

BL O/0342/2023

TRADE MARKS ACT 1994

IN THE MATTER OF:

OPPOSITION No. 424283 IN THE NAME OF OM DEVELOPPEMENT TO TRADE MARK APPLICATION No. 3558616 IN THE NAME OF OM RECORDS LLC

and

OPPOSITION No. 428089 IN THE NAME OF OM RECORDS LLC TO INTERNATIONAL TRADE MARK (IR) No. 1597261 IN THE NAME OF OM DEVELOPPEMENT

DECISION

Abbreviations

1. In this Decision:

“**Opposition (1)**” refers to Opposition No. 428089 filed by OM Records LLC (“**OMR**”) on 09 November 2021 objecting under s.5(4)(a) of the Trade Marks Act 1994 to the UK designation of International Trade Mark (IR) No. 1597261 filed by OM Developpement (“**OMD**”) with a priority date of 26 September 2020.

“**Opposition (2)**” refers to Opposition No. 424283 filed by **OMD** on 05 May 2021 objecting under s.5(2)(b) of the 1994 Act to Trade Mark Application No. 3558616 filed by **OMR** with a priority date of 10 October 2020.

The outcome of the proceedings in the Registry

2. The Oppositions were consolidated at an early stage of the proceedings and dealt with together by Ms Judi Pike acting for the Registrar of Trade Marks in a Decision she issued under reference BL O/1087/22 on 09 December 2022.
3. In relation to **Opposition (1)** the Hearing Officer determined that OMR was the proprietor of a protectable goodwill built up and acquired under and by reference to the name and mark **OM RECORDS** in the business of supplying “*CDs and other digital recording media; audio recordings; sound and video recordings; downloadable audio and video files; online retail services of sound, music or video recordings; and producing music*” and that it was entitled by virtue of the law of passing off to object under s.5(4)(a) of the Act to the UK designation of the following figurative trade mark for some (but not all) of the goods and services for which protection was sought in OMD’s International Trade Mark (IR) No. 1597261:



4. The contested goods and services with respect to which OMR’s objection succeeded under s.5(4)(a) were as follows (in what I shall for convenience call **List A**):

Class 9: Apparatus for recording, transmission or reproduction of sound or images; video or audio recording media, video and audio tapes; audio recordings; audio disks; compact disks, DVDs and other digital recording media; downloadable electronic publications; sound and video recordings; downloadable audio and video files, downloadable ring tones, downloadable music, MP3 files, downloadable electronic publications, music creation software; musical equipment especially mixing desks, record players; microphones.

Class 16: Signs, posters, albums, almanacs, calendars, catalogs, books, magazines, photographs, stickers, sheet music; postcards, greeting cards, musical greeting cards; flags, pennants.

Class 18: Handbags, shoulder bags, backpacks.

Class 25: Clothing; T-shirts, vests, sweatshirts; headgear, caps, beanies.

Class 35: Advertising and promotion services for the benefit of third parties and especially artists, organizing exhibitions and events for commercial or advertising purposes; online sale, mail order sale, retail sale service of sound, music or video recordings, of audio material; sponsorship search and sponsoring, business advice, business research, administrative and commercial copyright management.

Class 41: Producing music, producing films, music label services, music composition services, artist agent services, artist promotion services, producing shows, concerts; record production; editing sound, audiovisual and multimedia programs; entertainment, organizing music festivals and concerts; organizing events for cultural or entertainment purposes, ticket agency services and booking of seats for shows; recording studio services, providing audio, music recording, publishing, particularly electronic publishing of books, journals, magazines and periodicals; online publication on a computer network of cultural or entertainment information.

5. The contested goods and services with respect to which OMR's objection failed under s.5(4)(a) — and for which OMD's previously unused figurative trade mark therefore remained protected by its later International Trade Mark (IR) No. 1597261 — were as follows (in what I shall for convenience call **List B**):

Class 9: video games, video games consoles; video cameras, cameras [photograph].

Class 21: Kitchen utensils and containers; tableware; glassware; corkscrews; candle holders (candlesticks); decanters; decanter coasters not of paper, ice buckets; containers for domestic use as a trinket bowls, pepper shakers, salt shakers; mugs; cups; bowls.

