proof of use provisions under section 6A of the Act. The opponent can, as a consequence, rely upon the services it has identified.

Section 5(2)(b) case law

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

The principles

- (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

17. In comparing the respective specifications, all the relevant factors should be taken into account. In the judgment of the Court of Justice of the European Union (CJEU) In *Canon*, Case C-39/97, the Court stated at paragraph 23:

“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”.

18. The parties’ services are:

Applicant’s services	Opponent’s services
Class 36 <i>Financial services</i>	Class 36 <i>Financial services</i>

19. The term *'financial services'* makes up both specifications: the respective services are self-evidently identical.

The average consumer and the nature of the purchasing act

20. As the case law above indicates, it is necessary for me to determine who the average consumer is for the services at issue; I must then determine the manner in which these services will be selected in the course of trade.

21. 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.”

22. The services at issue are very broad and includes everyday services directed at the general public, such as cash point services and services directed at businesses such as large scale corporate investments. The level of attention paid when selecting the services is likely to be at least average, e.g. cash point services, and for the more specialised services, e.g. investment management, it is likely to be high. The services are most likely to be selected having encountered the marks on a visual level, such as signage on premises, newspapers, journal advertisements and reports, and website use. However, I do not discount aural considerations, in the form, for example, of oral recommendations and use over the telephone.

Comparison of marks

23. 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 them, bearing in mind their distinctive and dominant components. The CJEU 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.”

24. It would be wrong, therefore, artificially to dissect the marks, although, it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

25. The marks to be compared are: **MOO.LA** and **LA**.

Overall impression

26. The opponent's mark consists of the letters 'LA' in upper case with no additional stylisation. The overall impression rests in the mark as a whole.

27. The applicant's mark consists of the upper case letters 'MOO' and 'LA' separated by a full stop. The opponent argues that the consumer is likely to perceive the mark as two separate components and to focus on the letters 'LA' at the end of the mark. The component 'LA' is not highlighted or emphasised in any way and it does not jump out as being a more distinctive or dominant feature than 'MOO.' In my view,

irrespective of the full stop, there are no distinctive or dominant components and the distinctiveness of the mark lies in the totality.

Visual similarity

28. Visually, there is a point of coincidence in respect of the component 'LA' which comprises the entirety of the opponent's mark and the last two letters of the applied for mark. This is tempered with the differences, namely the addition at the beginning of the mark of 'MOO.' in the applied for mark. In my view, the marks are visually similar to a low degree.

Aural similarity

29. The opponent's mark could either be pronounced as two separate letters 'EL-AY' or pronounced as one syllable 'LA'. Insofar as the applicant's mark is concerned, even accepting that the separation of the letters 'MOO' by the full stop before 'LA' might lead to some emphasis on 'MOO' in pronunciation, I think it is more likely than not that the applicant's mark would be pronounced as if it were a single word 'MOOLA'. This is because the presence of a full stop between 'MOO' and 'LA' is not, in my view, sufficient to counteract the tendency of the human mind to link letters together to read words. However, it is possible that some consumers may also pronounce the applicant's mark as three syllables 'MOO-EL-AY'. Either way, the degree of aural similarity would be, at best, low.

Conceptual similarity

30. I have no evidence as to how the public would construe either of the marks. Although neither party has raised the point, as a consumer I am aware that the letters 'LA' may, in some contexts, be used to denote the city of Los Angeles. However, taken in isolation and without full stops between the letters 'L' and 'A', I think it is possible but less likely that 'LA', in the opponent's mark, will be perceived in this way. In my view, the opponent's mark is more likely to be seen as initials, a random letter pair, or the two letter word "La".

31. Insofar as the applicant's mark is concerned, the applicant submits that despite the full stop, its mark is "intended to be perceived as a whole, i.e. as a modern version of the word "moola". It also states that the "suffix ".LA" is the internet country code top-level domain [...] for Laos". Having found that the mark is likely to be pronounced as the word 'MOOLA' and notwithstanding the opponent's submission about the presentation of the mark, in my view, the average consumer is more likely to construe the applied for mark as the word 'moola'. I accept that it is possible that some consumer are aware of the meaning of the word, which is defined by Collins English Dictionary as:

"[mass noun] informal Money".

However, in the absence of evidence and despite the dictionary reference, I am unwilling to conclude that the average consumer in the UK is aware of this slang meaning² and I conclude that the average consumer is likely to perceive it as an invented word. Consequently, in my view, the competing marks are neither conceptually similar nor conceptually dissonant; the conceptual position is neutral.

32. If I am wrong and the applied for mark is seen in the context suggested by the opponent, the mark may be construed in a number of ways. Where and if 'MOO' and 'LA' are perceived as individual components within the mark, the 'MOO' component will be perceived as a word describing the noise a cow makes. The 'LA' component may be perceived as a domain name reference to the country of Laos (as submitted by the applicant) or, more likely, a reference to Los Angeles. In both cases, the 'LA' component will be perceived as identifying a geographical location where the services are provided from or where the undertaking is based. In other words, the 'LA' component will have a descriptive function within the mark. If such a perception exists in the minds of the average consumer, for there to be any conceptual similarity with the opponent's mark, it too must be perceived as a reference to the geographical locations of Laos or Los Angeles. If this were so, there would be a low level of conceptual similarity.

