

TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2051099
By ZYE TECHNOLOGY LIMITED.
TO REGISTER A TRADE MARK IN CLASS 9

AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 46843
by THE EDGE INTERACTIVE MEDIA INC. & THE EDGE INTERACTIVE MEDIA LIMITED

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BACKGROUND

On 13 January 1996, Zye Technology Limited applied under the Trade Marks Act 1994 for registration of the trade mark **DIGITAL EDGE** in respect of the following goods in Class 9:

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“Keyboards, joy sticks, mice.”

On the 19 May 1997 The Edge Interactive Media Inc. & The Edge Interactive Media Limited filed notice of opposition to the application. The grounds of opposition are in summary:

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i) That the applicant’s trade mark is likely to deceive or cause confusion.

ii) the trade mark applied for is not capable of distinguishing the applicant’s goods from those of other parties.

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iii) the trade mark in suit was represented differently in the original application than it was in the advertisement of said mark.

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iv) the specification of goods of the trade mark in suit was broadened substantially from the specification of goods as filed, and said specification was amended beyond the scope permitted in the Trade Marks Act 1994.

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v) At the time of filing the applicant was not the true owner of the trade mark in question.

vi) The applicant was not using the mark as a trade mark at the time of application and had no bona fide intention to so use the mark at the time which it was applied for.

vii) The trade mark in suit is similar to trade marks already on the register in class 9 and in related classes 41,42,28 & 16.

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viii) The opponents are the registered proprietors of trade marks including but not limited to the marks EDGE and THE EDGE variously in Classes 29, 9 & 16 and these marks are similar to the trade mark in suit and for goods which are similar. This is highly likely to confuse the public as to the true source or sponsorship of the mark in suit.

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ix) The opponents are the proprietors of an identical trade mark to the mark in suit and have extensive goodwill vested in its common law rights to said mark for similar or identical goods and services. Further the opponents have goodwill in other EDGE related trade marks, forming a group of such, for identical or similar goods to those for the mark in suit.

x)There is no dilution on the UK Register of Trademarks in respect of marks similar to the mark in the present application and given the opponents' clear ownership of several above referenced related and similar trade marks, and given the opponents' common law rights in said identical and similar marks the application should be refused.

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The applicant subsequently filed a counterstatement denying all of the grounds of opposition, other than agreeing that the opponents are the registered proprietors of the trade marks as claimed. Both sides ask for an award of costs.

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Both sides filed evidence in these proceedings and the matter came to be heard on 29 September 1999 when the applicant was represented by Mr R Wyand QC, instructed by the trade mark agents Chancery Trade Marks, whilst the opponents were not represented.

OPPONENTS' EVIDENCE

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This takes the form of a statutory declaration, dated 19 December 1997, by Dr Tim Langdell the Chief Executive Officer of The Edge Interactive Media, Inc. (opposer one), and also the Managing Director of The Edge Interactive Media Ltd (opposer two). He states that he has held the position as CEO since 1990 and the position of Managing Director since 1983.

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Dr Langdell explains that in 1980 he formed a company trading as Softek Software in the UK. In 1983 this company became incorporated as Softek International Ltd. In 1990 he formed an American corporation, The Edge Interactive Media Inc. which acquired the intellectual property rights from Softek.

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Dr Langdell claims that:

“In or about September 1983 when my UK company became formally incorporated I was seeking a new trade mark to use in connection with our computer game, computer hardware and interactive entertainment products that would create an image of superlative product that would be associated with high quality and state of the art technology. The marks I chose were EDGE, THE EDGE and DIGITAL EDGE. “

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Exhibit TL1 is said to show early usage in trade in the UK of the three marks EDGE, THE EDGE and DIGITAL EDGE. The exhibit comprises of a sheet proclaiming “Get the DIGITAL EDGE! Visit us at Booth 2100 for the last word in Joysticks, keyboards and disc drives. Softek Intl. Ltd”. However the sheet of paper is not dated and bears no mention of what show/ exhibition this relates to.

