

O/146/20

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

TRADE MARK REGISTRATIONS NOS. 3215628 AND 3215626

IN THE NAME OF FASHION ONE (EUROPE) N.V.

AND

APPLICATIONS NOS. 502407 AND 502408

BY KABUSHIKI KAISHA SQUARE ENIX (T/A SQUARE ENIX CO., LTD.)

FOR DECLARATIONS THAT THE REGISTRATIONS ARE INVALID

Background and pleadings

1. These are consolidated invalidation proceedings between Fashion One (Europe) N.V. (“the proprietor”) and Kabushiki Kaisha Square Enix (t/a Square Enix Co., Ltd.) (“the applicant”).
2. The proprietor is the owner of trade mark registrations 3215628 for the mark ‘Parasite Eve’ and 3215626 for the mark ‘parasite’ (“the contested marks”).
3. The applications to register the marks were filed on 28 February 2017 (“the relevant date”). The mark 3215628 was registered on 28 July 2017 and covers the following goods:

Class 9: *Computer hardware; computer software; computer peripherals; electronic data processing equipment; computer networking and data communications equipment; computer components and parts; electronic memory devices; electronic control apparatus; programmed-data-carrying electronic circuits; wires for communication; electrodes; telephones; aerials; batteries; micro processors; keyboards; video films.*

Class 16: *Paper; cardboard; printed publications; printed matter; computer printers (Inking ribbons for -); bookbinding materials; books; adhesives for stationery or household purposes; artists' paint brushes; music sheets; music scores; periodical magazines; photographs; stationery and educational supplies; typewriters; Instructional and teaching material (except apparatus); plastic materials for packaging; printing blocks.*

Class 28: *Games; playthings; gymnastic articles not included in other classes.*

4. The mark 3215626 was registered on 01 September 2017 and covers the following goods and services:

Class 9: *Computer hardware; computer software; computer peripherals; electronic data processing equipment; computer networking and data communications equipment; computer components and parts; electronic memory devices; electronic control apparatus; programmed-data-carrying electronic circuits; wires for communication; electrodes; telephones; aerials; batteries; micro processors; keyboards; video films.*

Class 25: *Clothing; footwear; headgear; swimwear; sportswear; leisurewear.*

Class 42: *Technical design and planning of telecommunications equipment; technical research services; computer software technical support services; technical consultancy relating to the application and use of computer software; technical assessments relating to design; graphic design services; fashion design; creating and maintaining web sites.*

5. On 20 December 2018, the applicant filed two applications (nos. 502407 and 502408) for declarations that the proprietor's marks are invalid. The grounds of invalidation are based on Section 47 and Sections 5(4)(a) and 3(6) of the Trade Marks Act 1994 ("the Act"). The stated case is the same in both applications.

6. With regard to the ground for invalidation based on a breach of Section 5(4)(a), the applicant claims that the unregistered sign PARASITE EVE has been used in respect of the following goods throughout the UK since 1998:

"Computer game software, video game software, coin-operated game machine, musical sound recording, audio and video recording featuring music, drama, action and adventure, controllers and joysticks, mouse pads.

Books, games strategy guidebooks, posters, calendars, trading cards, playing cards, greeting cards, postcards, stickers, printed matters, stationery.

Toy action figures, dolls, toys and playthings, games, hand-held electronic game machine"

7. The applicant claims that it has successfully developed and promoted a number of video games under the sign PARASITE EVE and is the proprietor of the goodwill generated under such earlier sign. It claims that use of the contested marks would be a misrepresentation to the public and result in damage to its goodwill. Consequently, the marks should not have been registered and should now be declared invalid.

8. With regard to the ground for invalidation based on a breach of Section 3(6), the applicant states that the applications to register the contested marks were made in bad faith because they were part of a blocking strategy intended to obtain financial benefit from the applicant and because the proprietor had no intention to use the trade mark in accordance with its essential function. In this connection, the applicant alleges that:

- The proprietor is linked to Michael Gleissner. Mr Gleissner owns a large number of companies through which he has acquired a wide portfolio of trade marks and has been involved in other legal proceedings concerning opposition and cancellation of third party trade marks, where it has been found that his actions were an abuse of process and/or that he was acting in bad faith;
- On 1 August 2016 Trademark Merkenbureau CV, an entity related to Mr Gleissner, filed an application to revoke the applicant's EUTM 1402924 - PARASITE EVE - which was registered on 30 November 2000. On 4 July 2018, the EUIPO issued a decision revoking the EUTM 1402924 in its entirety. The applicant has appealed the decision of the EUIPO, but the Board of Appeal have yet to issue a decision on the matter;
- After filing the revocation action, Mr Gleissner filed a number of applications for the registration of the marks PARASITE and PARASITE EVE in the UK, Benelux and Latvia;
- The applicant carried out some searches but was unable to find any use of the contested marks by the proprietor;
- The proprietor business appears to be in the field of fashion and television programmes which is totally unrelated to the goods and services for which the contested marks are registered.

