

O/0179/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3663528

IN THE NAME OF LANTUM LTD

TO REGISTER THE FOLLOWING TRADE MARK:

OUTCOMES BASED STAFFING

IN CLASSES 35, 36 AND 43

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 429074

BY LOCUMTAP LTD

Background and pleadings

1. On 2 July 2021, Lantum Ltd ('the applicant') applied to register the trade mark shown on the front page of this decision. It was accepted and published in the Trade Marks Journal on 10 September 2021 in respect of the following services:

Class 35: Advertising; Office functions; Staff benefit administration (nonfinancial); Business process management; Business process management consultancy; Business compliance management; Business compliance consultancy; Business calendar, diary and appointment management services; Staff rota and staffing shift management; Staff and human resource records management; Human resource services; Database subscription services; Administrative support and data processing services; Data systematisation and management; Data entry; Verification services relating to the qualification, registration and suitability of persons for roles; Billing services in the field of healthcare; Data processing services in the field of healthcare; Human capital management.

Class 36: Insurance; Financial affairs; Monetary affairs; Real estate affairs; Payroll administration; Staff administration (financial); Tax, pension and accountancy services; Taxation services; Calculation and payment of tax, pension and social security contributions; Financial information, data, advice and consultancy services; Evaluation of financial, taxation, social security and pension information.

Class 42: Scientific and technological services and research and design relating thereto; Industrial analysis and research services; Maintaining databases; Online data storage; App based data storage; Data duplication and conversion services; Data coding services; Hosting services; Consulting services relating to software; Provision of online and app based software platforms.

2. On 10 December 2021, Locumtap Ltd ("the opponent") filed a notice of opposition against the application. The opposition is brought under section 5(2)(b) of

the Trade Marks Act 1994 (“the Act”) and is directed against all the applied for services. This is on the basis of its earlier series of marks, the details of which are set out below:

Earlier Mark	Registration no.	Filing/Registration date	Goods & Services relied upon
(Mark 1 in series of 2) Outcome Based Staffing (Mark 2 in series of 2) Outcomes Based Staffing	UK00003612950	19 March 2021 30 July 2021	9: Software; Computer software; Application software; Smartphone software; Mobile application software; Website development software. 35: Employment staffing consultation services. 42: Technological consultancy; Technological services; Information technology consultancy; Computer technology consultancy; Technological advisory services; Information technology consulting services; Information technology [IT] consultancy; Software creation; Software design. 44: Healthcare; Healthcare services; Healthcare consultancy services; Healthcare information services.

3. By virtue of their earlier filing dates, the opponent’s trade marks constitute earlier marks, in accordance with section 6 of the Act. However, as the opponent’s marks have been registered for less than 5 years at the filing date of the application in issue, they are not subject to proof of use pursuant to section 6A of the Act. The opponent can, therefore, rely upon all of the goods and services it has identified.

4. In its notice of opposition, the opponent contends that the applicant’s mark should not be registered because of its similarity to the opponent’s earlier mark in addition to the similarity/identity of the respective goods and services covered by the marks which would give rise to a likelihood of confusion, including a likelihood of association.

5. The applicant filed a counterstatement, denying that the respective goods and services are similar and requesting that the opposition be dismissed in its entirety. They also submitted that the basis of opposition chosen by the opponent is incorrect and that as such it should be struck out. I will address these comments in the procedural issues below.

6. The opponent is represented in these proceedings by Gill Jennings & Every LLP and the applicant by Harper Macleod LLP. Neither party filed evidence during the evidential rounds and neither requested a hearing, though both elected instead to file submissions in lieu. Whilst I do not propose to summarise those submissions here, I will keep them in mind throughout.

7. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied 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.

Preliminary Issue

8. The opponent has relied upon on section 5(2)(b) of the Act which 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”.

