

O-279-10

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2471243

BY

SHANGHAI GIANT NETWORK TECHNOLOGY CO LTD

TO REGISTER THE TRADE MARK:



IN CLASSES 9, 41 AND 42

AND

THE OPPOSITION THERETO

UNDER NO 96778

BY

ELECTRONIC ARTS INC

Trade Marks Act 1994

**In the matter of application no 2471243
by Shanghai Giant Network Technology Co Ltd
to register the trade mark:**



**in classes 9, 41 and 42
and the opposition thereto
under no 96778
by Electronic Arts Inc**

1) On 2 November 2007 Shanghai Giant Network Technology Co Ltd (Giant) applied to register the above trade mark. The application was published for opposition purposes on 4 January 2008.

2) On 4 April 2008 Electronic Arts Inc (Arts) filed a notice of opposition in relation to the following goods and services included in the specification of the application:

computer programmes (programs), recorded; computer programs (downloadable software); computer games programmes (software); apparatus for games adapted for use with an external display screen or monitor; video game cartridges; animated cartoons; computers; computer operating programs, recorded; computer peripheral devices; computer software (recorded); magnetic data media; compact discs (read-only-memory); electronic publications (downloadable); electronic notice boards; telephone apparatus; games software for use with television apparatus; teaching apparatus; cinematographic film (exposed); apparatus for editing cinematographic films; optical apparatus and instruments; transmitters of electronic signals; sound transmitting apparatus; sound recording strips; sound recording carriers; data processing apparatus;

publication of electronic books and journals on-line; providing on-line electronic publication (not downloadable); game services provided on-line (from a computer network); education academy services; education services; instruction services; organization of competitions (education or entertainment); organization of shows (impresario services); publication of books; film production; production of shows;

digital imaging services; amusements; entertainment; club services (entertainment or education); gaming; party planning (entertainment); operating of lotteries;

technical research; research and development (for others); computer programming; computer software design; updating of computer software; creating and maintaining web sites for others; hosting computer sites (websites); computer virus protection services; providing search engines for the internet; production of artwork for animated films; quality control; advisory services relating to computer software design; recovery of computer data; conversion of data or documents from physical to electronic media.

The above goods and services are in classes 9, 41 and 42 (respectively) of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

3) The opposition is based upon sections 5(1), 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (the Act). Arts relies upon a number of United Kingdom and Community trade mark registrations for the trade marks EA and



In relation to the grounds under section 5(4)(a) of the Act, Arts also relies on the above stylised trade mark on a roundel.

4) Giant denies all of the grounds of opposition.

5) Both parties filed evidence.

6) A hearing took place on 27 July 2010. Arts was represented by Ms Emma Himsforth of counsel, instructed by Mayer Brown International LLP. Giant was not represented, nor did it furnish written submissions.

Evidence of Arts

7) The primary evidence for Arts comes from Ms Melanie Drummond, who is the vice president legal, Europe, for Arts.

8) Ms Drummond states that Arts develops, publishes and distributes games software worldwide for video games systems, personal computers, mobile phones and the Internet. Exhibited at MD1 is a page which shows the use of:



in relation to the *FIFA International Soccer* game, which was released in the United Kingdom on 3 December 1993. This trade mark was updated in 1999 to:



The above logo has been used on its own and as part of the EA Sports logo and the EA Games logo in the United Kingdom from 2000 to date. In March 2006 Arts introduced in the United Kingdom a version of the logo on a grey roundel.

9) Ms Drummond states that arts has been known internally, to the trade and to consumers as EA since 1994. Exhibited at MD3 are copies of pack shots of the following games:

PGA European Tour 1995;
Cricket 2000;
F1 2000.

(All three of the above use the earlier logo.)

The Sims (2004 version) The packaging includes references to EA GAMES;
Need for Speed 2 – Underground (released November 2004);
Medal of Honor Pacific Assault (released November 2004);
Battlefield 2 Deluxe Edition (released June 2005);
The Godfather (released March 2006);
Battlefield 2 – Modern Combat (released April 2006);
2142 Battlefield Northern Strike (released March 2007);
Command & Conquer Tiberium Wars (released March 2007);
FIFA 08 (released September 2007).

(The above use the later logo).

10) Exhibited at MD3 is a copy of newsletter issued to the retail trade in the United Kingdom and which was also inserted in the magazine *Sega Power*. The newsletter is dated autumn/winter 1992/1993. A game called *EA Air Force* is promoted. EA appears in block capitals within a star. A game called *NHLPA Hockey '93* is promoted, the earlier logo is used in relation to the game. Various games produced by Arts are shown on page 21 of the exhibit. Customers are advised that they can call the "EA Information Line". In 2001 Arts acquired the

POGO games business. Pogo.com is a gaming website that offers a variety of free casual games. A screen shot from the website shows the later logo in a blue roundel. Ms Drummond states that the logo has been in use in respect of the Pogo.com United Kingdom specific website, as shown in the exhibit, since 2001.

11) In 1993 Arts obtained the domain name ea.com, which is its international web address for all users, including those from the United Kingdom (uk.ea.com). Arts' United Kingdom consumers are also served by eagames.co.uk and easports.co.uk (both registered in 1998).

12) The various logos have been used consistently since their introduction in connection with tens of millions of games published by Arts. They have appeared on the front cover of the game packaging, the game manual, the boot-up screen, the games' main and/or pause menus, in-game motion graphics extra content and mobile video content.

13) Arts' goods are available in all major computer stores and on-line shopping websites. Arts sells its products in over 7,000 retail outlets in the United Kingdom, including Game, Dixons, Blockbusters, Gamestation, HMV (in-store and online), Asda, Tesco, Argos, Amazon, Play.com, Morrisons, Virgin, WH Smiths, J Sainsbury, ChoicesUK and The Software House. Arts also supplied goods to Woolworths. Ms Drummond states that a search, conducted on 10 June 2009, on amazon.co.uk brought up over 1,800 results for a wide variety of games. Various of the games are described by reference to EA. The search includes references to games which were published prior to the date of application eg *EA Compilations from 2000* and *EA Sports Rugby 2001: Wales*.

14) For each of the years from 2003 to 2007 Arts has sold in excess of ten million units of branded products in the United Kingdom. This equates to an average net revenue of over \$US300 per year between 2003 and 2007, with sales over \$US400 in 2007.

15) In 2004 the second, third and eighth best selling games in the United Kingdom were produced by Arts. On page 4 of exhibit MD7 there are references to EA, from a page from gamesindustry.biz. In 2006 Arts' market share in computer games in the United Kingdom was 21%, which was more than double that of its nearest rival. As of 2 November 2007, Arts had approximately 20% of the United Kingdom market.