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Dr Langdell also claims that:

“Such was the success of my UK company having commenced using the marks EDGE, DIGITAL EDGE and THE EDGE that I sought to protect my company's intellectual property rights by filing to register the core marks EDGE and THE EDGE. Opposer one (The Edge Interactive Media Inc.) owns the registered trade marks THE EDGE on the UK register 1228686 and 1228687 in Classes 9 and 28 for computer game software and related goods. The effective date of the two registrations is October 1994. These registered marks were assigned to opposer one in 1992 and such assignment is a matter of public record”.

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At exhibit TL1 copies of the fronts of the application forms for these marks are provided.

Dr Langdell states that the mark EDGE was also registered. At exhibit TL1 are copies of certificates issued by the UK Trade Marks Registry for the mark EDGE under number 1562099, in relation to Class 16 (Printed matter, magazines,..... all related to computer games, video games, interactive media) dated 11 February 1994 and under number 1512713 in relation to Class 9 (Entertainment software, video games, computer games and interactive video media) dated 20 March 1992.

Lastly Dr Langdell claims that:

“Since and including about 1985 opposer one or its affiliates such as opposer two, or its predecessor in rights have made extensive use of the marks EDGE and DIGITAL EDGE for computer hardware, computer accessories, computer games and printed matter associated with computer games and computer hardware such as magazines. One of the UK’s most successful magazines, called “EDGE” and published by Future Publishing Ltd; is published under permission and by arrangement with opposer one, with the mark EDGE being used for that magazine under license from opposer one. This magazine deals with the review and advertising and so forth of just such goods as the Applicant seeks registration of the mark in question for. I am shown and recognise exhibit TL1 which contains examples of use made by opposer one or its affiliates or its predecessor in rights in the past more than one decade since first use by opposer was made of the marks DIGITAL EDGE and core mark EDGE.”

There are also photocopies of what appear to be the front covers of computer games and magazines which show use of the trade mark EDGE and also use of THE EDGE, none of which are dated. There is a piece of paper with the words DIGITAL EDGE CAMPAIGN handwritten underneath the typed title of THE EDGE. There then follows the following table:

	RESULTS	
(i)	Total calls	255
(ii)	Unit transfer ordered	374
(iii)	Displays built	221

There is no explanation given as to what this means and it is not dated. There then follows a list of seventeen shops which are said to have had window displays, what the display consisted of is not shown.

Also, in exhibit TL1 are copies of pages from the Home Computing Guide for 1987, which shows an advertisement for THE EDGE, and features the company name EDGE as the publisher in a list of best games. Pages from a magazine called EDGE are also provided, dated March 1997 priced £3.50. There is also what appears to be a copy of the front cover of a magazine called THE CUTTING EDGE, which has a display until date of April 3, 1996 and a price in US and Canadian dollars. A letter, dated 26 January 1996, attached to this states that the publisher has an agreement with The Edge Interactive Media Inc. that “all rights and goodwill arising out of our use of the (blurred word) THE CUTTING EDGE in our January 1996 magazine with that name inures to the benefit of EDGE.”

Further, there is also what could be a magazine front cover with the title OVER THE EDGE, again with the price in US and Canadian dollars: which appears to be dated 1995. Two pages from the Internet are provided which show an item labelled as ‘EDGE 3D 3000’ and also ‘The Diamond EDGE’ on offer for sale. The item is an “integrated 3D multimedia accelerator”, and the pages are dated 5 October 1997.

Lastly in exhibit TL1 is an invoice dated August 28, 1991 to Commodore United Kingdom in Milton Keynes. The goods shown are termed “Digital Edge” Mouse (Amiga), 200 were supplied at a total cost of £3376.40.

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APPLICANT’S EVIDENCE

10 This consists of two statutory declarations. The first dated 26 May 1998, is by Mr Neil Warrington the Financial Controller of Zye Technology Ltd, a position he has held since February 1996. He states that the name DIGITAL EDGE was first used by the applicant in September 1995 and has been used continuously since that time in relation to mice, keyboards and joy sticks. A specimen brochure is provided at exhibit NW1 and shows the words digital edge being used on the front cover as part of an advertisement for a DELTA V32 bis internal fax modem.