9. In paragraph 2 of their statement of grounds however, the opponent submits, “the application is identical to the second in the series of the opponent’s earlier mark”. In response to this, the applicant contests that the opposition should be dismissed in

its entirety due to the incorrect grounds being pleaded. Paragraph 4 of the applicant's counterstatement is reproduced in full below:

"The Applicant's mark is "OUTCOMES BASED STAFFING". The Opponent's mark is a series of two marks, one of which is "Outcomes Based Staffing". These marks are both in plain word format. The marks are therefore identical. However, the Opponent does not oppose the Application on the basis of section 5(1)(a) or section 5(1)(b), both of which concern identical marks, but only on section 5(2)(b). Given the wrong grounds have been led for the Opposition, the Opposition should therefore be dismissed in its entirety, as it is procedurally incorrect. In any case, the relative identical nature of the marks should not therefore form a basis for consideration of the Opposition, as this ground has not been pled in the Opposition."

10. Sections 5(1) and 5(2)(a) of the Act read as follows:

"5(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

5(2) 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

11. In view of the above, I take the applicant's comments regarding sections 5(1)(a) and 5(1)(b) to be a reference to sections 5(1) and 5(2)(a) respectively. I accept that the opponent has, within its statement of grounds, pleaded that its second earlier mark in the series is identical to the applicant's mark, and it is evident that this is the case. Considering the opponent's pleadings regarding the identity of the marks and submitting that the goods and services filed by the applicant are identical or highly similar to those covered by the opponent's earlier mark, I accept that section 5(1) and/or 5(2)(a) would have been the most appropriate basis of opposition in respect of that mark. I note however, that the opponent only pleads identity with the applicant's mark based on its second earlier mark, and it appears to submit that its first mark in the series is highly similar to the applicant's mark. The applicant also frames its argument that the wrong grounds have been pleaded only the basis of the opponent's second earlier mark. Considering the marks and the pleadings, I therefore find section

5(2)(b) to be an appropriate basis of opposition in respect of the opponent's first earlier mark. In view of this, in this instance I will proceed by only considering the opponent's opposition under section 5(2)(b) of the Act in relation to its first mark in the series.

DECISION

Section 5(2)(b)

12. Section 5(2)(b) of the Act is as outlined previously in paragraph 8 of this decision.

13. 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 Goods and Services

14. In *Canon*, the Court of Justice of the European Union (“CJEU”) stated at paragraph 23 of its judgment:

“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”.

15. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) 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;
- e) 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.

16. The General Court (GC) confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, that, even if goods are not worded identically,

they can still be considered identical if one term falls within the scope of another (or vice versa):

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut fur Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

17. Though expressed in reference to goods, the same principle also applies to services. For the purposes of considering the issue of similarity of goods or services, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons (see *Separode Trade Mark* (BL O/399/10) and *BVBA Management, Training en Consultancy v. Benelux- Merkenbureau* [2007] ETMR 35 at paragraphs 30 to 38).

18. The goods and services to be compared are as follows:

Opponent's Goods & Services	Applicant's Services
9: Software; Computer software; Application software; Smartphone software; Mobile application software; Website development software.	
35: Employment staffing consultation services.	35: Advertising; Office functions; Staff benefit administration (nonfinancial); Business process management; Business process management consultancy; Business compliance management; Business compliance consultancy; Business calendar, diary and appointment management services; Staff rota and staffing shift management; Staff and human resource records management; Human resource services; Database subscription services; Administrative support and data processing services; Data systematisation and management; Data entry; Verification services relating to the qualification, registration and

	suitability of persons for roles; Billing services in the field of healthcare; Data processing services in the field of healthcare; Human capital management.
	36: Insurance; Financial affairs; Monetary affairs; Real estate affairs; Payroll administration; Staff administration (financial); Tax, pension and accountancy services; Taxation services; Calculation and payment of tax, pension and social security contributions; Financial information, data, advice and consultancy services; Evaluation of financial, taxation, social security and pension information.
42: Technological consultancy; Technological services; Information technology consultancy; Computer technology consultancy; Technological advisory services; Information technology consulting services; Information technology [IT] consultancy; Software creation; Software design.	42: Scientific and technological services and research and design relating thereto; Industrial analysis and research services; Maintaining databases; Online data storage; App based data storage; Data duplication and conversion services; Data coding services; Hosting services; Consulting services relating to software; Provision of online and app based software platforms.
44: Healthcare; Healthcare services; Healthcare consultancy services; Healthcare information services.	

