O/0588/25

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF APPLICATION NO.

UK00003979959

TO REGISTER THE TRADE MARK:

BOOKMAGICAI

IN CLASSES 9, 35, 41 & 42

AND IN THE MATTER OF APPLICATION NO.

UK00003981352

TO REGISTER THE TRADE MARK:

IN CLASSES 9, 35, 41 & 42

BY BOOK MAGIC AI LIMITED

AND THE OPPOSITION THERETO UNDER NOS.

OP000445715 AND OP000445718

BY HONOR DEVICE CO., LTD.

Background and pleadings

1. Book Magic AI Limited ("***the Applicant***") applied to register the trade marks shown below, number UK00003979959 ("***the '959 mark***") filed on 15 November 2023, and number UK00003981352 ("***the '352 mark***") filed on 19 November 2023.

   The '959 mark:

   BOOKMAGICAI

2. It was accepted and published in the Trade Marks Journal on 01 December 2023 in respect of the following goods and services:

   Class 9: Downloadable software in the form of mobile applications for assisting in the production of written texts; software for assisting in the production of written text; software for assistance in writing stories and books.

   Class 35: Assistance for promoting the goods and services of others; advertising and promotional services; marketing assistance; all relating to the production and sale of written text, including books.

   Class 41: Training and educational services relating to advertising, promotion and marketing of written text, including books.

   Class 42: Software as a service (SAAS) featuring software for creating and interacting with written text, including books.

   The '352 mark:

   bookmagic ai

3. It was accepted and published in the Trade Marks Journal on 01 December 2023 in respect of identical goods and services as the '959 mark outlined above. Given

the identity of the Applicant's specifications in both trade mark applications, further in this decision I will exclusively refer to only one list of goods and services.

4. On 6 February 2024 Honor Device Co., Ltd. ("***the Opponent***") opposed the applications in full on the basis of section 5(2)(b) of the Trade Marks Act 1994 ("***the Act***").[1] The Opponent relies upon four earlier marks ("***the Earlier Marks***"), detailed below.

(i) international trade mark (IR) number WO0000001605374 ("***the First Earlier Mark***")

Registration date: 03 June 2021

UK designation date: 03 June 2021[2]

Protection granted in the UK: 01 March 2022

Representation: MagicBook

Relying upon the following goods in class 9:

Computers; tablet computers; notebook computers; all-in-one personal computer TVs; downloadable mobile phone software applications; operating system programs; computer software, recorded; smartwatches; smartglasses; computer hardware; computer peripheral devices; data processing apparatus; interactive touch screen terminals; protective films adapted for computer screens; displays; mouse [computer peripheral]; bags adapted for computers; pedometers; face recognition devices; fingerprint identifiers; bathroom scales; smartphones; mobile phones; network communication equipment; wearable activity trackers; global positioning system [GPS] apparatus; routers; wireless headsets for smartphones; headsets for mobile telephones; cameras for cell phones; cabinets for loudspeakers; camcorders; set top boxes; earphones; television apparatus; virtual reality headsets; electric monitoring apparatus; car video recorders; smartphone camera lenses; cameras; digital projectors; connected bracelets [measuring instruments]; air analysis apparatus; teaching robots; optical lenses; USB cables for mobile phones; chips [integrated

[1] The opposition was originally also based upon section 5(3), however, with official letter dated 26 June 2024, the grounds were reduced to only section 5(2) of the Act for no filing of evidence.
[2] The IR claims a priority date of 4 March 2021 based upon the Chinese registration number 54046273.

circuits]; touch screens; sensors; display screens for mobile phones; mobile phone screens; remote control apparatus; video screens; battery chargers for mobile phones; rechargeable batteries; wireless chargers for smartphones.