15 At exhibit NW2 is a table which shows sales volumes for all products sold by the applicant under the name and mark DIGITAL EDGE. The totals for the items are:

Period	Quantity	Value £
Sept - Dec. 1995	32,955	163,331
Jan - Dec. 1996	139,535	944,993
Jan - Dec. 1997	172,535	1,823,788
Jan - Mar 1998	48,866	706,065

20

25 At exhibit NW3 is a copy of press releases and a media pack which it is claimed shows use of the mark in suit in the UK. The press pack introduces the company and sets out two of the company’s sub brands DIGITAL EDGE and AIRLABS. Under the mark DIGITAL EDGE the press release provides details of the PC steering wheels (F1 SIM and f1 SIM COMPACT) and gives numerous press cuttings praising the product. A number of the newspaper and magazine clippings refer to the DIGITAL EDGE F! SIM, and all the pages of the press handout and the other press releases all refer to DIGITAL EDGE.

30

Mr Warrington states that the DIGITAL EDGE products are on display in every Dixons store in the country and also in other shops such as Comet, and PC World.

35 Mr Warrington comments on the evidence filed by Dr Langdell claiming that the exhibits provided do not prove the substantial usage claimed with only one invoice provided. The other items are he claims rather meaningless as it is not clear to what they refer, and does not provide evidence of use of the mark DIGITAL EDGE in the UK.

40 The second statutory declaration, dated 29 May 1998, is by Sally Ann Schupke a trade mark agent for Chancery Trade Marks. Ms Schupke states that prior to filing the application on the behalf of the applicant she carried out a search of the Trade Marks Register for identical or similar marks. This search revealed no identical marks but did reveal a number of marks containing the words DIGITAL and EDGE which she claims co-exist. These are provided at exhibit SAS1. Whilst this exhibit shows a number of marks on the Register it is of little value here as no evidence of use of any of the marks has been provided.

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Ms Schupke also provides at exhibit SAS3 an “in-use search of the opponent’s registrations through

5 Compu-Mark”. This details attempts to gain information of the activities of the opponent in the UK. It claims that the UK company (The Edge Interactive Media Limited) is a dormant company, and that when contact was finally made with Dr Langdell he was “less than helpful and did not give us the information we requested, instead we were asked why we wanted the information. It does not seem to be the kind of response we should receive from a trading company who wished to sell its products.”

That concludes my review of the evidence. I now turn to the decision.

10 DECISION

15 Before the hearing commenced, a preliminary point had to be considered. The opponents had sent a facsimile dated 28 September 1999 requesting that the hearing be postponed. It was claimed that no notification of the hearing had been received and also that their evidence in reply was not included in the case.

20 I note that the Registry wrote to the opponents on 21 October 1998 informing them that their period to file evidence in reply had expired without any evidence having been received. A letter giving the date and location of the hearing was sent to both parties on 29 April 1999. A further letter confirming this information was sent to both parties on 30 May 1999 and a final letter complete with the relevant papers for the case was sent to both parties on 18 August 1999.

25 I do not accept that all four letters failed to be delivered. As three letters were sent to the opponents informing them of the date of the hearing, and two letters informing the opponents that evidence in reply had not been received (albeit one letter dated 18/8/99 gave both sets of information), I consider that the opponents have been more than adequately informed of events in this case. I therefore declined to postpone the hearing and will determine the issues on the evidence submitted and the applicant’s submissions.

30 The grounds of opposition were somewhat confusing as the opponents claimed that the mark in the original application was different to that advertised and that the specification had been broadened from that first filed. In fact the mark applied for was presented in block capitals and the specification applied for has not altered. No evidence had been filed regarding these grounds, nor was there evidence regarding other grounds. I therefore dismiss grounds ii - vi as shown in the grounds of opposition earlier in the decision.

35 The remaining grounds of opposition (i, vii, viii, ix & x) appear to relate to Sections 5(2), 5(3) & 5(4) of the 1994 Act.

The first ground of opposition is under Section 5 (2) which states:

40 “5.(2) A trade mark shall not be registered if because -

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

45 (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 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.”

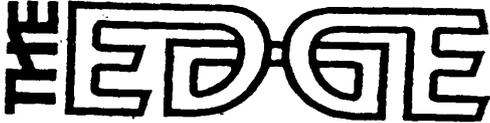
An earlier right is defined in Section 6(1)(a) which states:

“6.-(1).....

5 (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

The respective trade marks are as follows:

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Applicant’s Mark	Opponents’ Marks
DIGITAL EDGE	1) EDGE 2) 

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The application in suit is for “Keyboards, joy sticks, mice”.

