

# Chime Financial, Inc vs The Registrar Of Trade Marks on 2 April, 2025

**Author: Amit Bansal**

**Bench: Amit Bansal**

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IN THE HIGH COURT OF DELHI AT NEW DELHI

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Date of decision:

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C.A. (COMM.IPD-TM) 64/2024

CHIME FINANCIAL, INC

.....Ap

Through:

Ms. Priya Adlakha & Ms.  
Garg, Advocates.

versus

THE REGISTRAR OF TRADE MARKS

.....Respondent

Through: Ms. Nidhi Raman, CGSC with  
Mr. Debashish Mishra & Mr. Arnav  
Mittal, Advocates for R-1.

CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

AMIT BANSAL, J. (Oral)

1. This appeal has been filed challenging the order dated 24th May, 2024, passed by the respondent, refusing the appellant's application for registration of the device mark , bearing application no. 5241586, in Classes 9, 35, 36, 41 and 42.

2. The respondent has refused the application on the ground that there were valid and subsisting cited marks which were phonetically and visually similar to the mark of the appellant and in respect of similar goods and services. Therefore, the application was refused invoking Section 11(1) of the Trade Marks Act, 1999 (hereinafter the 'Act'). BRIEF FACTS

3. The facts relevant for deciding the present case are as follows:

4. The appellant, a financial technology, was incorporated in 2012 in the United States of America, under the name 'Chime Financial, Inc.' The appellant company in conjunction with its banking partners, offers online banking and other traditional financial products and services under the trademark .

5. It is stated that the mark was honestly adopted by the appellant, both as part of its trade name, i.e.

Chime Financial Inc. and as a trademark. Since March 2014, the appellant has been continuously and uninterruptedly using the mark on its website [www.chime.com](http://www.chime.com).

6. It is stated that the appellant's mobile banking platform is an award- winning platform and the appellant's mobile banking platform has an active user base of over 14 million users. It is averred that in August 2021, the appellant company was valued at USD 25 billion by Forbes magazine.

7. The appellant's name has been included in Fortune's list of 'Best Small & Medium Workplaces' in 2022, Forbes' list of 'America's Best Startup Employers' in 2023, Forbes' list of 'Fintech 50' in 2024 and was also ranked at No. 15 in CNBC's Disruptor 50 companies.

8. The appellant also maintains an active presence on prominent social media platforms, including Facebook with approximately 329,000 followers, X (formerly Twitter) with nearly 260,000 followers, Instagram with 995,000 followers, TikTok with approximately 500,000 followers, and LinkedIn with 129,000 followers. Additionally, the appellant operates a YouTube channel with over 29,000 subscribers.

9. The appellant's mobile banking application is listed on Google Play Store (+10 million downloads) and Apple App Store (4.8 out of 5-star rating).

10. The appellant has also obtained registrations for the device marks , the colour variation and their formatives in various countries including Australia, the European Union, Mexico, New Zealand, the United Kingdom and the USA in Classes 9, 35, 36, 41 and 42 since 2021.

11. It is stated that the term 'CHIME' in the trademark is an arbitrary mark and has no correlation with the financial services offered by the appellant.

12. The appellant filed the subject application no. 5241586 for registration of the mark in India on a 'proposed to be used basis' in Class 9, 35, 36, 41, 42, claiming priority since 27 th August 2021, basis appellant's US application no. 90906784.

13. On 11th January 2022, the respondent issued an Examination Report raising an objection under Section 11(1) of the Trade Marks Act, 1999 ('Act'), citing ten (10) conflicting trademarks. The conflicting trademarks cited by the respondent are set out below:

Cited Marks Registered/Applied for registered for goods related to 'aircraft and aerospace' in Class and applied for goods concerning /CHIMERA 'electronic security and surveillance devices' in Class 9.

applied for services in relation to 'compilation and analysis of Chime' wordmark video and audio, data management, data processing', etc. in Class 35 applied for services concerning 'real estate' in Class 36 applied for 'education services' Chimes' wordmark in Class 41 and is being used as CHIMES MONTESSORI applied for services in relation to 'consultancy and advisory 'Chime' wordmark services relating to audio/video recording, subscription video recording', etc. in Class 41 applied for

'services rendered by , 'CHIME Childrens medical, pediatric cardiology surgeries' in Class 42 Heart Internationale MIOT' applied for services in relation to 'hospitality services' in Class 42 Chime' wordmark applied for 'software services for use with home and environmental monitoring, control, and automation systems' in Class 42

14. The appellant filed a detailed reply dated 9th February 2022, separately responding to each of the cited marks being dissimilar to the subject device mark, on account of either dissimilarity in goods/services or trademark or consumer class, trade channels and marketplace. Hence, there is no likelihood of confusion between the appellant's mark and the cited marks.

15. After a hearing on 16th May 2024, the respondent, vide impugned order dated 24th May 2024, refused the appellant's application under Section 11(1) of the Act.

16. Ms. Priya Adlakha, counsel appearing on behalf of the appellant submits that the respondent has failed to consider that the cited marks are in respect of completely dissimilar goods/ services, compared to that of the appellant. Therefore, there is no possibility of confusion. 16.1. Reliance in this regard has been placed on the judgments in Nandhini Deluxe v. M/S. Karnataka Co-Operative Milk Producers Federation Ltd.; (2018) 9 SCC 183, Manu Garg and Ratan Behari Agarwal v. Registrar of Trademarks; 2023 SCC OnLine Del 581.