19. In their submissions in lieu, the opponent states, “the applicant also appears to target the healthcare industry and so, the users of the applicant and that of the opponent, are identical/highly similar and it would stand to reason that the way the applicant and opponent market and advertise their services, thereby targeting consumers, would be the same.”

20. The applicant has applied for its mark in respect of services in classes 35, 36 and 42 including those such as ‘advertising’ generally. Whilst I accept that the applied for terms “billing services in the field of healthcare” and “data processing services in the field of healthcare” would be targeted towards the healthcare industry, the applicant has not, within the remaining specification of services for which it has applied

for, limited these to services for a particular audience or field of industry. At this point, I note that the opponent has also not limited its registered goods and services for a particular audience or field of industry. It is well established that it is the goods and services for which the mark has been either registered or applied for that I must consider within these proceedings. In *Devinlec Développement Innovation Leclerc SA v OHIM*, Case C-171/06P, the CJEU stated that:

“59. As regards the fact that the particular circumstances in which the goods in question were marketed were not taken into account, the Court of First Instance was fully entitled to hold that, since these may vary in time and depending on the wishes of the proprietors of the opposing marks, it is inappropriate to take those circumstances into account in the prospective analysis of the likelihood of confusion between those marks.”

21. With consideration to the above, I find that the opponent’s comments on this subject are of no relevance to the comparison of the goods and services. However, I find that both the applicant and the opponent may target their goods and services at a range of industries as they have not limited their goods and services. With this in mind, I will consider the potential for users to be shared within my comparison.

Class 35 Services

Business process management consultancy

22. I consider the opponent’s *employment staffing consultation services* refers to the provision of expertise or advice in relation to a company’s workforce. Specifically, advice may be provided on, inter alia, the personnel of a business or organisation and the hiring, and training of staff. Turning to the applicant’s *business process management consultancy*, I find again that this would be the provision of advisory services or expertise albeit in relation to the management of business processes such as project management, business growth strategies and stakeholder engagement. It therefore follows that there is a slight overlap in terms of nature and purpose as both services are of an advisory nature and for the purpose of helping to run a successful

business. The respective services would likely be engaged by businesses and as such there would be an overlap in users. I do not consider the services to be important or indispensable to one another to the extent that they would be considered to have a complementary relationship¹ nor do I find the services to be in competition with one another. Overall, I find there to be a low degree of similarity between these services.

Business compliance consultancy

23. I find the above service would be to provide expertise and advisory services to businesses to help them ensure that they adhere to the applicable rules and laws. Although the overall purpose differs (one being in relation to staffing and the other being strictly business compliance related), there is an overlap in nature and method of use with the opponent's *employment staffing consultation services* insofar as the respective services both consist of, or incorporate, the provision of advice in relation to running a business. There would be an overlap in users as both these services relate to consultancy in the field of business matters. I do not consider the services to be competitive, nor do I find that they enjoy a complementary relationship. Weighing up these factors, I find there is a low degree of similarity between these services.

Staff rota and staffing shift management; Staff and human resource records management; Human resource services; Human capital management; Verification services relating to the qualification, registration and suitability of persons for roles

24. In their submissions in lieu, the applicant claims that the above services are administrative in nature and office functions rather than consultancy services. As outlined above, I consider the opponent's *employment staffing consultation services* refers to the provision of expertise or advice in relation to a company's workforce. I agree with the applicant that the above services are administrative or management services rather than consultancy services and so I find that these goods differ in terms of nature. I recognise however, that there is a shared broad purpose namely to help run and provide assistance to a business in relation to staffing and human resources. I also find that the services may share trade channels and users though I do not

¹ *Boston Scientific Ltd v OHIM*, Case T-325/06

consider there to be any degree of competition between the same. Further, there is no complementary relationship between these services. Considering these factors, I find there is a low degree of similarity between these services.

Office functions; Business calendar, diary and appointment management services

25. The applicant asserts that these services are provided by different types of market operator; they are not provided (nor would the average consumer expect them to be provided) via an employment consultant. In the absence of evidence on the contrary I agree with the applicant that it seems likely these services would be provided by different undertakings to that of *employment staffing consultation services*, though I accept that there would be an overlap in users as the services would be sought out by business users. The nature and the purpose of these services also differ. Further, I do not consider there to be any competitive or complementary relationship. On that basis, I do not find any similarity between these services.