(ii) trade mark number UK00917966806[3] ("***the Second Earlier Mark***")

Filing date: 11 October 2018

Registration date: 13 March 2019

Representation: Magic UI

Relying upon the following goods in class 9:

Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; Apparatus for recording, transmission or reproduction of sound or images; Network communication apparatus; Electronic communication equipment and instruments; smartphones; tablet computers; computer programs, recorded; computer software applications, downloadable; operating programs; data processing apparatus; computer memory devices; computer software [recorded]; computer operating software; digital signal processors; Memory apparatus for data processing equipment; computer operating programs; central processing unit for use in processing information, data, sound and image; computer software for use in control and managing access to server applications; computer hardware; graphics accelerator; computer screen saver software; computer software for audio and video device operation control; software for use in chat robot; computer software for use in organizing and viewing digital images and photos; computer software that enables photos to be transmitted to a phone; computer software for processing digital images; computer software for use in creating and editing music and voice; computer programs for use in designing user interface; smart glasses [data processing]; smart watch [data

[3] Following the end of the transition period of the UK's withdrawal from the EU, all EU trade marks ("EUTM") registered before 1 January 2021 were recorded as comparable trade marks in the UK trade mark register (and as a consequence, have the same legal status as if they had been applied for and registered under UK law). A 'comparable trade mark (EU)' retains the same filing date, priority date (if applicable) and registration date of the EUTM from which it derives.

processing]; video screens; batteries; Laptop computers; earphones; camcorders; cameras; television apparatus.

(iii) trade mark number UK00801455568 ("***the Third Earlier Mark***")

Filing date: 13 September 2018

Registration date: 28 August 2019[4]

Representation: HONOR MagicBook

Relying upon the following goods in class 9:

Computer programs, recorded; computer memory devices; computer keyboards; integrated circuit cards [smart cards]; mouse [computer peripheral]; laptop computers; bags adapted for laptops; computer software applications, downloadable; notebook computers; sleeves for laptops; switchboards; tablet computers; transmitters of electronic signals; scales; pedometers; transponders; transmitting sets [telecommunication]; radios; smartphones; modems; loudspeakers; cabinets for loudspeakers; equipment for communication network; microphones; portable media players; sound transmitting apparatus; headphones; camcorders; digital photo frames; optical lenses; gas testing instruments; cameras [photography]; air analysis apparatus; earphones; electronic chips; battery chargers; materials for electricity mains [wires, cables]; integrated circuits; video screens; smartwatches [data processing]; smartglasses [data processing]; batteries, electric; power banks [rechargeable batteries]; computer hardware; cases for smartphones; electric and electronic video surveillance installations; wearable activity trackers; connected bracelets [measuring instruments]; selfie sticks [hand-held monopods]; USB cables; interactive touch screen terminals; computer software for creating and editing music and sounds; security tokens [encryption devices]; black boxes [data recorders]; human face recognition device; humanoid robots with artificial intelligence; electronic sheet music, downloadable; smart rings [data processing]; fingerprint scanners; electric and

[4] Following the end of the transition period of the UK's withdrawal from the EU, all EU trade marks ("EUTM") registered before 1 January 2021 were recorded as comparable trade marks in the UK trade mark register (and as a consequence, have the same legal status as if they had been applied for and registered under UK law). A 'comparable trade mark (EU)' retains the same filing date, priority date (if applicable) and registration date of the EUTM from which it derives.

electronic effects units for musical instruments; bathroom scales; equalizers [audio apparatus]; scales with body mass analysers; audio interfaces; virtual reality headsets; set-top boxes; thermal imaging cameras; infrared detectors; car video recorders; personal digital assistants [PDAs]; computer software platforms, recorded or downloadable; digital weather stations; biochips; electronic key fobs being remote control apparatus; computer screen saver software, recorded or downloadable; hand-held electronic dictionaries; downloadable graphics for mobile phones; wearable computers; thin client computers; security surveillance robots; wearable video display monitors; selfie sticks adapted for cellular phones; selfie lenses; telecommunication apparatus in the form of jewellery; laboratory robots; teaching robots.