16) Ms Drummond states that the launch of a new product is preceded by a significant publicity campaign. The games are advertised on television, in print, online, outdoors and via mobile phones. The top five locations where advertisements are placed are: C4, Sky, Carlton Screen Advertising (cinemas), Fox (football stadia) and ITV. Exhibited at MD8 is a bundle of still advertisements for Arts' products which were released prior to 2 November 2007. With the exception of an advertisement for *Sim City 2000 The Waterfront Wigan*,

all of the material bears the later logo. Advertisements were placed in a range of the print media, including: *The Guardian*, *Metro*, *Daily Star*, *PC Gamer*, *Bliss* and *Girl Talk*.

17) Exhibited at MD9 is a selection of United Kingdom television advertisements. Several of the advertisements did not play. Those that did play showed use of the later logo and at the end of several of them the name EA GAMES was spoken. Advertisements were shown on the following television channels:

Skate – C4, Five, Sky, EMAP, IDS, MTV, ITV4, Nuts TV and E4 during September and October 2007;

Need for Speed Carbon – Ulster TV, ITV, C4, Five, Sky, EMAP, IDS, MTV, ITV4 and E4 in October 2006;

Tiger Woods PGA 06 – Sky, EMAP, IDS, MTV, ITV4, C4 Sat, Golf Channel, Cartoon Network and Nickleodeon in September 2006;

Medal of Honor Frontline – C4, C5, Sky, EMAP, Scifi, Bravo, CNX, E4 and MTV during November and December 2002;

Medal of Honor Pacific Assault – C4, C5, Sky, EMAP, IDS, MTV, VH1, Paramount, Scifi, ITV2 and E4 in October 2006;

The Sims 2 Pets - Ulster TV, ITV, C4, Five, Sky, EMAP, IDS, MTV, ITV4, E4, Nickleodeon, Cartoon Network, Jetix and CITV during October and November 2006;

Need for Speed 2:- Underground – EA Solus and Hardware, Woolworths advertising, advertising in conjunction with *Coronation Street* and *X-Factor* during November and December 2004;

Harry Potter & the Chamber of Secrets – ITV, Sky Kids, Cartoon Network, Nickleodeon, Fox Kids, C\$, E4, C5, Sky, EMAP, Trouble and MTV during November and December 2002;

007 Nightfire – ITV, C4, E4, C5, Sky, Emap, Scifi, Bravo, CNX, GSB and MTV during November and December 2002;

The Sims Unleashed – C5, Sky Kids, Cartoon Network, Nickleodeon and Fox Kids in October 2002.

18) Between 2003 and 2007 Arts has spent an average of over \$US30 million each year on advertising and promoting its products in the United Kingdom. Exhibited at MD10 are pictures of point of sales stands in PC World and Currys in 2004. The stands show large numbers of Arts' products and the prominent

use of the later logo. Also included in the exhibit are stills, taken from Sky Sports coverage in the United Kingdom, showing the later logo appearing prominently on the shirt of a cricket umpire; this was to promote the game *Cricket 2005*. In 2006 Arts operated a vote and win prize draw in association with the British Academy Children's Film and Television Awards; the entrants voted for their favourite children's film of the year, with one voter winning an Xbox 360 and five top selling Arts' games. Details of the promotion are included in the exhibit. This shows use of the later logo and regular use of EA.

19) Exhibited at MD12 are copies of press coverage:

Metro June 16 2005 – reference is made to Andrew Flintoff “speaking at the launch of EA Sports' Cricket 2005 game, the article also refers to Mr Flintoff appearing on the cover of EA Sports Cricket 2005;

At pages 2 and 3 appear press articles without provenance, reference in the articles is made to EA Sports in relation to the game *Tiger Woods PGA Tour 2005*;

Other pages in the exhibit emanate from after the date of application.

20) Arts has won various awards for its games.

21) In 2006/07 and 2007/08 Arts appeared in the *Coolbrands* list, which lists the “coolest” brands in Britain. The entry relating to Arts shows the later logo and also refers to Arts as EA. The entry for 2007/08 includes the following:

“The EA logo, recognised as a stamp of quality throughout the world....”

(The logo reproduced is the later version.)

22) Exhibited at MD2 are various annual reports of Arts. These show the trade marks of Arts and refer to its business. However, they are not specific to either the United Kingdom or the European Union, nor do they give specific analysis of use of particular trade marks, they are of little assistance; other than confirming the size of the business of Arts.

23) Mr Gian Mark Luzio has given a witness statement. Mr Luzio is the product director of The Hut Group Limited (Hut), which he states is the United Kingdom's fourth largest online entertainment retailer. Hut started in 2004 and provides online retail platforms for retailers such as Argos, Asda, Tesco, WH Smith and Games 4U, as well as operating its own business at thehut.com. Hut recently purchased the Zavvi brand, following the latter going into administration. Computer games account for approximately 70% of Hut's business. Mr Luzio joined Hut in April 2009, after being head of games at Play.com for over seven years. He states that Play.com is the second biggest online retailer in the United

Kingdom market. Mr Luzio, at Play.com, was involved in establishing “its games offering” and in building the Play.com brand in the computer games field. Before joining Play.com Mr Luzio had senior sales manager rôles with two other games software companies.

24) Mr Luzio states that Arts, until 2008, had been the biggest games software publisher in the world. It is now competing for that position with Activision after the recent merger of Activision Inc with the software games business of Vivendi. As of November 2007 Arts was the largest computer games software publisher. Arts has some of the biggest computer games brands, such as: *Tiger Woods PGA Tour*, *Grand Slam Tennis*, *The Sims*, *Mirror's Edge*, *Dead Space*, *Rock Band* and *Harry Potter and the Half Blood Prince*. According to Gfk Chart Track, which monitors retail sales of music, video and software in the United Kingdom, Arts has a number one hit game every year at Christmas. Mr Luzio states: “[i]n my experience they are the biggest, best and best known in the field of computer games”.

25) Mr Luzio states that Arts is known by himself, by the trade generally and by the consumers as EA. If anyone mentioned a computer games business or computer game brand to him by reference to EA he would assume that they were referring to Arts. He knows of no other business in the computer games industry which is called or known as EA. At Hut Arts is referred to internally as EA.

26) Mr Luzio states that he was sent a copy of Giant's trade mark. He gives his views of the trade mark and its similarity to those of Arts. Mr Luzio is an expert on the market, not on confusion and so no more need be said in relation to this part of his statement¹.

27) Mr Timothy John Ellis has given a witness statement. Mr Ellis is the head of games at HMV UK Limited (HMV). Mr Ellis describes HMV as the United Kingdom and Ireland's leading specialist retailer of music, DVD/video, computer games and related products. HMV has 280 retail stores nationwide as well as an online store, hmv.co.uk. Mr Ellis has been employed by HMV for 24 years and has been head of games for 4 years. He has been involved in selling computer games at store level for 15 years and over the last 4 years has developed an even more detailed knowledge of the computer games industry.

28) Mr Ellis states that in his time Arts has consistently been the biggest games software distributor. In terms of revenue Arts is the most important games business to HMV, alongside Nintendo. Mr Ellis states that Arts has some of the biggest computer games brands, such as *EA Sports* (which includes popular games such as *EA Sports Active*, *EA Sports Grand Slam Tennis*, *Fight Night* and *Fifa 2009*), as well as a variety of other best selling games such as *EA Playtime*, *The Sims 3*, and *Harry Potter and the Half Blood Prince*.

