

BL O-358-20

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3375902 BY
F5 NETWORKS, INC.**

**TO REGISTER AS A
TRADE MARK**

F5 OVERWATCH

FOR SERVICES IN CLASS 42

AND

**IN THE MATTER OF OPPOSITION TO ITS REGISTRATION
UNDER NO. 416570**

**BY
BLIZZARD ENTERTAINMENT, INC.**

Background and pleadings

1) On 15 February 2019, F5 Networks, Inc. (“the applicant”) applied to register the trade mark **F5 OVERWATCH** in the UK. It was accepted and published in the Trade Marks Journal on 8 March 2019 in respect of the following services:

Class 42: Software as a service (SaaS) providing computer network operators with the ability to monitor and inventory network applications.

2) On 4 July 2019, Blizzard Entertainment, Inc. (“the opponent”) opposed the trade mark on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). This is on the basis of the following earlier European Union Trade Mark (“EUTM”):

EUTM Number: 12755567

Mark: OVERWATCH

Filing date: 2 April 2014

Date of entry in register: 27 August 2014

Relied upon goods and services¹:

Class 9: Computer game software, downloadable computer games programs, computer game software downloadable from a global computer network, electronic games software for wireless devices, interactive multimedia computer game programs.

Class 41: Providing computer games that may be accessed via a global computer network; providing information on-line relating to computer games and computer enhancements for games.

¹ The registration covers more terms in classes 9 and 42 but the opposition was limited to these goods and services.

3) The opponent argues that the respective goods/services are similar and that the marks are similar which leads to a likelihood of confusion. The applicant filed a counterstatement denying the claims made.

4) Neither side filed evidence in these proceedings. Both sides filed written submissions which will not be summarised but will be referred to as and where appropriate during this decision.

5) A hearing took place via video link on 29 April 2020. The applicant was represented by Miss Berkeley of counsel instructed by Russell-Cooke LLP and the opponent by Mr Kelly of FR Kelly.

DECISION

The law

6) Section 5(2)(b) and 5A of the Act are as follows:

“5(2) A trade mark shall not be registered if because-

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

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

The case law

7) The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98,

Matratzen Concord GmbH v OHIM, Case C-3/03, Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH, Case C-120/04, Shaker di L. Laudato & C. Sas v OHIM, Case C-334/05P and Bimbo SA v OHIM, Case C-591/12P.

The principles

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

8) In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

9) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

(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.

10) The respective goods and services are as follows:

Applied for services	Earlier relied upon goods/services
<i>Class 42 Software as a service (SaaS) providing computer network operators with the ability to monitor and inventory network applications.</i>	<i>Class 9: Computer game software, downloadable computer games programs, computer game software downloadable from a global computer network, electronic games software for wireless devices, interactive multimedia computer game programs.</i> <i>Class 41: Providing computer games that may be accessed via a global computer network; providing information on-line relating to computer games and computer enhancements for games</i>

11) The opponent argues at paragraph 15 of its skeleton argument that:

“...Software as a service (SaaS) is a business model which does not require the purchase of a product, but rather, the use of a service via an internet server, which is paid for on a subscription basis. The computer games industry utilises this same business model, which is referred to as Games as a Service (“GaaS”). Indeed, the Opponent’s services are provided via the GaaS business model. Therefore, the business model and software delivery process is identical. Both companies are providing a computer program (regardless of what the program is) which is delivered via downloads paid for by subscription and upgraded regularly as required. The *trade channels* are identical.”

12) During the hearing, Mr Kelly went on to argue that SaaS is a method of software delivery and licence, i.e. a subscription. Further, whilst the class 42 specification is limited to “providing computer network operators” it is still a broad service which is not further limited to “monitor and inventory network applications”. Therefore, Mr Kelly argued, it could cover computer game software network providers. In view of this, he argued that the respective goods and services are at least similar to a medium degree, but at worst there is still a low degree of similarity.

13) The applicant’s primary position is that the respective goods and services are not similar and therefore the opposition must be dismissed. Ms Berkeley argues that the applied for class 42 services are very limited in scope and they certainly do not cover SaaS at large. More specifically, Ms Berkeley argues that²:

“These services are being provided to “computer network operators” who are specialist and professional businesses. The services provided give those computer network operators “*the ability to monitor and inventory network applications*” i.e. to monitor and inventory the applications being used on those computer networks. This is clearly a very specialised service being provided to specialised businesses and professional clients, such as computer network

² Para. 18 of the skeleton argument

operators, IT professionals (such as IT managers) and business system operators. These are a highly sophisticated and specialised business target market.”