Class 36: Financing services especially of artists, advice and information relating thereto; financing artists' music labels, financing company creation projects (incubators).

Class 41: Music lessons, music academy; music library services, entertainment services in the nature of television or radio programs; organization of contests; training in the field of music, and songwriting; online publication on a computer network of educational information, online game services.

6. In relation to **Opposition (2)** the Hearing Officer determined that OMD was, on the basis of the goods and services in **List B** for which its previously unused figurative trade mark remained protected by International Trade Mark (IR) No. 1597261 in the United Kingdom, entitled to object under s.5(2)(b) of the Act to registration of the name and mark **OM RECORDS** for some (but not all) of the goods and services for which protection was sought by OMR in its later Trade Mark Application No. 3558616.

7. The contested goods and services with respect to which OMD's objection succeeded under s.5(2)(b) were as follows (in what I shall for convenience call **List C**):

Class 9: Recorded content; Information technology and audio-visual, multimedia and photographic devices.

Class 41: Ticket reservation and booking services for entertainment and sports activities and events; Education, entertainment and sport services; Publishing, reporting, and writing of texts; Education, entertainment and sports.

8. The contested goods and services with respect to which OMD's objection failed under s.5(2)(b) — and for which OMR's Trade Mark Application No. 3558616 therefore continued to be acceptable — were as follows:

Class 38: Provision and rental of telecommunications facilities and equipment; Telecommunication services.

Class 41: Ticket reservation and booking services for education activities and events.

9. OMD was ordered to pay £2,230 to OMR as a contribution towards its costs of the Registry proceedings.

The Appeal

10. OMR appeals under s.76 of the 1994 Act contending, in substance, that the Hearing Officer correctly upheld its objection to registration under s.5(4)(a) in relation to goods and services of the kind identified in **List A** on the basis of reasoning as to the existence of a likelihood of confusion which, for being no less applicable to business activities involving concurrent trading in Class 9 and Class 41 goods and services of the kind

identified in **List B** and **List C**, should have led to **Opposition (1)** being upheld and **Opposition (2)** being rejected for such goods and services.

11. Its challenge to the Hearing Officer's Decision is confined to those aspects of her determination which relate to the Class 9 and Class 41 segments of **List B** and **List C**.
12. Its fallback position is that the Hearing Officer erred by proceeding to uphold **Opposition (2)** without affording it an opportunity to overcome the partial acceptance of OMD's objection under s.5(2)(b) by amending the Class 9 and Class 41 listings of its Trade Mark Application No. 3558616 in line with the approach to dealing with Partial refusals set out in paras 4.11.1 and 4.11.2 of the 'Tribunal Section' of the UKIPO's Manual of Trade Marks Practice.
13. OMD does not challenge any aspects of the Hearing Officer's Decision. Its professional representatives confirmed by email on 16 March 2023 that it would not be represented at the hearing of OMR's Appeal or filing any submissions in relation to it.

Discussion

14. The Hearing Officer's reasons for concluding that use of OMD's previously unused figurative trade mark for goods and services of the kind identified in **List A** would be caught by OMR's common law right to suppress misleading use of the name and mark **OM RECORDS** are summarised in para. [55] of her Decision in the following terms:

My reasons for finding misrepresentation in relation to the goods and services listed above are as follows:

- *Video or audio recording media, video and audio tapes; audio recordings; audio disks; compact disks, DVDs and other digital recording media; downloadable electronic publications; sound and video recordings; downloadable audio and video files, downloadable music, MP3 files, downloadable electronic publications* are all products or goods of a record label;
- *Apparatus for recording, transmission or reproduction of sound or images; music creation software; musical equipment especially mixing desks, record players; microphones.* The particular type of music for which LLC's Om Records business is known is electronic dance/club music, which has DJ mixing at its heart. Several of its

artists are professional DJs (the evidence shows that Mr Smith's alias is DJ Fluid). There will be a belief that if Developpement's mark is used in relation to these goods that they are economically connected with LLC; for example as an extension of its core commercial operation to enable professional DJs to mix tracks and spin LPs in the same way that Om Records professional DJs mix tracks and spin LPs for release and/or when performing at clubs;