(iv) trade mark number UK00003950784 ("***the Fourth Earlier Mark***")

Filing date: 29 August 2023

Registration date: 24 November 2023

Representation: MagicBook Air

Relying upon the following goods in class 9:

Humanoid robots with artificial intelligence for use in scientific research; TV and computer all-in-one; Downloadable mobile phone software applications; Computer programs, downloadable; Computer software platforms, recorded or downloadable; Tablet computers; Smartwatches; Smartglasses; Smart rings; Electronic pens; Notebook computers; Computer memories; Integrated circuit cards; [smart cards]; Face identification apparatus; Holograms; Ticket dispensers; Pedometers; Stamping mail (Apparatus to check-); Point-of-sale terminal (POS terminal); Fingerprint identifier; Attendance register; Bathroom scales; Measures; Electronic notice boards; Switchboards; Smartphones; Foldable smartphones; Equipment for communication network; Routers; Cabinets for loudspeakers; Camcorders; Television apparatus; Earphone; Cameras [photography]; Selfie lenses; Teaching robots Measuring instruments; Biochips; Infrared detectors; Optical lenses; USB cables; Sensor Optical fibre; Semi-conductors; Electronic chips; Coils, electric; Chips [integrated circuits]; Fluorescent screens; Video screens; Remote control apparatus; Heat regulating apparatus; Electrolysis apparatus for laboratory use; Fire extinguishing apparatus;

Radiological apparatus for industrial purposes; Protection devices for personal use against accidents Alarm central units; Digital door locks; Eyeglasses; Batteries, electric; Mobile power supply (rechargeable batteries); Animated cartoons; Portable remote control car stop; Refrigerator magnets; Electrified fences; Magnets (Decorative-).

The consolidated proceedings

5. In its two separate Form TM7s and accompanying statements of grounds, the Opponent argues that the Applicant's marks are highly similar to its Earlier Marks on the basis that "MAGIC" and "BOOK" are wholly incorporated within the applications, and that the contested goods and services are either identical or otherwise similar to some extent leading to a likelihood of confusion on the part of the public, including a likelihood of association between the marks. For this reason the Opponent requests that the applications be refused in their entirety and that a cost award to be made in its favour.
6. The Applicant filed two separate Form TM8s and counterstatements denying the ground of opposition and the Opponent's claims with regard to all four the Earlier Marks. The Applicant requests the opposition to be dismissed and a costs order to be made in its favour.
7. The two opposition proceedings were consolidated, on 19 April 2024, under the lead case, opposition number 445715.
8. The Applicant is represented by Azrights International Limited and the Opponent is represented by Forresters IP LLP.

Relevance of EU law

9. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

Evidence and submissions

10. During the evidence rounds neither party filed evidence, but they both filed written submissions. Neither party requested a hearing, but both parties filed submissions in lieu of a hearing. I will not summarise the submissions here, but I will refer to them as and where appropriate during this decision. This decision is taken following a careful perusal of the papers.

Decision

11. The relevant parts of section 5(2) of the Act are as follows:

> "5(2) A trade mark shall not be registered if because—
>
> (a) […]
>
> (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."

12. Section 5A reads:

> "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"

13. Due to their earlier filing/priority dates, the opponent's registrations set out above constitute earlier marks within the meaning of section 6 of the Act. As the earlier marks had not completed their registration process more than five years before the filing date of the applications in issue, they are not subject to proof of use pursuant to section 6A of the Act. The Opponent can, therefore, rely upon all of the goods it has identified under each earlier registration without having to demonstrate use.

Relevant law

14. 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:

(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 greater 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 to mind the earlier mark, 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 will wrongly 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

15. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In *Canon*, Case C-39/97, the Court of Justice of the European Union ("CJEU") stated that:

> "23. 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."

16. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

(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.

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 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. In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-133/05, the General Court ("GC") stated that:

"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 trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark."

20. In *Avnet Incorporated v Isoact Limited* [1998] FSR 16, Jacob J (as he then was) said at [19]:

"[…] definitions of services […] are inherently less precise than specifications of goods. […] 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."

21. I bear in mind that it is permissible to group goods (and services) together for the purposes of assessment: *Separode Trade Mark*:[5]

"The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be

[5] BL O/399/10.

assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision."