29) Mr Ellis states that within HMV Arts is referred to as EA and that this is common within the trade. He states that if anyone referred to a computer games business or a computer game by reference to EA, he would assume that they were referring to Arts.

30) Mr Ellis states that he was sent a copy of Giant's trade mark. He gives his views of the trade mark and its similarity to those of Arts. As with Mr Luzio, Mr Ellis is an expert on the market, not on confusion and so no more need be said in relation to this part of his statement.

31) Arts also filed what it describes as an informal survey. The survey was undertaken by Ms Lisa Pi Lernborg, Ms Bushra Makeda Shabazz and Mr Stephen Patrick Doherty. All three conducted the survey in locations in central London, all three stood in proximity of a shop selling computer games on 29 May 2009. 38 questionnaires are exhibited. The interviewees were shown a copy of Giant's trade mark and asked various questions about it. Of the 38 interviewees 29 made some link or association with EA, a number related the trade mark to EA SPORTS or specifically mentioned Electronic Arts. A survey taken on one day, in one area, in proximity to shops selling computer games does not give a representative sample. If a survey does not have statistical validity, it can show nothing. It is not possible to know if the results were atypical or typical of the average consumer in the United Kingdom. Key to any survey is the population that is used, once the population cannot form a representative group the survey is fatally flawedⁱⁱⁱ. Consequently, no weight can be given to the findings of the survey.

Evidence of Giant

32) The parent company of Giant is Giant Interactive Group Inc (GI), a Cayman based company. GI is an online game developer and operator in China and focuses on massively multiplayer online (MMO) games that are played through networked game servers.

33) Mr Zhang Hai Yan, for Giant, states that its trade mark contains the two Chinese characters 巨人, meaning giant. The characters were selected as being "the essence of the name of the company". Other versions of the characters 巨人 were used prior to 2006 when the trade mark the subject of the opposition was developed. Exhibited at ZHY-2 are copies of printouts from the database of the Chinese Trademark Office. Mr Yan states that the application for the registration of 巨人 was made on 30 November 1992, and an application for the same trade mark with a line underneath it on 20 July 1993. Also included in the exhibit is a printout from the database of the Hong Kong Trade Marks Registry, which is for the trade mark the subject of the opposition, Mr Yan states that the application for registration was filed on 1 November 2007. No translations of this data are supplied, although dates appear in Arabic numbers. The various forms of the 巨人 trade mark have been used by Giant and other companies in the

same group in respect of the second online game of the Giant Group, which is a free-to-play MMORPG with a modern military theme. Exhibited at ZHY-3 are pages from Giant's website. The logo used next to the stylised word Giant has no relationship with the trade mark the subject of the opposition. The trade mark the subject of the opposition appears, without the bar beneath, in relation solely to the one game referred to above, which is expected to be launched in the last quarter of 2007. Mr Yan exhibits details relating to Arts from the website of the New York Stock Exchange. He notes that in the fiscal years 2007 and 2008, Arts had net revenues of \$US 3.9 billion and \$US3.67 billion. Mr Yan states that Arts concentrates on selling its products through computer stores and retail outlets and not on MMO games as Giant has.

34) Mr Yan states that the earliest date of use worldwide declared by Arts is 10 December 1992, in respect of United States registration no 2035649 for the trade mark:



Mr Yan states that for the trade marks:



and EA, the earliest date of use declared by Arts was 25 July 2000, in respect of United States registration nos 2737377 and 3168777. Consequently, Mr Yan states that Arts only began to use the trade marks containing EA in legible form in 2000. Mr Yan comments on Giant's first application, on 30 November 1992, having predated the first use claimed by Arts.

35) Exhibited at ZHY-6 is an article downloaded on 7 November 2009 from cnanalyst.com. The article advises that GI engages in the development and operation of online games in the People's Republic of China. The article lists the main competitors of GI in China.

36) Mr Yan states that Giant's trade mark has never been perceived by the public as containing the letters EA. He states that the trade mark has co-existed with those of EA in other English speaking countries, including Australia, Canada and New Zealand. He gives details of registrations in these three countries. However, there is no evidence of use in the market place in these three countries and so no evidence of a lack of confusion in the market place. Equally, there is

no evidence of the perception of consumers of Giant's trade mark. Mr Yan also refers to two Community trade mark registrations and an international registration with protection in the United Kingdom. Again, it is what is happening in the market place, not what is on the register that is important. It is to be noted also that the two Community trade mark registrations are very different to Giant's application. One Community trade mark registration also excludes goods and services relating to computer games and the specification of the other would not encompass them. In relation to the international registration, this has been the subject of a dispute between Arts and the holder which has now led to an amendment of the specification so that it does not encompass computer games.

37) Mr Yan states that Mr Luzio and Mr Ellis are employees of retail chains which sell and distribute the products of Arts but not any of those of Giant. Mr Yan states that, therefore, their comments were neither impartial nor independent. Mr Yan considers that it is unusual for senior members of staff to have entertained the requests of the representatives of Arts. A full explanation of how the approaches to Mr Luzio and Mr Ellis were made is given in Arts' evidence in reply. As there is no indication that Giant furnishes any goods or services in the United Kingdom, it is difficult to see how witnesses from the retail trade could be found who have dealt with both undertakings. If Mr Yan wished to test the probity of these witnesses he could, and should, have requested to cross-examine them. There is nothing to bring into doubt the truth and probity of their evidence and, subject to the caveat in relation to their evidence about confusion, their evidence is accepted at face value; indeed, must be accepted at face valueⁱⁱⁱ.

Findings of fact

38) To benefit from the provisions of section 5(3) of the Act the trade mark must be known by a significant part of the public concerned by the services covered^{iv}. The European Court of Justice (ECJ) in *General Motors Corporation v Yplon SA* stated how a party would establish this reputation:

“27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

Arts has shown through its use, its market share, the length of use, its promotion, its turnover, the comments of third parties (eg Cool Brands) and through expert witnesses, Messrs Luzio and Ellis, that its EA and



trade marks, in relation to computer games, are known by a significant part of the public concerned by these goods. This reputation will relate to all computer games, in whatever medium they are supplied. As a sequitur to this, Arts has a goodwill in relation to computer games (for the purposes of section 5(4)(a) of the Act).

Decision

Section 5(1) of the Act

39) Section 5(1) of the Act states:

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

Arts relies upon its registrations of the trade mark EA for its claim under section 5(1) of the Act, on the basis that Giant's trade mark will be spoken as EA and so aurally will be identical to its EA trade marks. It makes comparison with infringement actions and oral use in such actions. In her submissions Ms Himsworth made reference to the judgment of the European Court of Justice (ECJ) in *Michael Hölderhoff v Ulrich Freiesleben* Case C-2/00. That case was concerned with Article 5 of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008, the grounds of opposition are born of Article 4 of the Directive. It is necessary to consider the trade mark for which the application has been made, not use of another trade mark verbally to the exclusion of all other aspects of it. In *LTJ Diffusion SA v Sadas Vertbaudet SA* Case C-291/00 the European Court of Justice (ECJ) stated :

“54 In those circumstances, the answer to the question referred must be that Art.5(1)(a) of the directive must be interpreted as meaning that a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer.”