- *Downloadable ring tones, signs, albums, almanacs, calendars, catalogs, books, magazines, photographs, stickers, magnets, sheet music; postcards, greeting cards, musical greeting cards; flags, pennants; handbags, shoulder bags, backpacks; clothing; T-shirts, vests, sweatshirts; headgear, caps, beanies* are all goods which lend themselves to merchandise, a key feature of the music business.
- *Advertising and promotion services for the benefit of third parties and especially artists, organizing exhibitions and events for commercial or advertising purposes; online sale, mail order sale, retail sale service of sound, music or video recordings, of audio material; sponsorship search and sponsoring, business advice, business research, administrative and commercial copyright management; producing music, producing films, music label services, music composition services, artist agent services, artist promotion services, producing shows, concerts; record production; editing sound, audiovisual and multimedia programs; entertainment, organizing music festivals and concerts; organizing events for cultural or entertainment purposes, ticket agency services and booking of seats for shows; recording studio services, providing audio, music recording; publishing, particularly electronic publishing of books, journals, magazines and periodicals; online publication on a computer network of cultural or entertainment information* are all services notionally provided by record labels.

15. The Hearing Officer did not say why she determined that use of OMD's previously unused figurative trade mark for Class 9 and Class 41 goods and services of the kind identified in **List B** would not be caught by OMR's prior common law right to suppress misleading use of the name and mark **OM RECORDS**.
16. Her determination to that effect does not sit comfortably with paras [70], [76] and [93] of her Decision, where she found that there would be a likelihood of confusion for the purposes of s.5(2)(b) if OMD's figurative trade mark and OMR's name and mark **OM**

RECORDS were to be used concurrently for Class 9 and Class 41 goods and services of the kind identified in **List B** and **List C**:

[70] *Recorded content* is identical to ...video games. *Information technology and audio-visual, multimedia and photographic devices* are identical to ... video games consoles; video cameras, cameras [photography]. *Education* is identical to music lessons, music academy; training in the field of music, and songwriting. *Entertainment services* are identical to ... entertainment services in the nature of television or radio programs. *Publishing, reporting, and writing of texts* is identical to online publication on a computer network of educational information. *Sport services; sports* is identical to ... organisation of contests, which covers organisation of sporting contests.

...

[76] ... a consumer wishing to attend an entertainment performance or sporting event may use the provider of such events to obtain tickets and reserve seats. There is a low degree of similarity between ... *Ticket reservation and booking services for entertainment and sports activities and events* and ... entertainment services in the nature of television or radio programs; organization of contests. ...

...

[93] [OMR's] mark is wholly contained within the IR, a component of the IR which is of medium distinctive character. The device will not feature in aural perception of the marks during the selection process. Even where the purchasing process is visual, which will most often be the case, the device in the IR is a separate element which will not be perceived as an embellishment or brand variation of the plain word mark **OM RECORDS**, the common distinctive element. There is a likelihood of confusion in relation to all of the goods and services which I have found to be identical or similar.

17. I think it is apparent on the basis of those findings and by parity of reasoning with para. [55] (**List A**) of the Hearing Officer's Decision that these ought to have been regarded as Class 9 and Class 41 goods and services of a kind which consumers could reasonably and realistically believe OMR to have been involved in supplying, with OMR being entitled to rely on its prior common law right to obtain protection for the goodwill of its **OM RECORDS** business by suppressing the envisaged likelihood of confusion.
18. The registration of OMD's previously unused figurative trade mark with a priority date of 26 September 2020 could not provide it with a shield or defence either to that claim or to OMR's objection to registration under s.5(4)(a): see s.2(2) of the 1994 Act;

Kerly's Law of Trade Marks and Trade Names 16th Edition (2018) at paras 22-005, 22-006 (and the case law cited).