17. Ms. Nidhi Raman, CGSC appearing on behalf of the respondent submits that there is no infirmity in the order passed by the respondent as the impugned order correctly notes that the cited marks were phonetically and visually similar to the mark of the appellant and in relation to similar goods and services.

18. I have heard the counsel for the parties.

19. The respondent has refused the trademark application of the appellant, invoking Section 11(1) of the Act. For the sake of convenience, Section 11(1) of the Act is set out below:

Relative grounds for refusal of registration--

(1) Save as provided in section 12, a trade mark shall not be registered if, because of--

(a) its identity with an earlier trade mark and similarity of goods or services covered by the trade mark; or

(b) its similarity to an earlier trade mark and the identity or similarity of the goods or services covered by the trade mark, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

20. Section 11(1)(a) of the Act bars the registration of a trademark that is identical to an earlier trademark and used in relation to similar goods or services. Similarly, Section 11(1)(b) bars the registration of a trademark that is similar to an earlier trademark and used in relation to identical or

similar goods or services. In both the cases, the refusal of registration is contingent upon the existence of a 'likelihood of confusion' on the part of the public. Further, the provision clarifies that the 'confusion' includes the 'likelihood of association' with the earlier trademark.

21. In *Nandhini Deluxe* (supra), the Supreme Court has observed that the mere fact that competing marks fall under the same class does not, in itself, constitute a valid ground for refusing registration, particularly when the nature of the goods or services offered under the competing marks is different.

22. In *Manu Garg* (supra), a Co-ordinate Bench of this Court held that the prohibition under Section 11(1)(a) and Section 11(1)(b) applies specifically in respect of similar/ identical goods and services, and not in respect of goods being under the same class. The Court further emphasised that an additional requirement under both Sections 11(1)(a) and 11(1)(b) of the Act would be the aspect of 'likelihood of confusion'.

23. In the facts of the *Manu Garg* (supra), the Court held that the order passed by the Registrar, refusing the application filed by the appellant therein, in respect of the appellant's mark 'COCK' was erroneous as the appellant's mark and the cited marks, though being identical and under the same class, were in respect of dissimilar goods. Hence, there was no likelihood of confusion.

24. The ratio of the aforesaid judgments is squarely applicable in the facts and circumstances of the present case. In respect of the cited marks, the appellant sought to distinguish the said marks by pointing out that the said marks were in respect of completely unrelated services. The appellant has stated the dissimilarity between the cited marks and the mark of the appellant in the following manner:

- Cited marks 1 and 2 are registered for goods related to 'aircraft and aerospace' in Class 9, whereas the appellant's trademark in question has been applied for goods concerning 'downloadable software for conducting financial transactions' in Class 9.
- Cited mark 3 /CHIMERA is phonetically, visually and structurally different from the appellant's trademark in question and the former being applied for goods concerning 'electronic security and surveillance devices' in Class 9.
- Cited mark 4 'Chime' wordmark has been applied for services in relation to 'compilation and analysis of video and audio, data management, data processing', etc. in Class 35, whereas the appellant's trademark has been applied for services in relation to 'monitoring consumer credit reports, providing business advice and information relating to finance, loans', etc. in Class 35.
- Cited mark 5 has been applied for services concerning 'real estate' in Class 36, whereas the appellant's trademark has been applied for 'financial services' in Class 36.
- Cited mark 6 'Chimes' wordmark has been applied for 'education services' in Class 41 and is being used as 'CHIMES MONTESSORI', whereas the appellant's trademark has been applied for services concerning 'online non-downloadable publications in the nature of articles in the fields of banking, finance, loans, and credit monitoring' in Class 41.
- Cited mark 7 wordmark 'Chime' has been applied for services in relation to 'consultancy and advisory services relating to audio/video recording, subscription video

recording', etc. in Class • Cited mark 8 , 'CHIME Childrens Heart Internationale MIOT', composite mark has been applied for 'services rendered by medical, pediatric cardiology surgeries' in Class 42, whereas the appellant's trademark has been applied for 'software services' for enabling users to conduct financial transactions in Class 42.

• Cited mark 9 has been applied for services in relation to 'hospitality services' in Class 42. • Cited mark 10 'Chime' wordmark has been applied for 'software services for use with home and environmental monitoring, control, and automation systems' in Class 42.

25. In my considered view, all the aforesaid cited marks pertain to goods/ services that are dissimilar from those offered by the appellant. The impugned order passed by the Controller failed to analyse the cited marks individually and instead made a generalised observation that all the cited marks are phonetically and visually similar to the mark of the appellant and in respect of similar goods/services. Furthermore, the respondent failed to assess the aspect of 'likelihood of confusion', as mandated under Section 11(1) of the Act, which explicitly requires not just similarity but also an evaluation of whether such similarity would likely cause confusion among the public.

26. Therefore, in line with the reasoning adopted in the aforesaid judgments, the impugned order is liable to be set aside.

27. In view of the above, the present appeal is allowed and the impugned order is set aside. The Registrar shall proceed with the advertising of the mark, within two (2) months.

28. The Registry of this Court is directed to supply a copy of the present order to the Office of the Controller General of Patents, Designs and Trade Marks on e-mail ID - llc-ipo@gov.in, for compliance.

AMIT BANSAL, J APRIL 2, 2025 at