The differences between EA and Giant's application will most certainly be noticed by the average consumer. The distinction between an infringement action and the consideration of a trade mark application or registration can be seen from the words of Jacob LJ in *Reed Executive plc and Reed Solutions plc v Reed Business Information Ltd and Reed Elsevier (UK) Ltd, totaljobs.com Ltd* [2004] EWCA Civ 159:

“33. But before I get to the question of identity here, there is a further preliminary matter. What is to be compared with the registered mark for

the purposes of Art.5.1(a)? It is the defendant's "sign". So this must be identified first. In many cases this is easy – the defendants' sign in "*Arthur et Félicie*" is an example. **And during the registration process, where there is a potential conflict with an earlier registered mark this preliminary question is self-answering.** The fact that what the defendant's sign is often so obvious that it does not merit a thought, does not mean that one can overlook the preliminary question. There may be other cases where some difficulty is posed, particularly where descriptive or semi-descriptive words are added to what is obviously a word mark."

(Emphasis added.) The logic of the argument is that all the one, two and three letter trade marks that use the same letter or letters in the same order are identical, however, stylised. Also, that phonetically identical trade marks however different visually are identical. Consequently, if the goods or services are identical they would have to be refused or cancelled under section 5(1) of the Act. It is difficult, also, to see how this interpretation of section 5(1) of the Act would sit within the judgment of the ECJ in *Mülhens GmbH & Co KG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-206/04 P* in relation to phonetic similarity or, indeed the judgment of the ECJ in *Sabel BV v Puma AG* [1998] RPC 199 in relation to the consideration of similarity.

40) The grounds of opposition under section 5(1) of the Act are dismissed as the respective trade marks are not identical.

Section 5(2)(b) of the Act

41) Section 5(2)(b) of the Act states:

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

42) Arts has four registrations for the trade mark:



The trade mark is registered under Community trade mark nos 1737212 and 4925211 and United Kingdom trade mark nos 2414061 and 2238767. Registration nos 2238767 and 1737212 were potentially subject to proof of use,

as they had been registered for more than five years when Giant's application was published. However, no request was made for proof of use of these trade marks and so their specifications must be considered in their entirety. The specifications of the registrations are reproduced in the annex to this decision. In relation to the grounds under section 5(2)(b) of the Act, all of the goods and services of the application, the subject of the opposition, which have been highlighted above (in paragraph 2) are either included in the goods and services of the earlier registration, and so are identical, or consist of terms that include the goods of the earlier registration and so must be considered to be identical^Y.

43) The EA registrations of Arts do not encompass any additional goods or services to the stylised trade mark. It is not considered, taking into account the nature of the trade mark, that Arts case can be any stronger in relation to the EA letter only trade mark. Consequently, consideration will be given solely to the stylised trade mark.

Similarity of goods and services

44) It has already been decided that the highlighted goods and services in paragraph 2 of this decision are identical or are to be considered to be identical with the goods and services of Arts' earlier stylised trade marks. This leaves *electronic notice boards, telephone apparatus, apparatus for editing cinematographic films and quality control* to be considered.

45) In "construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade^{vi}". Words should be given their natural meaning within the context in which they are used, they cannot be given an unnaturally narrow meaning^{vii}. Consideration should be given as to how the average consumer would view the goods or services^{viii}. The class of the goods and services in which they are placed may be relevant in determining the nature of the goods^{ix}. In assessing the similarity of goods it is necessary to take into account, inter alia, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary^x. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-325/06* the General Court (GC) explained when goods were complementary:

"82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and

Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J also gave guidance as to how similarity should be assessed^{xi}. In considering the services, the judgment of Jacob J in *Avnet Incorporated v Isoact Ltd* [1998] FSR 16 must be taken into account:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

46) Registration no 1737212 includes the following services:

providing on-line chat room for transmission of messages among computer users concerning topics of entertainment, sports and computer games; providing on-line electronic bulletin boards for transmission of messages among computer users concerning topics of entertainment, sports and computer games.

These services are essential to the provision of *electronic notice boards*, consequently, they are complementary. The purpose and the users of the service are one and the same. The respective goods and services are likely to be supplied through the same channels of trade on the Internet. The respective goods and services are similar to a high degree.

47) Registration no 4925211 includes the following goods:

computer application software for mobile or cellular telephones and other wireless devices; computer game, interactive, and entertainment software for use on mobile or cellular telephones whether handheld or freestanding and/or other wireless devices.

There is a close connection between these goods and *telephone apparatus* in that the goods of the registration require the goods of the application, they are complementary. As telephones are used for a variety of purposes nowadays, including entertainment purposes, the respective goods could have the same users and the same purpose. The respective goods have a reasonable degree of similarity.

48) *Apparatus for editing cinematographic films* is highly specialist equipment. Such equipment will be used in the production of exposed and developed cinematographic film whether or not incorporating sound track or consisting only of sound track. However, the end users of the products will be different, one is the film editor, the other the provider of the film to the audience ie a cinema. The purpose of the respective goods is different. The nature of the goods is different.

The channels of trade will be completely different. The respective goods are not in competition. The *apparatus for editing* is **not** indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking; just as the rolling pin will not be seen as being complementary to the pie. *Apparatus for editing cinematographic films* is not similar to the goods and services of the earlier registrations.

49) There are no intersections between *quality control* and the goods and services of the earlier registrations within the parameters of the case law. *Quality control* is not similar to the goods and services of the earlier registrations.

Average consumer, nature of purchasing decision and standard for likelihood of confusion

50) The goods and services of the application and of the earlier trade marks cover a wide spectrum. Most of the goods will be purchased by the public at large, as will a good number of the services. A few will have a more limited group of customers eg *technical research services* of the application. Consequently, there will be a variation in the expertise of the customer and in the nature of the purchasing decision. However, none of the goods and services are 'bags of sweets', they will be purchased with some, if not the greatest, care. The goods which are of most interest to the parties, computer games, could be bought on impulse. In relation to such goods the purchaser is likely to focus more on the title of the game, its nature and its compatibility with a playing system (if it is a physical rather than an online game) than the name of the producer of the game. This will increase the possibility of imperfect recollection having an effect on the purchaser. However, it is necessary to bear in mind that the average consumer "is deemed to be reasonably well informed and reasonably circumspect and observant"^{xii}.

51) In *New Look Ltd v Office for the Harmonization in the Internal Market (Trade Marks and Designs)* the General Court (GC) stated:

"49 However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (*BUDMEN*, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other

hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs.”

In this case the goods will primarily be bought by the eye, whether as a physical or a virtual game, and so visual similarity is of greater importance than aural similarity.