The opponents’ mark EDGE is registered for:

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“Printed matter, magazines, newspapers, periodicals, stationery, posters, Packaging materials, booklets, instructional or teaching materials, all relating to computer games, video games, interactive media, interactive television, interactive video, hand-held games and to related devices and goods, all pertaining to entertainment and education; all included in Class 16.”

25

and

“Entertainment software; video games, computer games, and interactive video media; all included in Class 9.”

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Whilst their other mark THE EDGE (stylised) is registered for;

“Computer software; video game software; video software; all included in Class 9.”

35

and

“Toys and playthings; computer games and video games; hand held electronic video games; all included in Class 28.”

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In deciding whether the two marks are similar I rely on the decision of the Court of Justice of the European Communities (ECJ) in the Sabel BV v Puma AG, Rudolf Dassler Sport case [1998] RPC 199. In that case the court stated that:

“Article 4(1)(b) of the directive does not apply where there is no likelihood of confusion on the

5 *part of the public. In that respect, it is clear from the tenth recital in the preamble to the Directive that the appreciation of the likelihood of confusion ‘depends on numerous elements and, in particular, on the recognition of the trade mark on the market, of the association which can be made with the used or registered sign, of the degree of similarity between the trade mark and the sign and between the goods or services identified’. The likelihood of confusion must therefore be appreciated globally, taking into account all factors relevant to the circumstances of the case.*

10 *Global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 4(1)(b) of the Directive - “there exists a likelihood of confusion on the part of the public” - shows that the perception of the marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.*

15 *In that perspective, the more distinctive the earlier mark, the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact that two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either per se or because of the reputation it enjoys with the public.”*

20 I also have regard to the approach adopted by the European Court of Justice in Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc. (case C-39/97) (ETMR 1999 P.1) which also dealt with the interpretation of Article 4(1)(b) of the Directive. The Court in considering the relationship between the nature of the trade mark and the similarity of the goods stated:

25 *“A global assessment of the likelihood of confusion implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between these goods or services. Accordingly, a lesser degree of similarity between these goods or services may be offset by a greater degree of similarity between the marks, and vice versa. The interdependence of these factors is expressly mentioned in the tenth recital of the preamble to the directive, which states that it is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion, the appreciation of which depends, in particular, on the recognition of the trade mark on the market and the degree of similarity between the mark and the sign and between the goods or services identified.”*

30 Although the opponent has two marks registered, the mark THE EDGE is stylised and is less similar to DIGITAL EDGE than the opponents’ other mark EDGE (solus). I will therefore compare DIGITAL EDGE to EDGE.

35 Visually the marks differ only in that the applicant’s mark has the word DIGITAL. However, the word DIGITAL is wholly descriptive for computing goods and would be seen as such by most people. It is therefore not an effective distinguishing feature. Thus, even though it is the first word, and it is accepted that the beginnings of marks are the most important, in this case the first word of the applicant’s mark will not distinguish it from the opponent’s mark.

40 Phonetically the marks have an identical word in EDGE, and the applicant’s mark has an additional word.

Conceptually, both marks hint at the same idea. Given the nature of the products it is understandable that companies wish to imbue their products with the concept of being at the forefront of technology, at the leading or cutting edge of developments. There is the implied message that the product is technically superior. However, that is not a distinctive concept because it alludes to a characteristic of the goods.

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I must also take into consideration a comparison of the goods covered by the application in suit and those of the earlier registration. For general guidance on the matter of the comparison of goods I consider the guidance set out by Jacob J. in the *British Sugar Plc v James Robertson & Sons* [“TREAT” 1996 RPC 281]. In that case the court stated that:

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“The following factors must be relevant in considering whether there is or is not similarity:

- 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;
- 15 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;
- 20 f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in the 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”.

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In utilising the same test and applying it to this case it is clear that, for all of the applicant’s goods, some of the users will be the same and some of the trade channels will be shared. Where they are sold through the same outlets they are likely to be grouped in different parts of the store or catalogue. When considering the uses of the goods, I consider that joysticks are similar to the opponent’s computer games but that keyboards and mice are not for similar purposes. The physical nature of all the goods are broadly similar but they could not be said to be competitive. I therefore conclude that the applicant’s goods “keyboards and mice” have only a small degree of similarity to the opponent’s goods, whilst the applicant’s “joysticks” are quite similar to the opponent’s goods as the uses, users and trade channels are similar.