9. The proprietor filed counterstatements denying the claims made. In particular, the proprietor denies that the applicant has sufficient goodwill to sustain an action for passing off. As regards the bad faith claim, the proprietor argues that the obligation to use a mark is not immediately applicable after its registration and that the proprietor of a registered mark has a five-year grace period to put the relevant goods and services on the market.

10. The proceedings were consolidated. Only the applicant filed evidence. The proprietor is not professionally represented. The applicant is represented by Fieldfisher LLP. A hearing took place on 16 December 2019 at which the applicant was represented by Mr Leighton Cassidy. Mr Gleissner appeared on behalf of the proprietor.

THE SURRENDER

11. On 12 December 2019, four days before the hearing date, Mr Gleissner filed a formal request on Form TM22 to surrender the registrations. The form was accompanied by a letter, in which Mr Gleissner stated:

“Dear Sirs,

In the abovementioned proceedings, we have today submitted the surrender without prejudice of registrations UK00003215626 and UK00003215628. The surrender eliminates the basis of the subject cancellation action, and we therefore assume that the hearing scheduled for Monday December 16 is vacated as a result.”

12. Having considered the matter carefully, I decided that the surrender request did not dispose of the invalidation proceedings, unless the applicant was prepared to withdraw the applications for a declaration of invalidity. The parties were informed of my decision by way of an email sent on 12 December. The email said:

“The HO has noted the proprietor's comments that the surrender eliminates the basis of the subject cancellation action and that the proprietor assumes that the

hearing scheduled for Monday December 16th is vacated as a result. This is not correct. In BL-O-170/07, Mr Geoffrey Hobbs QC sitting as the AP stated:

"29...I think that the approach is right in principle. It leads to the conclusion that a duly filed request for surrender of all or part of a registration should be processed in accordance with Section 45 and Rule 26 without prejudice to the continuation of any application for revocation that may have been filed prior to the filing of the trade mark proprietor's TM22 or TM23 as the case may be. The surrender takes effect ex nunc, not ex tunc and does not of itself render the pending revocation application moot or academic."

The same apply to invalidity actions. On that basis, the applicant for invalidity is requested to confirm whether it wishes to continue with the invalidity proceedings [...]"

13. The applicant responded on 13 December 2019 confirming that it wished to proceed with the hearing. At the hearing Mr Cassidy, on behalf of the applicant, indicated that his client was still interested in the outcome of the applications on both grounds, i.e. passing-off and bad faith.

THE APPLICANT'S EVIDENCE

14. The applicant relies on four witness statements as follows:

- (a) witness statement of James Clifford Setchell, who is a trade mark attorney at Fieldfisher LLP, dated 24 June 2019;
- (b) witness statement of Paul Davies, who is a creative consultant to the gaming industry, dated 20 June 2019;
- (c) witness statement of Amit Chokshi, who is the company secretary for Square Enix Limited, a wholly owned subsidiary of the applicant, dated 24 June 2019;
- (d) witness statement of Marina Ngon, who is a paralegal at Fieldfisher LLP, dated 15 July 2019.

15. I have read those four witness statements, but I will only summarise them to the extent that I consider necessary.

Witness statements of James Clifford Setchell

16. James Clifford provides the following exhibits:

Exhibit JC1: consists of copies of the applicant's trade mark registrations for the mark PARASITE EVE taken from online records of national offices including USA, Canada, Hong Kong, Malaysia, Singapore and Australia. The earliest filing date is 5 February 1998 (USA);

JCS3: consists of an article published on www.worldtrademarkreview.com dated 23 August 2016. It talks about the filing by companies owned by Michael Gleissner, (namely CKL Holdings and Fashion One), of thousands of company names, domains and trade marks;

JCS4: consists of a list of company names, domains and trade marks linked to Michael Gleissner;

Exhibit JC5: consists of copies of two decisions issued by the UKIPO (BL-O/118/17 and BL-O/015/17) involving 68 applications by entities controlled by Michael Gleissner to revoke 68 trade marks owned by Apple and Apple's applications for the revocation applications to be struck out for abuse of process. In those decisions, the Hearing Officer, Allan James, found that "*the applications for revocation were brought for an ulterior purpose*" and that that "*ulterior purpose was an improper purpose*" with the result that the revocation applications were found to be an abuse of process and were struck out. Mr James awarded Apple costs of £38,085.

Exhibit JC6: consists of copy of an appeal decision (BL-O/036/18), dismissing an appeal brought by two companies affiliated to Michael Gleissner against a decision to refuse registration of the mark ALEXANDER on the basis that the mark was filed in bad faith.

Exhibit JC8: consists of print-outs from the proprietor's website. It shows that the business relates to television programmes and fashion;

Exhibit JC11: consists of copy of a decision issued by the Belgian Court on 21 February 2019 which cancels two registrations for the marks PARASITE and PARASITE EVE filed by CKL Holdings. The decision, it is said, found that the marks were filed in bad faith. Translation is provided at Exhibit MN1 (attached to the witness statement of Marina Ngon).