Comparison of trade marks

52) The trade marks to be compared are:



53) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details^{xiii}. The visual, aural and conceptual similarities of the marks must, therefore, be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components^{xiv}. Consequently, there cannot be an artificial dissection of the trade marks, although it is necessary to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he/she has kept in his/her mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant^{xv}. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public^{xvi}.

54) There is no one element in the trade mark of Arts that is more distinctive and dominant than another element. In the trade mark of Giant it is the part of the trade mark above what appears to be a flash of light that is the dominant and distinctive element of the trade mark.

55) The average consumer will have no idea as to the genesis of the trade mark of Giant and will have no knowledge of Chinese characters. That the trade marks of Giant and Arts have been recorded on the databases of the Intellectual Property Office and Office for Harmonization in the Internal Market (Trade Marks and Designs) as being the letters EA cannot be determinative of the issue as to how the average consumer will view them.

56) Mr Yan states that Arts only began to use the trade marks containing EA in legible form in 2000, consequently, he accepts that the trade mark of Arts consists of the letters EA. It is considered that the average consumer will see the trade mark of Arts as stylised letters EA. The first impression of the part above the flash of light of Giant's trade mark is that it consists of the stylised letters EA.

57) As the average consumer is likely to perceive both trade marks as being or containing the letters EA, if used orally they will be identical. The two trade marks will have the same conceptual association, being the same two letters of the alphabet. Consequently, orally and conceptually the two trade marks are identical.

58) Arts' trade mark is very angular, as are the letter elements of Giant's trade mark. In neither trade mark is the letter A completed, although in that of Giant the bar is missing, whilst in that of Arts it is partly missing. The letters in Arts trade mark are joined, whilst there is a small space between the letters of the trade mark of Giant. The top of the letter E in the trade mark of Arts is separate from the rest of the letter, there is no gap in the trade mark of Giant. In considering the visual similarity, it is necessary to bear in mind that the perception of the average consumer is a key matter and that perception will be to a great extent moulded by a lifetime of exposure to letters of the alphabet. The perception of the consumer in relation to the visual impact, and the recollection of that impact, will be conditioned by the fact that the two trade marks include the same two letters. Giant's trade mark includes the flash of light and it is presented on a rectangle, elements which are alien to the trade mark of Arts. However, these alien elements do not militate against a finding that visually the respective trade marks are similar.

Likelihood of confusion

59) Where it has been found that the respective goods and services are not similar there cannot be a likelihood of confusion. Consequently, there is no likelihood of confusion in relation to *apparatus for editing cinematographic films and quality control*.

60) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa^{xvii}. With the exception of the non-similar goods and services and *telephone apparatus* and *electronic notice boards* the respective goods are identical. *Electronic notice boards* are highly similar to the services of the earlier registrations and there is a reasonable degree of similarity between *telephone apparatus* and the goods of the earlier registration.

61) It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark (either by nature or nurture) the

greater the likelihood of confusion^{xviii}. The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public^{xix}. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the mark to identify the goods for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods from those of other undertakings^{xx}. Arts' trade mark consists of two stylised letters. These letters are neither descriptive nor allusive to the goods and services of the registration. The earlier trade mark is quite striking to the eye. The earlier trade mark enjoys a reasonable degree of inherent distinctiveness. In relation to computer games, and goods and services connected to and ancillary to computer games, the reputation of the trade mark means that it enjoys a very high level of distinctiveness.

62) The global appreciation has a cumulative aspect. In this case there is identity of goods and services (with two exceptions), there is a distinctive earlier trade mark and in relation to computer games and connected and ancillary goods and services there is a very high level of distinctiveness, the trade marks are conceptually and orally identical and visually similar. In considering the likelihood of confusion it is necessary to take into account the effects of imperfect recollection and the nature of the purchasing process. **Taking into account all these factors, and taking into account the variety of the goods and services covered by the application there is a likelihood of confusion in relation to all of the goods and services the subject of the opposition with the exception of those which are not similar.**

63) Mr Yan comments upon the different nature of the computer games that Giant offers. It is necessary to consider the specifications as filed and the goods and services covered by the registrations of Arts, which cover all forms of computer games. The division that Mr Yan tries to make is also artificial as the medium of the computer game does not change the nature of the game; also there is evidence to show that Arts supplies games over the Internet. From the evidence of Mr Yan it appears that the primary goods and services of interest to Giant relate to computer games, the very area in which Arts has an enormous reputation and in which the likelihood of confusion is at its strongest.

The remaining goods and services

64) This leaves *apparatus for editing cinematographic films* and *quality control* to be considered in relation to the remaining grounds of opposition; sections 5(3) and 5(4)(a) of the Act. Section 5(3) of the Act states:

“(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC) in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

Section 5(4)(a) of the Act states:

“4) 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”.

Arts is relying upon the law of passing-off.

65) The principles of the law of passing-off were summarised by Lord Oliver in *Reckitt & Colman Products Ltd v. Borden Inc* [1990] RPC 341 at page 406:

“The law of passing off can be summarised in one short, general proposition: no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. ... Thirdly he must demonstrate that he suffers, or in a *quia timet* action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.”

66) Under neither section 5(3) nor 5(4)(a) of the Act is it necessary for goods and services to be similar for a finding in favour of an opponent. In relation to both grounds the reputation of Arts is in relation to computer games.

67) In *L’Oreal SA and others v Bellure NV and others* Case C-487/07 the ECJ stated:

“44 In order to determine whether the use of a sign takes unfair advantage of the distinctive character or the repute of the mark, it is necessary to undertake a global assessment, taking into account all factors relevant to the circumstances of the case, which include the strength of the mark’s reputation and the degree of distinctive character of the mark, the degree of similarity between the marks at issue and the nature and degree of proximity of the goods or services concerned. As regards the strength of the reputation and the degree of distinctive character of the mark, the Court has already held that, the stronger that mark’s distinctive character and reputation are, the easier it will be to accept that detriment has been caused to it. It is also clear from the case-law that, the more immediately and strongly the mark is brought to mind by the sign, the greater the likelihood that the current or future use of the sign is taking, or will take, unfair advantage of the distinctive character or the repute of the mark or is, or will be, detrimental to them (see, to that effect, *Intel Corporation*, paragraphs 67 to 69).

Consequently, part of the global assessment under section 5(3) of the Act involves the consideration of “the nature and degree of proximity of the goods or services concerned”.

68) . In *Harrods v Harrodian School* [1996] RPC 697 Millett LJ held:

“The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration.”

and

“The name "Harrods" may be universally recognised, but the business with which it is associated in the minds of the public is not all embracing. To be known to everyone is not to be known for everything.”

In *Stringfellow v McCain Foods (GB) Ltd.* [1984] RPC 501 Slade LJ said:

“even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.”

69) *Apparatus for editing cinematographic films* and *quality control* are highly specialist goods and services respectively. There is no relationship between the aforesaid goods and services with computer games. They are not in the same field of activity or even in fields that share a common boundary. Owing to this distance, use of Giant's trade mark in relation to them will not amount to a misrepresentation nor would it give rise to damage (in relation to passing-off), nor would the use take unfair advantage of the distinctive character or the repute of Arts' trade mark or be detrimental to them.