Staff benefit administration (nonfinancial)

26. I consider the above service to be the process of creating and managing a business's non-financial employee benefits such as healthcare, gym memberships and discount cards. This service differs in terms of nature and purpose compared to the opponent's *employment staffing consultation services*. Whilst the users may overlap, I do not consider there to be any competition between the services, nor do I consider there to be an overlap in trade channels. I do not consider the services complementary. Overall, I consider these services to be dissimilar.

Business process management; Business compliance management

27. Without any submissions to the contrary, it is my view that the above services analyse, measure and seek to improve business processes and business compliance. I consider these services to be of a specialised nature and they would oversee the structure and vision of a business as a whole rather than relating to staffing and HR matters. I consider their nature and purposes differ from that of *employment staffing consultation services*. I find there would be an overlap in users as the respective

services would likely be engaged by businesses. There is no competitive nor complementary relationship to be found. Considering these factors, I find the respective services to be dissimilar.

Database subscription services; Administrative support and data processing services; Data systematisation and management; Data entry; Data processing services in the field of healthcare

28. Although the applicant has correctly highlighted that its specification does not contain any goods in class 9, section 60A of the Act stipulates that goods and services are not to be regarded as being dissimilar to one another simply because they appear in different classes. I shall, therefore, proceed to compare the parties' respective goods and services in accordance with the case law and principles outlined above. The earlier mark is registered for *software* at large, and I find that this would include software for databases and data processing. I first acknowledge that my comparison here entails goods against services, so it follows that there is a difference in nature. However, I consider that database software and the above services would overlap in respect of users. There is also an important relationship between the respective goods and services to the extent that consumers would believe that the same undertaking is responsible for both, consequently, I consider the goods and services enjoy a complementary relationship. I do not consider there to be any degree of competition between these goods and services. Overall, I find there is a low degree of similarity.

Billing services in the field of healthcare

29. Without any submissions to the contrary, I take this term to mean administration services relating to transactions and financial records in the field of healthcare. This would include inter alia book-keeping and creating invoices. The opponent's earlier specification includes *software* and I consider it likely that this would include software to facilitate the administration services relating to billing in the field of healthcare. From this, I find there would be an overlap in users, though I accept that the nature and trade channels would differ. There is also an important relationship between the respective goods and services to the extent that consumers would believe that the same

undertaking is responsible for both, consequently, I consider the goods and services enjoy a complementary relationship. I do not consider there to be any degree of competition between these goods and services. Overall, I find there is a low degree of similarity.

Advertising

30. I find that advertising would differ from *employment staffing consultation services* in terms of nature and purpose. Whilst the services will generally share business users, they are likely to be available via different trade channels. Moreover, I do not consider there to be a complementary nor a competitive relationship between the same. I find these services to be dissimilar.

Class 36 Services

Financial affairs; Monetary affairs; Financial information, data, advice and consultancy services

31. I consider the above terms to encompass financial services such as the facilitation of transactions, the provision of financial advice and the managing of client portfolios. I note in their submissions in lieu that the opponent has made a comparison of the above services with their earlier service *employment staffing consultation services*. Whilst I can see no apparent similarity between those services, it is incumbent on me to carry out a full assessment and so I compare the above services to the opponent's *software* in class 9. Mr Thomas Mitcheson KC, sitting as the Appointed Person in *MFS Africa*, BL O/531/22 discussed the hearing officer's comparison of the relationship between computer software and financial services and observed:

18. Breaking it down, she held that there was little correlation in users, other than theoretically being available to the public at large. To the extent that she meant by this that the purchasers of software to e.g. give advice, present details of a client portfolio, or to enable transactions (i.e. the financial service

providers) would be different to the ultimate recipients of the financial services, then I agree...But it seems highly likely that the end-users of the financial services would or at least could also be *users* of the software developed to receive advice, present portfolio details or to carry out transactions. In such a field, they may also expect to find that the software they are using is “bespoke” in the sense that it is presented as unique to the company providing the financial services.