Witness statements of Paul Davies

17. Mr Davies states that he worked in the game industry since 1992, first as a journalist and then as editor of a magazine called Computer and Video Games ("CVG") (1995-2001). Mr Davies says that he has since directed his own editorial agency, authored books and worked as creative consultant. Mr Davies also states that he is in regular contact with Square Enix Limited, the European representative company for the applicant. Mr Davies provides the following exhibits:

Exhibits PD1-3: consist of extracts from the CVG magazine. The first extract is from February 1998 (PD1). It shows that PARASITE EVE was the title of a video game. Mr Davies says that PARASITE EVE was released internationally in 1998 and that *"around [that] date CVG regularly received letters from UK readers querying why English language versions of Japanese games were launched in the US before the UK"*.

The second extract (PD2) is from September 1998. It reproduces a letter from a reader to the editor complaining about Japanese video games not being translated and released in Europe. The answer from the editor refers, incidentally, to PARASITE EVE and states: *"Europe is the problem [...]. Many of the biggest Japanese games publishers [...] are aiming for international status. The problem is that a full-scale translation into five different languages takes around six months [...] The reason America gets translations of cool stuff like PARASITE EVE is because [the publisher] have a US office, who work on US version almost simultaneously. This situation is frustrating, but it should get sorted out within the next 12 months [...]"*.

The third extract (PD3) is from August 2000. It states: “*PARASITE EVE 2 - OUT AUGUST - FORMAT PLAYSTATION. The original Parasite Eve not getting released in the UK was a travesty. But now at least the argument can be settled. The protesters outside the JAPANESE Embassy can stop [...] because the sequel is almost here*”.

Witness statements of Amit Chokshi

18. Mr Chokshi states that he is the company secretary of Square Enix Limited which also trades as Square Enix Europe (SEE). SEE is a wholly-own subsidiary and EU representative of the applicant. It is responsible for distributing and publishing the applicant’s video games throughout the European Union to wholesalers and online platforms, such as Sony’s PlayStation, Microsoft X box Live, Steam, etc. Mr Chokshi states that PARASITE EVE is an action role-playing survival horror video game which comprises three games, namely PARASITE EVE, PARASITE EVE II, and The 3rd Birthday, and has been available for sale in the EU (and in the UK) since its release in August 2000.

19. Mr Chokshi provides the following exhibits:

Exhibit AC1: consists of print-outs from Wikipedia relating to PARASITE EVE, PARASITE EVE II and The 3rd Birthday. According to this material, PARASITE EVE was released in Japan and in North America (1998) but there is no reference to the video game being released in the UK. PARASITE EVE II was released in Japan (1999) as well as in North America (12 September 2000) and in the EU (25 August 2000). The game sold one million units by February 2004 with 0.43 million being sold in Japan and 0.66 million being sold in the rest of the world. The 3rd Birthday is part of the PARASITE EVE series. It was released in Japan (2010) and in the EU (March 2011). The 3rd Birthday was among the top five games in North America and UK sales charts during its opening months and reached the third position in the UK in April 2011;

Exhibit AC2: consists of images of a PlayStation game. The words PARASITE EVE II feature prominently on the actual disks and on the packaging and are followed by abbreviation TM. The packaging contains the words “*PARASITE EVE is a trade mark of Square Co., Ltd*”;

Exhibit AC3: consists of a review of PARASITE EVE II dated 31 August 2000. It indicates that the PlayStation version of the game was sold for £29,99;

Exhibit AC5: consists of an online article from the 'PlayStation.Blog' which lists the nominees for the '2012 PSN Gamers' Choice Awards'. PARASITE EVE is listed as 'Best PSone Classic' but it is not clear whether the website targeted voters in the UK. The exhibit also contains an article about the creator of the game, Hironobu Sakaguchi, receiving an award at the 15th Annual Game developers Choice Awards;

Exhibit AC6: consists of printouts from www.youtube.com dated 18 June 2019. They show several videos relating to the video game PARASITE EVE;

Exhibits AC8-16: are presented under the hearing "Evidence of Use in the UK". They include the following:

- **Exhibits AC7-8:** consist of a selection of online articles¹ citing PARASITE EVE. Mr Chokshi says that PARASITE EVE is mentioned as one of the best video games and as a series that deserve a re-make for the next generation of consoles and smartphones. An article from powergaming.co.uk states: *"[...] Parasite Eve, a fondly remembered, if not particularly unremarkable, PlayStation gem developed by Squaresoft (now Square Enix). Despite gathering both modest commercial and critical success, the fact remains that Parasite Eve was released in a post-Final Fantasy VII world, coming nowhere close to achieving the level of sales or acclaim as Square's flagship franchise [...] Tough Parasite Eve may not have made a notable impression upon the gaming community, it remains a testament to what video games are capable of a why they are a valuable artistic medium. Now that many classic video games are receiving re-releases and high definition treatments, perhaps, Parasite Eve can revisit the centre stage";*

¹ The web-prints include an extract from the Wayback machine showing an online article published on the website www.gamesradar.com on September 2012 and copies of online articles from the following websites: www.pocketgamer.co.uk (dated 2 November 2012); www.powerupgaming.co.uk (dated 27 October 2015); www.gamerant.com; www.steamcommunity.com (dated 10 August 2010); www.neogaf.com (dated 24 April 2017)