14) Ms Berkeley then goes on to argue that³:

“It is pertinent to note that the general description of Class 42 in the Nice Classification is “*Scientific and technological services and research and design relating thereto; industrial analysis and industrial research services; design and development of computer hardware and software*”. The explanatory note to Class 42 in the Nice Classification explains *inter alia* that such services are usually provided by members of professions such as chemists, physicists, engineers, computer programmers, etc.”

15) In summary, Mr Berkeley claims that the earlier relied upon goods and services are “a world away”⁴ from the applied for services since they are used for recreational and entertainment purposes rather than specialist business functions.

16) It is not in dispute that SaaS is a method of software delivery and licensing in which software is accessed online via a subscription, rather than bought and installed on PCs, tablets, etc. However, the structure and wording used in the applied for specification is unusual and is the crux of the argument between the parties.

17) In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary

³ Para. 19

⁴ Para. 20

and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

18) In *Sky v Skykick* [2020] EWHC 990 (Ch), Lord Justice Arnold considered the validity of trade marks registered for, amongst many other things, the general term 'computer software'. In the course of his judgment he set out the following summary of the correct approach to interpreting broad and/or vague terms:

"...the applicable principles of interpretation are as follows:

(1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.

(2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.

(3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.

(4) A term which cannot be interpreted is to be disregarded."

19) Taking the above guidance into consideration, I agree with Ms Berkeley that the applied for services are narrow. Taking a literal approach to the list of applied for services, the inclusion of the word "providing" after the SaaS services results in such services being directed at "computer network operators". Furthermore, the SaaS services are aimed at providing the "computer network operators with the ability to monitor and inventory network applications". This is a specialist business to business service for computer network operators which is aimed at monitoring and producing an inventory of use. It is not limited to a specific area and could therefore include the

gaming community but, crucially, I understand it to be aimed at the computer network operators rather than the users themselves.

20) Having established the scope of the applied for services, I shall now consider whether any of the earlier relied upon goods or services are similar. The class 41 services cover computer games which may be accessed via the internet by game users. These users are different to the computer network operators in the applied for services. In terms of nature, they are both services provided online and so there is a certain degree of overlap in this respect.

21) Mr Kelly argues that the respective services have identical trade channels (see paragraph 11 above). This is based on the computer games industry operating under a business model referred to as Games as a Service. Firstly, the earlier relied upon goods do not include Games as a Service. Moreover, games which can be accessed on-line would be through game providers whereas the applied for services, as outlined above, are specialist and would be sought by businesses. Therefore, I disagree that there is any similarity in trade channels. Taking all of these factors into consideration I find that there is, at best, a low degree of similarity between the respective services.

22) With regard to the earlier relied upon goods and the applied for services I do not consider there to be any similarity. The nature of goods and services are inherently different since goods are physical whereas services are not. Therefore, I find the applied for services to be dissimilar to the earlier relied upon class 9 goods.

Comparison of marks

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

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

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

25) The respective trade marks are shown below:

Applied for mark	Earlier mark
F5 OVERWATCH	OVERWATCH

26) The applied for mark consists of two elements being F5 and OVERWATCH. Both elements are distinctive and contribute to the overall impression of the mark. However, given the length of OVERWATCH I would say that it is more eye-catching and therefore plays a marginally greater role in the overall impression conveyed.

27) OVERWATCH is the sole element of the earlier mark and so the overall impression and distinctive character of the earlier mark resides solely in this word.

28) During the hearing Mr Kelly, on behalf of the opponent, argued that the respective marks are highly similar since the only difference between the two is the presence of F5 in the applied for mark. The applicant argues that when viewed as a whole they are visually, conceptually and phonetically different.

29) Aurally, both marks share the element OVERWATCH which would be pronounced in the same manner for each mark. The marks only differ since the applied for mark includes F5 and so the aural similarity is at least medium.