70) Consequently, the opposition in relation to *apparatus for editing cinematographic films* and *quality control* is dismissed.

Overall outcome

71) The application is to be refused in respect of the following goods and services:

computer programmes (programs), recorded; computer programs (downloadable software); computer games programmes (software); apparatus for games adapted for use with an external display screen or monitor; video game cartridges; animated cartoons; computers; computer operating programs, recorded; computer peripheral devices; computer software (recorded); magnetic data media; compact discs (read-only-memory); electronic publications (downloadable); electronic notice boards; telephone apparatus; games software for use with television apparatus; teaching apparatus; cinematographic film (exposed); optical apparatus and instruments; transmitters of electronic signals; sound transmitting apparatus; sound recording strips; sound recording carriers; data processing apparatus;

publication of electronic books and journals on-line; providing on-line electronic publication (not downloadable); game services provided on-line (from a computer network); education academy services; education services; instruction services; organization of competitions (education or entertainment); organization of shows (impresario services); publication of books; film production; production of shows; digital imaging services; amusements; entertainment; club services (entertainment or education); gaming; party planning (entertainment); operating of lotteries;

technical research; research and development (for others); computer programming; computer software design; updating of computer software; creating and maintaining web sites for others; hosting computer sites (websites); computer virus protection services; providing search engines for the internet; production of artwork for animated films; advisory services relating to computer software design; recovery of computer data; conversion of data or documents from physical to electronic media.

Costs

72) Arts, having been successful, is entitled to a contribution towards its costs. At the hearing Ms Himsworth requested that costs be awarded at the top end of the scale owing to the additional evidence that was necessitated by the questioning of the probity of the evidence of Mr Luzio and Mr Ellis. There was no substantiated basis for the questioning of the probity of this evidence. Despite the overwhelming reputation of Arts and its trade marks in relation to computer games, which must have been known to Giant, there was a blanket denial of Arts' claim to a reputation. It is considered, therefore, appropriate to award costs at the higher end of the scale.

73) Costs are awarded on the following basis:

Preparing a statement and considering the counterstatement of Giant:	£600
Preparing evidence and considering the evidence of Giant:	£2,000
Preparing for and attending hearing:	£1,500
Opposition fee:	£200
Total	£4,300

Shanghai Giant Network Technology Co Ltd is to pay Electronic Arts Inc the sum of £4,300. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 6 day of August 2010

**David Landau
For the Registrar
the Comptroller-General**

ⁱ See *esure Insurance Limited v Direct Line Insurance Plc* [2008] EWCA Civ 842:

Arden LJ:

“62. Firstly, given that the critical issue of confusion of any kind is to be assessed from the viewpoint of the average consumer, it is difficult to see what is gained from the evidence of an expert as to his own opinion where the tribunal is in a position to form its own view. That is not to say that there may not be a role for an expert where the markets in question are ones with which judges are unfamiliar: see, for example, *Taittinger SA v Allbev Ltd* [1993] FSR 641. However, the evidence of Mr Blackett on confusion was of no weight in this case: he merely gave evidence as to his own opinion about a market which would be familiar to judges. If more cogent evidence of customer perception is needed, the traditional method of consumer surveys must (subject to my second point) carry more weight and is to be preferred. Mr Mellor went so far as to suggest that expert evidence is inadmissible on the question of consumer perception. I do not consider that it is necessary to go quite that far because there are exceptional situations, but I note that in *The European Ltd v. The Economist Newspaper Ltd* [1998] FSR 283 at 290-291 Millett LJ, with whom Hobhouse and Otton LJJ agreed, considered that the evidence of trade witnesses who gave their opinion of the likelihood of confusion was “almost entirely inadmissible”. He added: “It is not legitimate to call such as witnesses merely in order to give their opinions whether the two signs are confusingly similar. They are experts in the market, not on confusing similarity.” The cogency of their evidence must in any event, save where expert knowledge of the particular market is required, be in real doubt. Its use may therefore lead to a sanction in costs. (Mr Mellor also made objections to the evidence of Mr Tildesley, but in the circumstances it is unnecessary for me to deal with these separate objections.) If the objection can be dealt with as one going to weight, this is often the course which the court takes: *Re M & R (Minors) (Sexual abuse: expert evidence)* [1996] 4 All ER 239.”

Kay LJ:

“82. Where litigation is commenced in the ordinary courts, the calling of expert evidence is now controlled by CPR 35.1. As I understand it, that does not apply to proceedings before a hearing officer in the Trade Marks Registry. Perhaps it should. However, even without its express application, it must be open to the Trade Marks Registry to control the nature and quality of evidence sought to be adduced before it as expert evidence. It should be encouraged to ensure that the sort of evidence that has attracted the disapproval of all three members of this court is excluded. In a case such as this, neither a hearing officer nor a judge in the Chancery Division requires the assistance of an “expert” when evaluating the likelihood of confusion from the standpoint of the average consumer.”

ⁱⁱ One of the most oft quoted examples of the effects of unrepresentative population is the poll carried out by *The Literary Digest* in 1936 which came to the conclusion that Landon would defeat Roosevelt in the presidential election. In fact Roosevelt only lost in two states. The reason for the failure of the poll was simple. The survey was carried out by telephone and far more Republican voters had telephones than Democrat voters. The methodology to be followed in surveys is set out in the head note to *Imperial Group plc & Another v. Philip Morris Limited & Another* [1984] RPC 293 gives a useful summary to the requirements for a survey:

“If a survey is to have validity (a) the interviewees must be selected so as to represent a relevant cross-section of the public, (b) the size must be statistically significant, (c) it must be conducted fairly, (d) all the surveys carried out must be disclosed including the number carried out, how they were conducted, and the totality of the persons involved, (e) the totality of the answers given must be disclosed and made available to the defendant, (f) the questions must not be leading nor should they lead the person answering into a field of speculation he would never have embarked upon had the question not been put, (h) the exact answers and not some abbreviated form must be

recorded, (i) the instructions to the interviewers as to how to carry out the survey must be disclosed and (j) where the answers are coded for computer input, the coding instructions must be disclosed.”

The Court of Appeal also commented on surveys in *esure Insurance Limited v Direct Line Insurance Plc* [2008] EWCA Civ 842.

ⁱⁱⁱ Mr Richard Arnold QC, sitting as the Appointed Person in *EXTREME Trade Mark* BL O/161/07 stated:

“Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness's evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness's evidence.”

^{iv} *General Motors Corporation v Yplon SA* Case C-375/97 [2000] RPC 572.