- **Exhibits AC9-10:** consist of print-outs from Amazon (UK) showing PARASITE EVE and PARASITE EVE II video games for sale through third party sellers. Seven customers made verified purchases in 2009, 2012, 2013 and 2016;
- **Exhibits AC11 and AC13:** consist of webpages from Amazon (UK) showing a PARASITE EVE strategy guide and soundtrack for sale. One customer made a verified purchase (in 2015);
- **Exhibit AC14:** consists of a print-out from the applicant's website www.eu.square-enix.com. It shows that Aya Brea, the heroine of PARASITE EVE is the main character of the video game The 3rd Birthday;
- **Exhibit AC16:** is a webpage from the official PlayStation Store UK offering PARASITE EVE II for sale for £ 5.79, dated 17 November 2016. It shows that the game was released on 1 June 2011 and that it had 5-star rating, with 2,208 ratings. It also shows that PARASITE EVE is a registered trade mark of the applicant;
- **Exhibit AC17:** is a copy of an online article from www.pcadvisor.co.uk, dated 23 January 2015. It lists PARASITE EVE as one of the best 'PS One classic games' on PlayStation Store;
- **Exhibits AC18-19:** include print-outs which shows records of two applications for the registration of the mark PARASITE EVE filed by the applicant at the UKIPO and at the EUIPO on 7 February 2019 and 22 November 2018 respectively, and a selection of press article reporting these filings.

20. Mr Chokshi states that the total value of the sale of the video game called "The 3rd Birthday" in the EU in the period April 2011-May 2019 was £1,014,637. £294,600 of this were UK sales. Mr Chokshi provides a table showing the applicant's total download sales of the "PARASITE EVE II" video game in the EU from June 2011 until May 2019. The UK figures are as follows:

June 2011-March 2012: 22.85% of £56,962
April 2012- March 2013: 21.11% of £21,579.91
April 2013- March 2014: 23.33% of £18,634.98
April 2014-March 2015: 24.54% of £14,235.33
April 2015-March 2016: 27.52% of £9,832.35
April 2016-March 2017: 20.22% of £7,169.75
April 2017-March 2018: 22.34% of £4,766.85
April 2018-March 2019: 25.33% of £4,765.45
April 2019-May 2019: 29.16% of £452.69

21. This amounts to just under £32,000 with the EU total sales being just over £138,000 in the period 2011-2019.

LATE EVIDENCE

22. Both parties filed decisions from other jurisdictions as part of their submissions in lieu. The applicant filed copy of a judgement dated 15 November 2019 issued by Latvian Court in relation to proceedings between the applicant and SIA Grigorius Holdings, which is a company associated with Mr Gleissner. The proceedings concern the invalidation of two Latvian registrations for the trade marks EVE and PARASITE in the name of SIA Grigorius Holdings. The Latvian Court found that the marks were filed in bad faith and declared them invalid.

23. Mr Gleissner filed copy of the decision of the EUIPO revoking the applicant's registration no.1402924 for the mark PARASITE EVE for non-use.

24. As I explained at the hearing, both decisions are 'late evidence' so I gave both parties the opportunity to address me on the relevance of their evidence and on the admissibility of the other party's evidence. Mr Cassidy argued that the decision of the Latvian Court was relevant to the extent that it showed a pattern of bad faith behaviour. Further, it should be allowed in because it was issued after the evidence rounds, so it could not have been filed earlier. As regards the decision filed by Mr Gleissner, Mr Cassidy said that it was irrelevant insofar as there was a pending appeal against it. Mr Gleissner said that he did not object to the admission of the decision of the Latvian

Court but argued that it was irrelevant as the case was undefended. As regards the relevance of the EUIPO decision, Mr Gleissner argued that the issue of non-use is relevant to the issue of goodwill. Bearing in mind that (1) neither party objected to the admission of the material filed by the other party; (2) the issue of whether other companies controlled by Mr Gleissner have applied in other jurisdictions to register marks which are identical or similar to the contested marks in bad faith is relevant for the purpose of determining the applicant's claim based on the Section 3(6) and (3) whilst the EUIPO decision is not final yet (and it is not binding upon me), it did consider the issue of whether the applicant has used the mark PARASITE EVE in the EU. I allowed both decisions in.

DECISION

25. Section 5(4)(a) and Section 3(6) of the Act have application in invalidation proceedings because of the provisions set out in Section 47. The relevant legislation is set out below:

“47. – (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

(2) The registration of a trade mark may be declared invalid on the ground-

(a) ...

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

[...]

(5) Where the grounds of invalidity exists in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made.

Provided that this shall not affect transactions past and closed.”