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Whilst I acknowledge that in view of the *CANON - MGM* judgement by the European Court of Justice (C-39/97) the *TREAT* case may no longer be wholly relied upon, the ECJ said that the factors identified by the UK government in its submissions (which are the factors listed in *TREAT*) are still relevant in determining the degree of similarity of the goods for the purposes of applying the composite test set out in paras 23 & 24 of the ECJ’s decision in *SABEL v PUMA* (1998 RPC page 199)

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Considering the matter globally I find that the similarity of the marks is sufficient to have created a likelihood of confusion on the part of the public at 13 January 1996, when considering the applicants’ “joysticks”. However, when considering “keyboards and mice” the similarity of the trade marks is not sufficient to overcome the differences in the goods and so there is no likelihood of confusion. The opposition under Section 5(2) fails for ‘keyboards and mice’, but succeeds for ‘joysticks’.

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Next, I turn to the grounds of opposition under Section 5(3) which reads:

5 (3) *A trade mark which -*

- (a) *is identical with or similar to an earlier trade mark, and*
- (b) *is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,*

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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, 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.

15 I have already found that the marks are similar under Section 5(2). However, the opponent has not established that it has a reputation for dissimilar goods. Consequently the opposition under Section 5(3) fails.

20 Finally I consider the grounds of opposition under Section 5(4) which reads:

“5. (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 -

25
(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

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(b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

35
A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

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45
In order to succeed in a passing off action the opponents must prove that they had goodwill in the UK at the relevant date. In “Turnmix” (Oertli v. Bowman) (1957 RPC 388) [Kerly’s 16.10] Jenkins L.J. held that: “It is, of course, essential to the success of any claim in respect of passing off based on the use of a given mark or get-up that the plaintiff should be able to show that the disputed mark or get-up has become by user in this country distinctive of the plaintiff’s goods so that the use in relation to any goods of the kind dealt in by the plaintiff or that mark or get-up will be understood by the trade and the public in this country as meaning that the goods are the plaintiff’s goods. The gist of the action is that the plaintiff, by using and making known the mark or get-up in relation to his goods, and thus causing it to be associated or identified with those goods, has acquired a quasi-proprietary right to the exclusive use of the mark or get-up in relation to goods of that kind, which right is invaded by any person who, by using the same or some deceptively similar mark or get-up in relation to goods not of the plaintiff’s manufacture, induces customers to buy from him goods not of the plaintiff’s manufacture as goods of the plaintiff’s manufacture, thereby diverting to himself orders intended for and rightfully belonging to the plaintiff.”

The opponent’s have made a number of claims regarding their use of their registered marks EDGE and THE EDGE, and also marks such as DIGITAL EDGE and CUTTING EDGE. However, the evidence

5 filed only shows one invoice totally £3,376 in 1991. The sale was for “Digital Edge Mouse (Amiga)” and was made to Commodore UK, a company known as a supplier of computer hardware. In an industry as large as the computer sector this must be regarded as de minimis. Also, it is not clear whether the goods were sold under the mark DIGITAL EDGE or AMIGA. All the other “evidence of use” either is not dated or appears to be for the market in North America. The opponent’s cannot be said to have had any significant goodwill or reputation in the UK at the relevant date, 13 January 1996, which I note is some five years after the date of the invoice mentioned above.

10 Accordingly, the opponent’s case falls at the first hurdle with the result that the opposition under Section 5(4) also fails.

15 The opposition to the applicant’s mark in relation to “Joysticks” has been successful. As grounds for refusal exist only in respect of these goods the application will be allowed to proceed to registration if, within one month of the end of the appeal period for this decision, the applicants file a TM21 amending the specification to “keyboards and mice “.

If the applicants do not file a TM21 restricting the specification as set out above the application will be refused in its entirety.

20 The opposition has succeeded in relation to one item in the applicant’s specification under one of the grounds of opposition. However, given the range of the opponent’s pleadings and their failure to attend the hearing I refuse to make an award of costs.

25 Dated this 21 day of October 1999

30 George W Salthouse
For the Registrar
The Comptroller General