19. The third sentence of Article 16(1) of the TRIPs Agreement provides that the rights conferred by registration of a trade mark “*shall not prejudice any existing prior rights, nor shall they affect the possibility of Members making rights available on the basis of use.*” The case law of the CJEU has confirmed that this provision requires rights available on the basis of use and rights available on the basis of registration to be prioritised in accordance with “*the principle of the primacy of the prior exclusive right, which is one of the basic principles of trade-mark law*”: Case C-245/02 Anheuser-Busch Inc v Budejovicky Budvar NP EU:C:2004:717 at paras [91], [98], [99]; Case C-112/21 X BV v Classic Coach Company vof EU:C:2022:428 at paras [36] to [43] and [57] to [59]. Thus ensuring that “*where the proprietor of a trade name has a right ... which arose prior to that conferred by the trade mark with which it is alleged to conflict and which entitles him to use a sign identical or similar to that trade mark, such use cannot be prohibited by virtue of the exclusive rights conferred by the trade mark on its proprietor ...*”: Anheuser-Busch (above) at para. [89].
20. I am satisfied that the Hearing Officer erred in her assessment of the Oppositions to registration in Class 9 and Class 41 by incorrectly subordinating OMR’s claim for protection of an earlier right on the basis of use (s.5(4)(a) of the Act) to OMD’s claim for protection of a later right on the basis of registration (s.5(2)(b) of the Act).
21. This was an instance of what the higher courts refer to when addressing the standard of appellate review as “*an identifiable flaw in the judge’s reasoning, such as a gap in logic, a lack of consistency, or a failure to take account of some material factor, which undermines the cogency of the conclusion*”: see, for example, R (on the application of AR) v Chief Constable of Greater Manchester Police [2018] UKSC 47 at paras [64], [65] per Lord Carnwath JSC (with whom the other members of the appeal panel agreed); Re Sprintroom Ltd [2019] EWCA Civ 932 at paras [75], [76] per McCombe, Leggatt and Rose L.JJ; and LA Micro Group (UK) Ltd v LA Micro Group, Inc [2023] EWCA Civ 214 at para. [68] per Nugee LJ (with whom Arnold and Males L.JJ agreed).

22. I accept OMR's fallback submission to the effect that this was a case in which consideration should have been given to implementing the Registrar's practice on Partial refusals before the Hearing Officer's Decision in **Opposition (2)** became final (see para. [12] above). However, it is unnecessary to go further into that matter in view of the conclusion I have come to on the main substance of the Appeal.

Determination

23. For the reasons I have given:
- (i) OMR's Appeal is allowed;
 - (ii) the Hearing Officer's Decision allowing OMD's International Trade Mark (IR) No. 1597261 to be protected in the United Kingdom for the Class 9 and Class 41 goods and services specified in para. [95] of her Decision is reversed and set aside;
 - (iii) the Hearing Officer's Decision refusing to allow OMR's Trade Mark Application No. 3558616 to proceed to registration for the Class 9 and Class 41 goods and services specified in para. [96] of her Decision is reversed and set aside;
 - (iv) OMR's Opposition No. 428089 to OMD's International Trade Mark (IR) No. 1597261 and OMD's Opposition No. 424283 to OMR's Trade Mark Application No. 3558616 are remitted to the Registrar of Trade Marks for further processing under the Trade Marks Act 1994 and the Trade Marks Rules 2008 in accordance with the determination of this Tribunal;
 - (v) the Hearing Officer's order as to costs in respect of the Opposition is set aside;
 - (vi) OMD is directed to pay £4,500 to OMR in respect of its costs of the Opposition proceedings at first instance and on appeal, to be paid within 21 days of the date of this Decision.

24. I regard £4,500 as a reasonable amount to award by way of costs on considering the degree of success that OMR has achieved in the proceedings as a whole from the perspective of the approach to quantification indicated in paras [12] to [14] of my decision in AMARO GAYO COFFEE Trade Mark BL O/257/18 (25 April 2018).

Geoffrey Hobbs KC

05 April 2023

Mr David Ivison instructed by Cadence LLP appeared on behalf of OMR (the Appellant).

OMD (the Respondent) did not participate in the Appeal.