26. Section 5(4)(a) of the Act reads as follows:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) [.....]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

27. Section 3(6) of the Act reads as follows:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

THE SECTION 5(4)(a) GROUND FOR INVALIDATION

28. It is settled law that for a successful finding under the law of passing-off, three factors must be present: i) goodwill, ii) misrepresentation and, iii) damage. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the Jif Lemon case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely

goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether "*a substantial number*" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

The relevant dates

29. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O410-11, Mr Daniel Alexander QC, sitting as the Appointed Person, considered the relevant date for the purposes of Section 5(4)(a) of the Act and referred with approval to the following comments of Mr Allan James acting for the Registrar in *SWORDERS TM* O-212-06 where he identified the relevant date(s) in the following terms:

"Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made."

30. The first relevant date is clearly the filing date of the contested marks, namely 28 February 2017. The above summary recognises that where the contested mark was used prior to the application for registration, it may also be necessary to consider the position at an earlier date. The proprietor did not claim that it has used the marks prior to the filing date. Consequently, the only relevant date for assessing the ground of invalidity under Section 5(4)(a) is 28 February 2017.

Goodwill

31. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL):

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

32. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

“27. There is one major problem in assessing a passing of claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

33. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

34. The applicant claims that it has used the sign PARASITE EVE globally since 1998, including in the UK. Use is claimed in relation to *computer game software, video game software, coin-operated game machine, musical sound recording, audio and video recording featuring music, drama, action and adventure, controllers and joysticks, mouse pads, books, games strategy guidebooks, posters, calendars, trading cards, playing cards, greeting cards, postcards, stickers, printed matters, stationery, toy action figures, dolls, toys and playthings, games, hand-held electronic game machine.*

35. The applicant is a Japanese company engaged in the development and publication of video games. The company operates in the EU through one of its subsidiaries, which is responsible for distributing and publishing the applicant's video games in Europe. Since 1998, the applicant has been making a selling a video game called “PARASITE EVE”. The game is an action role-playing survival horror video game and comprises three games. The first game of the series, “PARASITE EVE”, was released in 1998 in Japan and America but not in the UK. The second sequel, “PARASITE EVE II”, was released worldwide and reached the UK in August 2000. The third sequel was released under the title “The 3RD Birthday” and was amongst the top three games sold in the UK in April 2011. Since the late 1990s, the applicant applied to register the words ‘PARASITE EVE’ as a trade mark in various jurisdictions in relation to, inter alia, computer game programmes, obtaining the first registrations between the late 1990s and the early 2000s.

36. Although the point has not been raised, a sub-issue which relates to the question of goodwill, is whether the title “PARASITE EVE” is distinctive of (and/or denotes) not only the video game itself, but also the applicant. I will consider the point before proceeding any further.

37. The examples of packaging provided by the applicant show that the games are sold in DVD cases covered with the images of the main character of the game, Aya Brea, with the words “PARASITE EVE II” prominent. The title is followed by the abbreviation TM (which stand for trade mark). The words “*PARASITE EVE is a trade mark of Square Co., Ltd*” appear on the back of the DVD, in a smaller size. Likewise, the UK PlayStation website displays the name of the applicant below the words “*PARASITE EVE II TM*”². This indicates that the titles “PARASITE EVE” and “PARASITE EVE II” have been used as trade marks. I also bear in mind that although the applicant has made two video games called “PARASITE EVE”, the first sequel of the series never reached the UK. Nevertheless, I find that consumers who purchased one of the applicant’s “PARASITE EVE II” video games, would have been aware that the game was part of a series, because of the presence, beside the words “PARASITE EVE”, of the numeral II, on the front of the DVD. This would have reinforced the perception of the title “PARASITE EVE” as a brand having origin significance, as it seems to be accepted, for example, in relation to the title of periodical magazines³. The fact that consumers might not have remembered the name of the applicant and/or that the applicant’s video games would have been spoken using their title alone, without any reference to the applicant, makes no difference. This is because, in order to establish goodwill, the applicant is not required to prove that consumers know the applicant by its name⁴.

² AC16

³ See for example *Games Workshop Limited G.W. Books Limited v Transworld Publishers Limited*, 1993 WL 963652, where the court stated “We agree with the judge that the use of “Dark Future” as the title of a series of books is significantly different from its use as the title of a single book. It might be considered comparable to the title of a periodical magazine, which has been held to be used as a trade mark – see *John Lang Ltd v. Gold Star Publications* [1967] F.S.R.75.”

⁴ In *Kerly's Law of Trade Marks and Trade Names 16th Ed* paragraph 20-064, it is stated: “It is not necessary to show that the customers who knew the goods of the claimant’s firm by a particular name or get-up knew anything whatever about the claimant. It is immaterial that they did not even know the claimant’s name, for it is sufficient to prove that purchasers of their goods recognised, by the use of the marks in question in connection with them, that they were goods of a particular class, and to show that such class is, in fact, constituted by their goods.”

38. Taken all of the evidence as a whole, my conclusion is that consumers who see the sign “PARASITE EVE II” on the applicant’s goods, will perceive it as the title of the video games. However, they will also understand the title as an official seal that the goods are provided by the applicant. This is sufficient for the applicant to be the owner of the goodwill generated by the sale of the “PARASITE EVE” video games.