^v See *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-133/05 paragraph 29:

“In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

The above is a translation from the French. There is no variation in the judgment in French:

“29 En outre, des produits peuvent être considérés comme identiques lorsque les produits que désigne la marque antérieure sont inclus dans une catégorie plus générale visée par la demande de marque [arrêt du Tribunal du 23 octobre 2002, Institut für Lernsysteme/OHMI – Educational Services (ELS), T 388/00, Rec. p. II 4301, point 53], ou lorsque les produits visés par la demande de marque sont inclus dans une catégorie plus générale visée par la marque antérieure [arrêts du Tribunal du 23 octobre 2002, Oberhauser/OHMI - Petit Liberto (Fifties), T 104/01, Rec. p. II 4359, points 32 et 33 ; du 12 décembre 2002, Vedial/OHMI - France Distribution (HUBERT), T 110/01, Rec. p. II 5275, points 43 et 44, et du 18 février 2004, Koubi/OHMI - Flabesa (CONFORFLEX), T 10/03, Rec. p. II 719, points 41 et 42].”

This is also the position of Professor Annand, sitting as the appointed person in *Galileo International Technology LLC v Galileo Brand Architecture Limited* BL O/269/04:

“13. I agree with Mr. Onslow that the issue raised by this appeal is whether, when considering the test of identity for section 5(1), it is sufficient that goods or services overlap or must they be co-extensive. Like Mr. Onslow, I am unaware of any authority supporting a co-extensive test. Kerly's Law of Trade Marks and Trade Names, 13th Edition, states at para. 8-10:

“... the goods or services must be the same as those the subject of the earlier trade mark. Although not explicit, it would seem that this provision can only sensibly be interpreted as prohibiting registration where there is an overlap of goods or services.”

A footnote indicates that such interpretation is in accordance with Article 13 of Council Directive 89/104/EEC. Although not expressly included, it is well established that the TMA must be read subject to Article 13, which provides:

“Where grounds for refusal of registration or for revocation or invalidity of a trade mark exist in respect of only some of the goods or services for which that trade mark has been applied for or registered, refusal of registration or revocation or invalidity shall cover those goods or services only.”

14. The equivalent to section 5(1) in Council Regulation (EC) No. 40/94 on the Community trade mark (“CTMR”) is Article 8(1)(a). Mr. Onslow referred me to two decisions of the Opposition Division of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (“OHIM”) concerning Article 8(1)(a) of the CTMR where identity of goods and services was found to subsist through overlaps in specifications. In WALLIS, Decision No. 1978/2004, identity was found inter alia between Class 14 specifications even though the contested CTM application covered additional goods in that class. The Opposition Division said:

“There is identity between the goods or services that are subject to comparison if they either have the same wording or can be considered synonyms. The identity is also found if the specification of the earlier mark includes a generic term that covers the specific goods of the contested application. Similarly if the goods specifically designated in the earlier mark are covered by a generic term used in the contested application, such goods are identical, to the degree that they are included in the broad category. Finally, in case that the goods in question overlap in part they are also to be considered as identical.”

A similar decision was arrived at in PACE, Decision No. 1033/2003. Again, the Class 41 services in the CTM application were wider than those in the earlier CTM registration. In addition, there was held to be identity between some of the applicant’s Class 42 services namely, “computer programming; providing of expert opinion”. The opponent’s registration was in respect of “consulting services related to improving and expediting product development, industrial research services, computer programming services” in Class 42. The Opposition Division observed:

“In particular, the applicant’s expression providing of expert opinion in class 42, is broad enough to encompass any consulting services registered by the opponent in class 42, which makes them equivalent to the extent that the one includes the other.”

15. The overlap test for identity of goods and services is also applied by the OHIM in connection with priority and seniority claiming under Articles 29, and 34 and 35 of the CTMR respectively. Indeed, it is recognised that partial priority claiming (i.e. where the subsequent application is for a narrower or wider specification than in the application(s) from which priority is claimed) is a possibility under section 33 of the TMA, which speaks of a right of priority “for some or all of the same goods or services” in a Convention application.

16. I believe that overlapping specifications satisfy the test for identical goods or services in section 5(1) of the TMA. There is no necessity for such specifications to co-extend.”

I do not consider that the judgment of Norris J is in *Budejovický Budvar, národní Podnik v Anheuser-Busch Inc* [2008] EWHC 263 (Ch) is in conflict with the above. In that case he stated: “41. There is however one respect in which this appeal succeeds. AB’s application for a declaration of invalidity extended to the whole of BB’s registration in respect of “beer ale and porter; malt beverages;” (although its own registration related only to “beer ale and porter”). In his decision the Hearing Officer regarded it as obvious that in respect of “beer, ale and porter” the respective specifications encompassed the same goods (and the contrary has not been argued before me). He said:-

"The only possible area of contention is the description "malt beverages" in the mark in suit. The term covers all beverages made with malt, including "malt beers" and the like. Accordingly the specification of the registration that is the subject of these proceedings is covered in its entirety by the specifications of [AB's] earlier mark"

This is a determination of a mixed question of fact and law which I must approach with caution. But in my judgement this passage discloses an error of principle. AB's earlier mark covered only "beer, ale and porter". BB's included "malt beverages". The specification of AB's earlier mark simply did not cover entirely the specification of the mark in suit. It is necessary to decide whether "malt beverages" can only be "beer ale and porter", or whether "malt beverages" can include goods which are not identical with or similar to "beer ale and porter".

42. I do not consider that "malt beverages" can only be (and are therefore identical with) "beer ale and porter". The form of the specification would indicate that "beer, ale and porter;" is one category and "malt beverages" another, with possibly an overlap between the two. One is not simply an alternative description for the other."

In the above judgment Norris J was considering whether the respective goods could be described as being identical, not whether they should be considered to be identical. There is a deal of difference between stating that goods **are** identical and stating that they are considered to be identical.

If one did not follow the principles laid down by the CFI and Professor Annand considering similarity of goods in certain cases would become virtually impossible. If, for example, an earlier registration was for wedding dresses and an application for clothing one would have to consider the degree of similarity between the former goods and every potential product covered by the term clothing as there would be varying degrees of similarity and the global appreciation of the likelihood of confusion requires consideration of the degree of similarity between goods and/or services.

An applicant has plenty of time to amend a specification which includes a portmanteau term in order to identify goods and services which are of specific interest. If the applicant does not do so then it must expect to bear the consequences.

^{vi} *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281.

^{vii} *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267.

^{viii} *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 dealt with a non-use issue but are still pertinent to the consideration of the meaning and effect of specifications:

"In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use"

^{ix} *Altecnic Ltd's Trade Mark Application* [2002] RPC 34.

^x *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117.

^{xi} He considered that the following should be taken into account when assessing the similarity of goods and/or services:

- “(a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

^{xii} *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] FSR 77.

^{xiii} *Sabel BV v Puma AG* [1998] RPC 199.

^{xiv} *Sabel BV v Puma AG* [1998] RPC 199.

^{xv} *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77.

^{xvi} *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02.

^{xvii} *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117.

^{xviii} *Sabel BV v Puma AG* [1998] RPC 199.