19. Going on through her §54 and continuing this analysis, the nature of the goods and the trade channels may be different, as she found, and they may not compete. But I have difficulty with the conclusion that there are no complementary elements, particularly in light of the Hearing Officer’s earlier finding that computer software and mobile applications may be used to support the provision of financial services. As I have noted above, it is clearly the case that financial services can and often are provided using computer software, often of a bespoke nature. This seems to me to be a classic example of complementary goods and services whereby the nature of the software plays an integral and important part in the delivery of the financial service. This is so notwithstanding the finding by the Hearing Officer at §59, that the average consumer of the sorts of goods and services in issue in the present case would be likely to apply “a reasonably high degree of attention when selecting a provider”.

20. The analogy sought to be made by the Opponent was to the supply of a banking app by a high street bank, which the consumer would expect to come from the same source as the financial services supplied by the bank. Like all analogies, the comparison is not perfect, but I can understand why a consumer may expect there to be some sort of similar link between the provider of platforms to enable or support financial services and the provider of the underlying financial services.

21. For these reasons I disagree with the conclusion that there are no similarities between computer software and mobile applications and the

financial services in the Opponent's specification. The supportive/complementary nature of the former is apparent and that is sufficient in my mind to render the goods/services as having a low degree of similarity. As the Hearing Officer explained in relation to "electronic payment apparatus" in §55, the average consumer might expect a single or related entity to offer both.

32. I agree with the reasoning above and consider that the respective goods and services share a complementary relationship as they are important or indispensable to one another to the extent that consumers would believe that they originate from the same undertaking. Moreover, I find that there is also an overlap in users as the respective goods and services would be used by both business users and the public at large. In cases where the software is designed specifically for financial affairs, this would result in an overlap of the purpose of the respective goods and services. At this point, I acknowledge that my comparison is in relation to goods against services and so I find nature of these respective goods and services would differ. Further, I do not consider there to be any degree of competition and the trade channels would differ. Considering these factors, I find there is a low degree of similarity.

Insurance

33. I consider this to be a broad term which would encompass inter alia travel insurance, car insurance, health insurance. Comparing this term to the opponent's *application software*, I find that the nature of the two differ. However, it is common place nowadays for services such as *insurance* to be available to users via *application software* to enable users to store and update insurance policy documents, seek insurance advice and make insurance claims. In view of this, I find that there would be an overlap in users being both the general public and business users. Further, the relationship between these goods and services is important and I consider this to be to the extent where consumers would believe that they are derived from the same undertaking. As such, *application software* and *insurance* share a complementary relationship. There would be an overlap in purpose in cases where the software is designed specifically for insurance services. I do not consider the goods and services

to share a competitive relationship, nor do I consider there to be an overlap in trade channels. Overall, I consider these goods and services to have a low degree of similarity.

Real estate affairs

34. The above term would relate to services such as the purchasing and selling of property, property valuations and property investment. I compare this term to the opponent's *software*. I first consider there to be an overlap in purpose and users as it is likely that the above services would be offered to users via software such as mobile apps to enable users to manage property portfolios and view properties for sale. I therefore find this relationship between the respective goods and services to be complementary as they are important to one another to the extent that users would believe that the responsibility lies with the same undertaking. I accept that the nature between the goods and services differ and there is no competitive relationship to be found. Weighing up these factors, I consider these goods and services to share a low degree of similarity.

Tax, pension and accountancy services; Taxation services; Calculation and payment of tax, pension and social security contributions; Evaluation of financial, taxation, social security and pension information

35. As with my findings above, I acknowledge that it is now fairly common for a range of services to be offered to users via bespoke *software* such as mobile applications. With this in mind, I find the above services would include the management of personal details such as tax codes and tax and pension contributions and I consider that services such as these would be accessible to users via the opponent's *software*. As such, I consider there would be an overlap in users and there would also be a complementary relationship. I accept however, that the goods and services differ in nature and there would not be any degree of competition between the same. Overall, I find there to be a low degree of similarity between these goods and services.