39. I will consider now whether the use shown is sufficient to have generated a protectable goodwill at the relevant date. The sales of “PARASITE EVE II” video games in the UK between June 2011 and May 2019 amounted to about £32,000. Considering that the value of a game downloaded from the PlayStation official website was, at 17 November 2016, £5.79, it would equate to about 5,526 games sold up to 2019. However, the relevant date is earlier than that, i.e. 28 February 2017. The figures put in evidence up to March 2017 (which is only one month after the relevant date) are:

June 2011-March 2012: 22.85% of £56,962

April 2012- March 2013: 21.11% of £21,579.91

April 2013- March 2014: 23.33% of £18,634.98

April 2014-March 2015: 24.54% of £14,235.33

April 2015-March 2016: 27.52% of £9,832.35

April 2016-March 2017: 20.22% of £7,169.75

40. From a rough calculation, I think that the total value of the sale up to March 2017 amounts to about £28,000-29,000 which equates to 4,800-5,000 games sold. Although I have not been provided with marketing figures, nevertheless it is possible to infer from the volume and value of the sales and from the online references to the applicant’s video games, that the applicant had acquired a modest, but sufficiently substantial, goodwill in the UK in relation to video games to sustain an action for passing-off.

41. Another issue is whether the third sequel of the game, which was released under the title “The 3rd Birthday”, can contribute to the applicant’s goodwill associated with the name “PARASITE EVE”. The applicant’s case is that it does, because the third sequel is based on the same character of the previous ones, Aya Brea. I reject the

submission. Whatever is the relationship between the video game called “The 3rd Birthday” and the previous PARASITE EVE sequels, the third sequel was sold under a different name⁵. However, this does not, in any way, prejudice the applicant’s position as regards goodwill in view of my findings above.

Misrepresentation and damage

42. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants’ [product] in the belief that it is the respondents’[product]”

The same proposition is stated in Halsbury’s Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175; and *Re Smith Hayden’s Application* (1945) 63 R.P.C. 97 at page 101.”

43. And later in the same judgment:

“.... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court’s reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite

⁵ Even if I were to accept that the third sequel increased the public awareness of the previous sequels, it would be difficult to measure that impact of this on the applicant’s goodwill.

of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

44. *Halsbury's Laws of England* Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

46. The applicant’s claim based on Section 3(6) contains allegations of a fraudulent intent on the part of the proprietor. Before moving on to considering whether the allegations of fraudulent intent in the context of the applicant’s bad faith claim are also relevant in considering the applicant’s case for passing-off, I shall consider whether the applicant has established a *prima facie* case of bad faith.

THE SECTION 3(6) GROUND FOR INVALIDATION

47. The law in relation to Section 3(6) of the Act (“bad faith”) was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch), as follows:

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C- 529/07

Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also "some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined": see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in

support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a

Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)."

48. To date the proprietor has not produced or sold any goods under the contested marks. Mr Gleissener contended that the argument that the registrations were filed in bad faith because the proprietor had no intention to use the marks cannot succeed because the owner of a registered mark has a five-year grace period within which to begin use. The defence must be rejected. It is true that a registered trade mark cannot be revoked for non-use until five years have expired and the fact that a registered mark has not been used within five years does not constitute, in itself, bad faith. However, the CJEU has recently confirmed that it may constitute bad faith to apply to register a trade mark without any intention to use the mark *"if the applicant for registration of that mark had the intention either of undermining, in a manner inconsistent with honest practices, the interests of third parties, or of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark"*⁶.

49. Relying on the EUIPO decision which revoked the applicant's marks for non-use, Mr Gleissener further argued that the applicant had failed to establish both use in the EU and goodwill in the UK, and that this failure was fatal to the opponent's case under Section 3(6), because *"if all registered and unregistered trademark rights have ceased at the time of filing of the Subject Marks, the Cancellation Applicants cannot introduce the concept of Bad Faith for a trademark"*. As I have found that the applicant had goodwill in the UK at the relevant date, this defence becomes redundant.

⁶ *Sky v SkyKick*, Case C-371/18

50. I will now assess whether the evidence filed by the applicant is sufficient to establish bad faith. At the hearing Mr Gleissner confirmed that he is the Director of the proprietor, Fashion One (Europe) N.V. The applicant filed evidence to contend that:

- The proprietor has not made any use of the contested marks (JCS8);
- Mr Gleissner owns a large network of companies through which he had acquired a worldwide portfolio of thousands of trade marks, company names and domain names (JCS2 and 4);
- The contested marks formed part of a pattern of malicious behaviour whereby applications were made by companies affiliated to Mr Gleissner to register or cancel third parties' marks in order to gain commercial benefit from blocking the use of identical or similar trade marks by the rightful prior owners. Mr Gleissner and his associated companies' filing activities was investigated and reported by "the World Trademark Review" (JCS3) and considered to amount to bad faith and abuse of process in a number of decisions;
- In 2016 a company affiliated to Mr Gleissner filed an application to revoke the applicant's EUTM 1402924 for the mark PARASITE EVE. The EUIPO revoked the mark and the decision is subject to appeal;
- On 5 January 2018, another company affiliated to Mr Gleissner, Grigorius Holdings, SIA, filed two applications for the marks 'EVE' and 'parasite' in Latvia. The applicant applied to have these marks declared invalid. The Latvian court allowed the applicant's claim and declared the marks invalid on the basis that were made with a manifestly dishonest intent.