^{xix} *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

^{xx} *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

Annex

Registration no 1737212

Computers; scientific, electric and electronic apparatus and instruments, all for the receiving, processing, transmitting, storing or relaying input or output of data; electronic apparatus and instruments, all utilising computer programmes and for the control of computers, machines or of machine tools; instructional and teaching apparatus and instruments; electronic publications (downloadable) provided on-line from databases or the Internet; video games enhancers; parts and fittings for all the aforesaid goods; tapes, discs, cards and wires, all being magnetic and for, or bearing computer programmes; optical discs; spools and cartridges, all adapted for use with the aforesaid discs, tapes, cards and wires; memory cartridges for, or bearing computer programmes; punched (encoded) tapes; magnetic tapes bearing sound or video recordings; computer programmes.

Printed matter; printed matter relating to computer games and entertainment.

Games and playthings; audio visual games on computer hardware platforms; parts and fittings for all the aforesaid goods.

Computerised on-line search and ordering services for merchandise related to computer game software; operation and maintenance of a membership organisation for retail discounts, promotions, and order tracking; organisation and maintenance of subscription services for others.

Providing on-line chat room for transmission of messages among computer users concerning topics of entertainment, sports and computer games; providing on-line electronic bulletin boards for transmission of messages among computer users concerning topics of entertainment, sports and computer games.

Entertainment provided via the Internet; on-line gaming services; providing on-line computer games, multi-player matching services, and on-line entertainment in the nature of tournaments, fantasy sports leagues, gameshows; providing on-line information in the field of computer gaming entertainment; providing on-line electronic bulletin boards for transmission of messages among computer users concerning topics of entertainment, sports and computer games; technical information and support in the fields of computer game software, computer game hardware and on-line computer games, providing on-line electronic publications (not downloadable).

Computer services; provision of technical support in the field of computer games software; computer games hardware and on-line computer games by means of a

global computer network; information and advisory services relating to the aforesaid services.

Registration no 4925211

Computer programs; computer software; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers; recording discs; data processing equipment; computer games programs and software; software for playing video, computer and on-line games; downloadable software for developing, designing, modifying and customizing video, computer and on-line games; electronic publications (downloadable); video and audio tapes, cartridges, cassettes and discs; computer game cartridges; computer game cassettes; computer game discs; sound recordings, video recordings; exposed and developed cinematographic film whether or not incorporating sound track or consisting only of sound track; computer software featuring music and motion picture soundtrack, animated cartoons on any medium; interactive multimedia computer game programs; software for enabling video computer and on-line games to be run on multiple platforms; downloadable computer game software via a global computer network; downloadable computer games software via wireless devices; computer application software for mobile or cellular telephones and other wireless devices; computer game, interactive, and entertainment software for use on mobile or cellular telephones whether handheld or freestanding and/or other wireless devices; computer games equipment adapted for use with television receivers; handheld computers, computers, video game consoles, both handheld and free standing, and other wireless devices; video games enhancers; computer peripherals; mouse pads; parts and fittings for all the aforesaid goods.

Education; providing of training; entertainment; sporting and cultural activities; entertainment provided via the Internet; entertainment provided via mobile or cellular telephones and/or other wireless devices; providing a computer game that may be accessed network-wide by network users; providing computer games accessed and played via mobile or cellular telephones and/or other wireless devices; providing interactive computer game software over an electronic network; providing multi-player matching services; providing on-line entertainment in the nature of tournaments, fantasy sports leagues, game shows; providing on-line information in the field of computer gaming entertainment; providing information in the field of computer gaming and interactive entertainment via mobile or cellular telephones and/or other wireless devices; production of film, television and radio programmes, transmissions, film and television entertainment; providing electronic publications (not downloadable).

Registration no 2238767

Computers; scientific, electric and electronic apparatus and instruments, all for the receiving, processing, transmitting, storing or relaying input or output of data; electronic apparatus and instruments, all utilising computer programmes and for the control of computers, machines or of machine tools; instructional and teaching apparatus and instruments; electronic publications (downloadable) provided on-line from databases or the Internet; video games enhancers; parts and fittings for all the aforesaid goods; tapes, discs, cards and wires, all being magnetic and for, or bearing computer programmes; optical discs; spools and cartridges, all adapted for use with the aforesaid discs, tapes, cards and wires; memory cartridges for, or bearing computer programmes; punched (encoded) tapes; magnetic tapes bearing sound or video recordings; computer programmes.

Printed matter; printed matter relating to computer games and entertainment.

Games and playthings; audio visual games on computer hardware platforms; parts and fittings for all the aforesaid goods.

The bringing together for the benefit of others, a variety of goods, enabling customers to conveniently view and purchase those goods from an Internet website specialising in the marketing of computer games software; organisation and maintenance of subscription services for others; operation and maintenance of a membership organisation in the field of retail discounts, promotion and order tracking.

Entertainment provided via the Internet; on-line gaming services; providing on-line computer games, multi-player matching services, and on-line entertainment in the nature of tournaments, fantasy sports leagues, gameshows; providing on-line information in the field of computer gaming entertainment; providing on-line chat rooms for transmission of messages among computer users concerning topics of entertainment, sports and computer games; entertainment services, all provided by way of electronic bulletin boards; providing on-line electronic publications (not downloadable).

Computer services; provision of technical support in the field of computer games software, computer games hardware and on-line computer games by means of a global computer network; information and advisory services.

Registration no 2414061

Computer programs; computer software; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers; recording discs; data processing equipment; computer games programs and software; software for playing video, computer and on-line games; downloadable software for developing, designing, modifying and customizing video, computer and on-line

games; electronic publications (downloadable); video and audio tapes, cartridges, cassettes and discs; computer game cartridges; computer game cassettes; computer game discs; sound recordings, video recordings; exposed and developed cinematographic film whether or not incorporating sound track or consisting only of sound track; computer software featuring music and motion picture soundtrack, animated cartoons on any medium; interactive multimedia computer game programs; software for enabling video computer and on-line games to be run on multiple platforms; downloadable computer game software via a global computer network; downloadable computer games software via wireless devices; computer application software for mobile or cellular telephones and other wireless devices; computer game, interactive, and entertainment software for use on mobile or cellular telephones whether handheld or freestanding and/or other wireless devices; computer games equipment adapted for use with television receivers; handheld computers, computers, video game consoles, both handheld and free standing, and other wireless devices; video games enhancers; computer peripherals; mouse pads; parts and fittings for all the aforesaid goods.

Education; providing of training; entertainment; sporting and cultural activities; entertainment provided via the Internet; entertainment provided via mobile or cellular telephones and/or other wireless devices; providing a computer game that may be accessed network-wide by network users; providing computer games accessed and played via mobile or cellular telephones and/or other wireless devices; providing interactive computer game software over an electronic network; providing multi-player matching services; providing on-line entertainment in the nature of tournaments, fantasy sports leagues, game shows; providing on-line information in the field of computer gaming entertainment; providing information in the field of computer gaming and interactive entertainment via mobile or cellular telephones and/or other wireless devices; production of film, television and radio programmes, transmissions, film and television entertainment; providing electronic publications (not downloadable).