Payroll administration; Staff administration (financial)

36. To my mind, the above services would entail the processing of employee wages, maintenance of employee records such as time sheets, attendance and pay grade. It is possible that the providers of the opponent's *employment staffing consultation services* would encompass consultation services relating to staff payroll, but I remind myself that the opponent's services are advisory, so I do not consider these services to overlap in nature. There would be a broad overlap in terms of purpose as the respective services are to provide business assistance whether it be via consultancy or the outsourcing of certain tasks and it therefore follows that there would be an overlap in users. I consider that the trade channels would differ, and I do not find any competitive or complementary relationship either. On that basis, I find there is a low degree of similarity between these services.

Class 42 Services

Consulting services relating to software

37. I consider that the opponent's *computer technology consultancy* would encompass the services above and they are therefore identical on the principle outlined in *Meric*. If I am wrong on this, then the services are highly similar due to their shared nature and purpose being to provide consulting services in relation to computer technology and software. The services would be available via the same trade channels and to the same users being predominantly business users. There is also a degree of competition between the same and I find that they are also important to one another to the extent that users would believe that they are derived from the same undertaking.

Scientific and technological services and research and design relating thereto;
Industrial analysis and research services

38. I first consider the term "technological services" above to be identical to the opponent's *technological services* under the principle outlined in *Meric*. Turning to the remaining services above, I consider that they overlap in terms of nature and purpose

compared to the opponent's *technological services*. The services would be offered to the same users in specialised fields and via the same trade channels. There may also be a degree of competition between the services and a complementary relationship between them as they are important or indispensable to one another to the extent that users would believe that they are derived from the same undertaking. Consequently, I consider these services to have a high degree of similarity.

Maintaining databases; Online data storage; App based data storage; Data duplication and conversion services; Data coding services; Hosting services

39. I find that these services would coincide with the opponent's *software* in respect of users. There is also an important relationship between the goods and services to the extent that users would believe that the services originate from the same undertaking, so I consider there to be a complementary relationship. The nature, purpose and method of use of the goods and services differ, and I do not consider there to be any competitive relationship between the same. Overall, I find there to be a low degree of similarity between these services.

Provision of online and app based software platforms

40. Comparing these services to the opponent's *computer software*, I find that although there is a difference in nature, there would be an overlap in method of use, users and trade channels. I also consider there may be a degree of competition and a complementary relationship between the same. In light of this, I find these goods and services to be similar to a high degree.

41. As some degree of similarity between goods and services is necessary to engage the test for likelihood of confusion, my findings above mean that the opposition must fail against the services of the application that I have found to be dissimilar², namely:

² *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, paragraph 49

Advertising; Staff benefit administration (nonfinancial); Business process management; Business compliance management; Office functions; Business calendar, diary and appointment management services.

The average consumer and the nature of the purchasing act

42. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which the services are likely to be selected by the average consumer. 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.”

43. The goods and services at issue are primarily of a specialist nature, for example technological services and business compliance consultancy. I accept however that some of the goods and services also include more everyday products such as software. The average consumer in these proceedings will predominantly be the professional business user but I acknowledge that the average consumer will also comprise members of the general public in respect of goods and services such as software, insurance, financial affairs and real estate affairs.

44. In respect of the general public, the goods and services would be predominantly infrequent purchases though I accept that goods such as computer software, would be a more frequent purchase. The cost of the goods and services will also likely vary from the lower end of the scale in respect of everyday computer

software in the form of mobile applications to the higher end of the scale in respect of, for example, insurance. I am of the view that the purchase of the goods and services will involve a reasonably measured thought process with the general public considering factors such as, for example, the level of insurance cover provided by an insurance policy, the compatibility of computer software with hardware devices and the reputation and level of expertise provided by financial a financial consultant. Overall, I consider a medium to high degree of attention would be paid by the public during the selection process.

45. In terms of business users, I find that the purchase of goods and services would be more frequent for the ongoing operational needs of the business. The cost of the goods and services in issue will vary (from everyday computer software which may be lower in cost compared to employment staffing consultation services which will be higher in cost). Considerations such as a service provider's expertise, suitability and previous outcomes will be considered during the selection process. I consider that business users will be mindful of the importance of their selection as well as the potential negative consequences of selecting the wrong service provider and the impact this would have on their business. With this in mind, I find that business users would display a high degree of attention during the selection process.