51. It is pretty clear that the proprietor is affiliated to Mr Gleissner. The proprietor has filed no evidence to negate the applicant's evidence. At the hearing Mr Gleissner argues that the Latvian decision should be disregarded because it was not defended. He also attempted to provide a justification as to why the proprietor had applied to revoke the applicant's EUTM and to register the contested registrations. In this connection, he said that as the proprietor's mark was not used, it needed to be released and referred to "*the necessity for technology companies to secure brands*". Aside from the fact that if the proprietor intended to rebut the applicant's evidence, it should have filed its own evidence - which it has not done - I do not accept that what

Mr Gleissner has said justifies the facts of the case or indicates that the applications were made genuinely or innocently rather than for an improper purpose. Further, the Latvian decision made specific findings based on unchallenged evidence that the applications were made in bad faith. The court stated:

The Defendant's dishonesty is found in the ever-increasing number of oppositions in trademark registrations involving the Defendant, which are pending before the Industrial Property Board of Appeal, for example in Opposition Decision No. RIAP/2019/M 70 050-1e (35/2016) (March 26, 2019) against the registration of the trademark 'JESSICA' (Reg. No. M 70 050), in Opposition Decision No. RIAP/2018/M 70165-1e (50/2016) (21 January 2019) against the registration of the trademark 'NIRVAM' (Reg. No. M 70 165).

The foregoing also proves that the Defendant's attempt to register a nearly identical mark is not accidental, but it is a deliberate, repeated, international operation with the specific purpose of appropriating trademarks and domain names belonging to others and then profiting at the expense of those trademarks and domain names and impeding trademark owners from doing business. In those circumstances, applying for registration of the almost identical 'Parasite EVE' mark constitutes a manifestly unfair act.

52. It is also telling that the applications were filed after Mr Gleissner's affiliated company had filed an application to revoke the applicant's EUTM mark and shortly before another company affiliated to Mr Gleissner applied for similar marks in Latvia. This indicates that when the proprietor applied to register the contested marks, it must have been aware of the existence of the applicant's marks. It also represents "similar fact evidence" which, as explained in *Trump International Ltd v DTTM Operations LLC* [2019] EWHC 769 (Ch) may refute the explanation and justification provided by the proprietor:

"82. The Comptroller General of Patents, Designs and Trade Marks sought permission to intervene on this appeal, which I granted. Mr Nicholas Saunders QC, representing the Comptroller, explained why this case raised general issues of concern to the Trade Marks Registrar.

83. This is the first time that a case involving Mr Gleissner has come before the Court. The Registrar is concerned that there is a substantial risk that behaviour of the sort identified in the evidence in this case, if left unchecked, will bring the trade mark system into disrepute. Mr Saunders submitted, and I accept, that at its core, the purpose of trade marks is to enable signs to be registered which distinguish the goods or services of one undertaking from those of other

undertakings. Genuine disputes arise in that context and it is the job of the Registrar and the Courts to resolve them. However, he argued that "gaming" the system of registration and the procedure before the Registrar by filing unmeritorious applications time and time again through a myriad of non-trading and impecunious corporate entities is an abuse of the process of registration.

84. The nature and scale of the problem presented by Mr Gleissner's activities is shown by the following:

- i) In 2016 (the year in which the Application was made) companies controlled by Mr Gleissner applied for over 800 UK trade marks resulting in a substantial number of oppositions and other litigation;
- ii) As at 30 November 2017, various legal entities of which Mr Gleissner was a director were a party to 97 live contested trade mark cases before the IPO. This is about 5% of all the live contested trade mark cases before the IPO. During other periods, this percentage has been much higher;
- iii) The IPO publishes lists of parties who have not paid costs orders. Companies controlled by Mr Gleissner have not paid 49 costs orders, which amounts to about one third of the entirety of unpaid costs orders; and
- iv) Even where costs orders are paid, in general, costs before the IPO in opposition proceedings are only awarded on the basis of a scale of costs, which may represent a small proportion of the costs actually incurred. The Registrar expressed concern that Mr Gleissner's companies were pursuing an abusive strategy where settlement of unmeritorious applications made by such companies was cheaper for the owners of famous brands than the legal costs incurred in opposing such applications.