² See Appointed Person in *Cherokee* (BL-O/048/08)

33. One further possibility is that the opponent's mark will be seen as the foreign word "la" used as the feminine form of the definite article in languages such as French, Italian and Spanish. It is my view that the average consumer in the UK will be familiar with this word, even if it is not familiar with its precise meaning or usage. It is also my view that the 'LA' component of the applicant's mark will not have the same identity attached to it because it appears at the end of the mark and after a full stop. This presentation encourages the average consumer to perceive in one of the ways I have discussed above, namely as part of the word 'MOOLA' or as an indication of a geographical place. Therefore, where the opponent's mark would be perceived as the foreign word "la", there would be no conceptual similarity.

Distinctive character of the earlier mark

34. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated at paragraphs 22 and 23 that:

"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).

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).”

35. These are fast track opposition proceedings in which it was not necessary for the opponent to provide any evidence of the use it may have made of its earlier mark, thus, I have only the inherent characteristics to consider.

36. The opponent’s mark is composed of only two letters in standard characters with no meaning. Because of the limited number of combinations of two letters, when compared to words or word and device combinations, there is a greater likelihood that traders may happen upon the same letter combination. Consequently, I consider that the opponent’s mark has, at best, a low to medium degree of distinctive character. In paragraph 32, above, if the opponent’s mark was to be perceived as a reference to the geographical locations Laos or Los Angeles, this level of distinctive character would not be increased.

Likelihood of confusion

37. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective services and vice versa. I must also keep in mind the average consumer for the services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has retained in his mind.

38. The opponent referred me to the General Court’s decision in *Lidl Stiftung & Co. KG v. OHIM*³ where the Court upheld the finding of the EUIPO’s Board of Appeal (“the BoA”) that there was likelihood of confusion between the marks BELLRAM and RAM. However, each case must be judged on its own merits, having regard to all the

³ Case T-237/11

relevant factors and the Court's decision cannot be taken to have established the rule that the mere coincidence in a string of letters suffices for a finding of similarity.

39. Earlier in this decision I have found that the respective services are identical. Further, I have found that the average consumer is the general public or a business user, that the level of attention will vary from at least average to high and that the purchasing act will be primarily visual, although I bear in mind the potential for aural use also. I also found that the opponent's mark is endowed with a low to medium degree of distinctive character, that the marks are visually and aurally similar to (at best) a low degree and that even based on the most favourable interpretation (of the applied for mark) for the opponent, there is no more than a low level of conceptual similarity.

40. Applying the first conclusion, i.e. the applied for mark is perceived as the word 'MOOLA', the common element of the marks, i.e. 'LA', is combined in the applicant's mark with another element, i.e. 'MOO.', to produce either an invented word or a conceptual meaning, which has no counterpart in the earlier mark. In such circumstances, even with the full stop, the identity of the 'LA' element will be subsumed into the word 'MOOLA' and I conclude that, notwithstanding the identity of the services, the similarities do not overcome the impact of the differences between the marks and there is no likelihood of confusion.

41. Applying the second conclusion, i.e. the consumer will recognise 'MOO' and 'LA' as separate components but still see the mark as a whole, I bear in mind that in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, Mr Iain Purvis Q.C. sitting as the Appointed Person stated:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the

later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

42. For the sake of completeness, I should also say that I bear in mind that in *Medion v Thomson* and subsequent case law, the CJEU has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark. This principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. However, this is not the case here as the component ‘LA’ does not perform an independent distinctive role in ‘MOO.LA’. The mark is not presented in a manner which would cause people to perceive its

constituent parts to have significance as two distinctive independent elements, for example as a house mark and a secondary mark. Rather, irrespective of the full stop, the mark has all the appearance of being a unitary whole which dominates the overall impression.

43. Accordingly, where the consumer recognises 'MOO' as a separate component, it will not go unnoticed by the average consumer and there is very little likelihood that there will be direct confusion. I also find that there is no indirect confusion. In reaching this conclusion, I keep in mind the various possible conceptual identities of 'LA' that may be perceived by the average consumer in both marks. None of these lead me to conclude that the average consumer is likely to assume that services provided under the respective marks originate from the same or a linked undertaking.

CONCLUSION

44. I have found that the applicant's mark is likely to be perceived as an invented word 'MOOLA' and found that where this is so, there is no likelihood of confusion. I have also reached the same conclusion where the applicant's mark may be perceived as the word 'MOOLA' being an informal word meaning 'money'. Finally, I have considered where it will be perceived as separate components and where the 'LA' component has various meanings. Regardless of what meaning is attached to the 'LA' component, I have also found that there is no likelihood of confusion.

45. The opposition has failed, and subject to any successful appeal, the application will proceed to registration.

COSTS

46. As the applicant has been successful, it is entitled to a contribution towards its costs. Awards of costs in Fast Track opposition proceedings are governed by Tribunal Practice Notice (TPN) 2/2015. I award costs to the applicant on the following basis:

Preparing a statement and considering the other side's statement: £ 200

Preparing submissions: £ 200

Total: £ 400

47. I order Lester Aldridge LLP to pay Moola Systems Limited the sum of £ 400 as a contribution towards its costs. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case, if any appeal against this decision is unsuccessful.

Dated this 14th day of July 2016

Teresa Perks

For the Registrar

The Comptroller – General