30) Visually, both marks share the element OVERWATCH which does play a distinctive role. The only difference between the marks is the presence of F5 before OVERWATCH in the application. Accordingly, there are clear visual similarities which results in there being at least a medium degree of visual similarity.

31) Conceptually, the applicant argues that since OVERWATCH is a commonly understood English word which is descriptive and the application includes F5, which is not present in the earlier mark, there is no conceptual similarity. On the other hand, the opponent argues that since the common element in the respective marks (OVERWATCH) is the same, then there is a high degree of conceptual similarity.

32) The Collins English dictionary defines OVERWATCH as either to watch over or to fatigue with long watching or lack of sleep. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.⁵ The assessment must be made from the point of view of the average consumer who cannot be assumed to know the meaning of everything.⁶ I have no evidence on whether the average consumer of the respective goods and services would be familiar with this word.

33) Notwithstanding this, I am of the view that whilst the average consumer may not be familiar with the word, they would understand OVER and WATCH to form the concept to watch over something or watch over something too much. Either way they would share the same concept. Taking this into account, and given the presence of F5 in the application, I consider there to be, at best, a medium degree of conceptual similarity.

Average consumer and the purchasing act

34) The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary

⁵ This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] *e.c.r.-I-643*; [2006] *E.T.M.R.* 29.

⁶ See the comments of Anna Carboni, sitting as the Appointed Person in *Chorkee*, *BL O/048/08*, paragraphs 36 and 37.

according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

35) In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

36) The opponent argues that the average consumer will be the general public and businesses. It also argues that the degree of attention will not be high. The applicant argues that the applied for services are highly specialised business services and therefore the level of care and attention will be high.

37) I agree that the applied for services are specialist and that they would be sought by businesses involving computer network operators. They are not services which the general public would seek or require and given the specialist nature they would command a high degree of attention upon purchasing them. With regard to the earlier services, in relation to which I have found some similarity, the average consumer would be a member of the general public or colloquially referred to as “gamers”. I have no evidence of the cost of such services, but I suspect that they would be relatively inexpensive and therefore the level of attention paid upon purchasing them would be no more than medium.

Distinctive character of the earlier trade mark

38) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

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

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

39) The opponent has neither claimed that the distinctive character of its earlier mark has been enhanced by virtue of the use made of it, nor has it filed evidence to suggest that this is the case. Therefore, I must only assess its inherent distinctive character.

40) The earlier mark consists of the word OVERWATCH, which as detailed at paragraph 32 is a dictionary defined word. It is not descriptive nor allusive of the services in question. Therefore, I find that it is of at least medium inherent distinctive character.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion

41) There is no scientific formula to apply in determining whether there is a likelihood of confusion. It is a global assessment where a number of factors need to be borne in

mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa. It is necessary for me to keep in mind the distinctive character of the opponent's mark, the average consumer and the nature of the purchasing process for the contested services. In doing so, I must be aware that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

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

43) I have already found that the respective marks are aurally and visually similar to at least a medium degree, and conceptually similar to, at best, a medium degree. I have also found the respective services to be similar to, at best, a low degree. Further, I have found the earlier mark to have at least a medium degree of distinctive character. Many of these findings point towards there being a likelihood of confusion. However, when I take into account the average consumer the position differs.

44) The average consumer of the opponent's services, which I found to be similar to at best a low degree to the earlier services, are the general public ("gamers") whereas the average consumer for the applied for services are businesses involving computer network operators. Therefore, I do not see any meaningful overlap between the respective average consumers which would lead me to reach a conclusion that there is a likelihood of direct or indirect confusion. In other words, I do not consider the users of the applied for services to overlap with the earlier goods or services in a manner which is likely to lead to confusion arising. The opposition fails.

CONCLUSION

45) The opposition fails. Subject to any successful appeal, the application shall proceed to registration.

COSTS

46) The applicant has been successful and is entitled to a contribution towards its costs. In the circumstances, I award the applicant the sum of £1000 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Considering the statement of case and preparing a counterstatement	£300
Written submissions and preparing for and attending a hearing	£700
Total	£1000

47) I therefore order Blizzard Entertainment, Inc. to pay F5 Networks, Inc. the sum of £1000. The above sum should be paid within two months of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the final determination of this case.

Dated this 22nd day of July 2020

MARK KING

For the Registrar,

The Comptroller-General