46. The goods in class 9 are, in my experience, most likely to be obtained by self-selection from an online app store a website. Consequently, visual considerations are likely to dominate the selection process. However, I do not discount that there may be an aural component to the purchase of the goods, given that advice may be sought from sales assistants or representatives. The services are likely to be purchased from specialist outlets or their online equivalent. The purchasing process for the services is likely to be dominated by visual considerations, as the average consumer is likely to select the services at issue following inspection of the premises' frontage on the high street, on websites and in advertisements (such as flyers, posters or online adverts). However, given that word-of-mouth recommendations may also play a part, I do not discount that there will be an aural component to the selection of the services

Comparison of marks

47. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“...it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relevant 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.”

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

49. The marks to be compared are as follows:

Opponent's mark	Applicant's mark
Outcome Based Staffing	OUTCOMES BASED STAFFING

Overall impression

50. The opponent's mark consists of the words "Outcome Based Staffing" presented in a standard typeface. There are no other elements to contribute to the overall impression which lies in the wording itself.

51. The applicant's mark comprises the words "OUTCOMES BASED STAFFING" in a standard uppercase font. In the absence of any additional components, the mark's overall impression resides solely in the wording itself.

Visual comparison

52. The opponent's mark begins with the word "outcome". This word has been pluralised in the applicant's mark and is written as "outcomes". In both marks, this is followed by the words "based staffing". The discrepancy in letter case does not create a point of significant difference between the marks, since the registration of word-only marks provides protection for the words themselves, irrespective of whether they are presented in upper, lower or title case.³ On that basis, I consider the marks to be visually similar to a very high degree.

Aural comparison

53. Both marks will be pronounced in five syllables using the usual English pronunciation of the words with the sole point of difference being the "s" sound at the end of the word "outcomes" in the applicant's mark. In view of this, I find the marks have a very high degree of aural similarity.

Conceptual comparison

54. I find that the applicant's mark will be perceived as a company slogan and understood by consumers as staffing services which provide outcomes. To my mind, the opponent's mark will also be perceived as a business slogan and understood as

³ *Migros-Genossenschafts-Bund v EUIPO*, Case T-189/16

staffing services which provide an outcome. Consequently, I consider the marks to be conceptually similar to a very high degree.

Distinctive character of the earlier mark

55. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585. In *Lloyd Schuhfabrik*, the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of

commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

56. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

57. In their statement of grounds, the opponent claimed that their mark benefits from enhanced distinctiveness arising through the use made thereof. No evidence was filed to support this and so I have only the inherent position to consider.

58. The earlier mark is in word format only and consists of the words "Outcome Based Staffing", and it is my view that the phrase is likely to be understood by consumers as a company slogan, namely, an indication that the undertaking responsible for the mark will select and manage its staff based upon its desired outcome and offer services in relation to the same. This is particularly the case when considering the nature of the services for which the earlier mark is registered in class 35 although I recognise that the validity of the earlier mark is not in issue in these proceedings, the mark must be assumed to have some distinctive character.⁴ Even in respect of the remaining goods and services, I find that the mark would still be considered as promotional message indicating the focus of the business. By way of example, the phrase "Outcome Based Staffing" in relation to earlier goods such as general software would indicate to the consumer that the software is associated with staffing services. Accordingly, I find the earlier mark possesses a low degree of inherent distinctive character.

Likelihood of confusion

59. There is no simple formula for determining whether there is a likelihood of confusion. I must make a global assessment of the competing factors (*Sabel* at [22]),

⁴ *Formula One Licensing BV v OHIM*, Case C-196/11P

keeping in mind the interdependency between them (*Canon* at [17]) and considering the various factors from the perspective of the average consumer. In making my assessment, I must bear in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind (*Lloyd Schuhfabrik* at [26]).

60. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and goods down to the responsible undertakings being the same or related.