85. In these circumstances, the Registrar seeks guidance from the Court as to how the IPO should deal with such applications in the future. Whilst the decisions discussed in this judgment suggest that the IPO is applying the correct approach, the following may be of some assistance:

- I) Where an application is made for a well-known trade mark with which the applicant has no apparent connection, this requires explanation and justification by the applicant;
- II) Other instances of such applications by the applicant (or persons or companies connected to the applicant) may be admissible as similar fact evidence and may refute the explanation and justification provided by the applicant;
- III) It is necessary to distinguish between unsubstantiated allegations and established facts of direct relevance to the case before the IPO. In the present case the similar fact evidence was potentially probative and it was just to consider it;
- IV) The Alexander questions provide a useful structure for considering allegations of bad faith, as shown by the Decision of the Hearing Officer in the present case. However, like the *Pozzoli* questions, which provide a structured approach to the issue of inventive step in relation to patents, they are not a substitute for the statute and do not have to be used in every case. Bad faith has numerous manifestations and cannot be classified comprehensively;
- V) The Registrar may strike out proceedings brought for an ulterior and improper purpose as an abuse of process; and
- VI) The power to strike out must be exercised with caution. However, where a prima facie case of bad faith is established, and no evidence in answer is filed on behalf of the applicant, it may well be appropriate to exercise that power.

86. I should add that the remedies of brand owners, when faced with bad faith applications, are not limited to those available in proceedings before the IPO, which may take some considerable time to resolve. Section 32(3) of the Trade Marks Act 1994 requires an application to state that the mark applied for is being used, by the applicant or with his consent in relation to the goods or services for which it is sought to be registered, or that the applicant has a bona fide intention that it should be so used. Such a statement, in relation to a well-

known third-party trade mark with which the applicant has no connection, may give rise to causes of action for infringement of trade mark and passing-off.”

53. Having considered all of the above, my conclusion is that the applications were part of a blocking strategy and the proprietor had no intention to use the trade marks in accordance with their essential function. **The applicant has therefore established a *prima facie* case of bad faith. The applications for invalidity succeed under Section 3(6).**

54. I shall now return briefly to the issue of misrepresentation and damage in relation to passing-off. It is established that where the court concludes that the defendant in a passing-off action deliberately seeks to take the benefit of the claimant's goodwill, the court will not "*be astute to say that he cannot succeed in doing that which he is straining every nerve to do*".⁷ In this connection, in *Office Cleaning Services Limited v Westminster Window & General Cleaners Limited* [1946] RPC 39 (HOL), Lord Simonds stated that:

“Confusion innocently caused will yet be restrained. But, if the intention to deceive is found, it will be readily inferred that deception will result. Who knows better than the trader the mysteries of his trade.”

55. In the passage which I have quoted at paragraph 86 of *Trump International Ltd v DTTM Operations LLC*, the judge remarked that in circumstances where an application is made for a well-known trade mark with which the applicant has no apparent connection, the statement by the applicant that it intends to use the mark might give rise to an action for passing-off. This suggests that the findings relating to proprietor's intent for the purpose of determining the bad faith claim can apply to the applicant's passing-off action.

56. I have already found that the applications were filed in bad faith. I also find that when the proprietor applied for the contested marks, it was seeking to gain a commercial benefit from blocking the use of identical or similar signs by the applicant.

⁷ *Slazenger & Sons v Feltham & Co* (1889) 6 RPC 130 at p.538

This, in my view, equates to an intent on the proprietor's part to seek the benefit of the applicant's goodwill. The proprietor did not deny that there was such an intent. I recognise that in a typical passing-off case, an intent on the part of defendant to pass itself off as the claimant implies an intent to use the mark in the marketplace. However, I consider that it makes no difference that the proprietor had no intention to use the marks for the purpose of establishing passing-off in a case like this, if what the proprietor was seeking to obtain was, still, a commercial benefit from blocking the use of identical or similar signs by the applicant, when the signs are those to which the applicant's goodwill is associated. Consequently, my finding is that misrepresentation was intended by the proprietor and I infer that there is misrepresentation and damage. **The applications for invalidity succeed under Section 5(4)(a).**

OUTCOME

56. The applications for a declaration of invalidity of the marks 3215628 and 3215626 are successful in their entirety under both Section 3(6) and Section 5(4)(a) of the Act. The applications are deemed never to have been made.

COSTS

57. The applicant has been successful and is entitled to a contribution towards the costs of the proceedings, based upon the scale of costs published in Tribunal Practice Notice 2/2016. At the hearing, Mr Cassidy requested costs to be awarded to the top end of the scale due to the complexity of the matter and the volume of evidence filed. Mr Gleissner requested the costs to be reduced because, he stated, by surrendering the marks he offered an "olive branch" to the applicant and because there was no need for the applicant to continue with the proceedings, an argument which, as I have explained above, is wrong. I agree with Mr Cassidy that the circumstances of the case warrant an award of costs to the top end of the scale, however, given that the pleadings, evidence and submissions filed in both cases are nearly identical, I will not duplicate the costs in relation to the second opposition. I award the applicant the sum of £4,850 as a contribution towards its costs. This sum is calculated as follows:

Official fees (X2):	£400
Preparing a statement and considering the other party's statement	£650
Filing evidence	£2,200
Attending a hearing	£1,600
Total	£4,850

58. I order Fashion One (Europe) N.V. to pay Kabushiki Kaisha Square Enix (t/a Square Enix Co., Ltd.) the sum of £4,850. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 9th day of March 2020

T Perks
For the Registrar,
the Comptroller-General