61. Earlier in my decision, I found the earlier mark to be to be visually aurally and conceptually similar to the applicant's mark to a very high degree. I found the similarity of the respective goods and services to vary from dissimilar to identical. I found that the earlier mark has a low degree of inherent distinctiveness in relation to its goods and services. I identified the average consumer to be primarily business professionals but also in some cases the general public. I considered that in respect of both user groups, the goods and services would be selected predominantly by visual means, though I do not discount an aural element to the purchase. I also concluded that a medium to high degree of attention will be paid during the purchasing process in respect of both the general public and a high degree of attention will be paid by professional users.

62. I first begin by acknowledging the varying degrees of similarity between the respective goods and services however, as per *Canon*, it should be considered that a lesser degree of similarity between the goods and services may be offset by a greater degree of similarity between the marks. Although I concluded that the earlier mark possessed a low degree of inherent distinctiveness, I remind myself that a weak distinctive character of an earlier trade mark does not always preclude a likelihood of confusion.⁵ Considering this, along with all the relevant factors, I am of the view that the average consumer may misremember the marks by way of imperfect recollection, even when the level of attention paid will be of a higher degree. The respective marks

⁵ *L'Oréal SA v OHIM*, Case C-235/05 P

differ only by way of the pluralization of the term “outcome” in the later mark so I find that the difference between the term “outcome” versus “outcomes” may be unnoticed or forgotten. It is on this basis that I find the consumer is likely to mistake one mark for the other and as such, I find there is a likelihood of direct confusion between the applicant’s mark and opponent’s mark in respect of all of the similar goods and services.

63. I now go on to consider indirect confusion.

64. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“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.)

65. These examples are not exhaustive but provide helpful focus.

66. As previously stated, the only point of difference between the respective marks is the use of the term “outcome” in the earlier mark as opposed to “outcomes” in the applicant’s mark. The pluralization of “outcome” to “outcomes” alters the mark visually, aurally and conceptually only in a minor way. If consumers were to recognise this difference, I find they would simply consider it to be in line with a brand extension or brand update. It may be the case that consumers would believe that the undertaking responsible has expanded in terms of the services it provides its customers resulting in the undertaking now providing “outcomes” instead of an “outcome”. In view of this, I find there is also a likelihood of indirect confusion.

Conclusion

67. The opposition under section 5(2)(b) of the Act has succeeded in relation to the following services, and subject to a successful appeal, the application will be refused for:

35: Business process management consultancy; Business compliance consultancy; Staff rota and staffing shift management; Staff and human resource records management; Human resource services; Database subscription services; Administrative support and data processing services; Data systematisation and management; Data entry; Verification services relating to the qualification, registration and suitability of persons for roles; Billing services in the field of healthcare; Data processing services in the field of healthcare; Human capital management.

36: Insurance; Financial affairs; Monetary affairs; Real estate affairs; Payroll administration; Staff administration (financial); Tax, pension and accountancy services; Taxation services; Calculation and payment of tax, pension and social security contributions; Financial information, data, advice and consultancy services; Evaluation of financial, taxation, social security and pension information.

42: Scientific and technological services and research and design relating thereto; Industrial analysis and research services; Maintaining databases; Online data storage; App based data storage; Data duplication and conversion services; Data coding services; Hosting services; Consulting services relating to software; Provision of online and app based software platforms.

68. The application will proceed to registration, subject to appeal, in respect of the following services:

35: Advertising; Staff benefit administration (nonfinancial); Business process management; Business compliance management; Office functions; Business calendar, diary and appointment management services.

COSTS

69. Both parties have enjoyed a measure of success, though the opponent has been considerably more successful in this case.

70. Awards of costs in proceedings commenced after 1 July 2016 are governed by Annex A of Tribunal Practice Notice ('TPN') 2 of 2016. Using that TPN as a guide, I award costs to the opponent including a 10% reduction on costs to account for the applicant's partial success.

Official TM7 fee:	£100
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Filing a notice of opposition and considering the holder's counterstatement:	£200
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Filing submissions in lieu:	£300
Total:	£600
Total (including 10% reduction):	£540

71. I therefore order Lantum Ltd to pay the sum of £540 to LOCUMTAP LTD. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 20th day of February 2023

Catrin Williams
For the Registrar