22. The goods and services in question are as follows:

Opponent's goods *("the first earlier mark")*	**Applicant's goods and services** (*'959 & '352 marks*)
Class 9: Computers; tablet computers; notebook computers; all-in-one personal computer TVs; downloadable mobile phone software applications; operating system programs; computer software, recorded; smartwatches; smartglasses; computer hardware; computer peripheral devices; data processing apparatus; interactive touch screen terminals; protective films adapted for computer screens; displays; mouse [computer peripheral]; bags adapted for computers; pedometers; face recognition devices; fingerprint identifiers; bathroom scales; smartphones; mobile phones; network	Class 9: Downloadable software in the form of mobile applications for assisting in the production of written texts; software for assisting in the production of written text; software for assistance in writing stories and books. Class 35: Assistance for promoting the goods and services of others; advertising and promotional services; marketing assistance; all relating to the production and sale of written text, including books. Class 41: Training and educational services relating to advertising, promotion and marketing of written text, including books.

communication equipment; wearable activity trackers; global positioning system [GPS] apparatus; routers; wireless headsets for smartphones; headsets for mobile telephones; cameras for cell phones; cabinets for loudspeakers; camcorders; set top boxes; earphones; television apparatus; virtual reality headsets; electric monitoring apparatus; car video recorders; smartphone camera lenses; cameras; digital projectors; connected bracelets [measuring instruments]; air analysis apparatus; teaching robots; optical lenses; USB cables for mobile phones; chips [integrated circuits]; touch screens; sensors; display screens for mobile phones; mobile phone screens; remote control apparatus; video screens; battery chargers for mobile phones; rechargeable batteries; wireless chargers for smartphones.	Class 42: Software as a service (SAAS) featuring software for creating and interacting with written text, including books.
("the second earlier mark")	
Class 9: Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; Apparatus for recording, transmission or reproduction of sound or images;	

Network communication apparatus; Electronic communication equipment and instruments; smartphones; tablet computers; computer programs, recorded; computer software applications, downloadable; operating programs; data processing apparatus; computer memory devices; computer software [recorded]; computer operating software; digital signal processors; Memory apparatus for data processing equipment; computer operating programs; central processing unit for use in processing information, data, sound and image; computer software for use in control and managing access to server applications; computer hardware; graphics accelerator; computer screen saver software; computer software for audio and video device operation control; software for use in chat robot; computer software for use in organizing and viewing digital images and photos; computer software that enables photos to be transmitted to a phone; computer software for processing digital images; computer software for use in creating and editing music and voice; computer programs for use in designing user interface; smart glasses [data processing]; smart watch [data processing]; video screens; batteries; Laptop computers; earphones;	

camcorders; cameras; television apparatus.	
("the third earlier mark")	
Class 9: Computer programs, recorded; computer memory devices; computer keyboards; integrated circuit cards [smart cards]; mouse [computer peripheral]; laptop computers; bags adapted for laptops; computer software applications, downloadable; notebook computers; sleeves for laptops; switchboards; tablet computers; transmitters of electronic signals; scales; pedometers; transponders; transmitting sets [telecommunication]; radios; smartphones; modems; loudspeakers; cabinets for loudspeakers; equipment for communication network; microphones; portable media players; sound transmitting apparatus; headphones; camcorders; digital photo frames; optical lenses; gas testing instruments; cameras [photography]; air analysis apparatus; earphones; electronic chips; battery chargers; materials for electricity mains [wires, cables]; integrated circuits; video screens; smartwatches [data processing]; smartglasses [data processing]; batteries, electric; power banks [rechargeable batteries];	

computer hardware; cases for smartphones; electric and electronic video surveillance installations; wearable activity trackers; connected bracelets [measuring instruments]; selfie sticks [hand-held monopods]; USB cables; interactive touch screen terminals; computer software for creating and editing music and sounds; security tokens [encryption devices]; black boxes [data recorders]; human face recognition device; humanoid robots with artificial intelligence; electronic sheet music, downloadable; smart rings [data processing]; fingerprint scanners; electric and electronic effects units for musical instruments; bathroom scales; equalizers [audio apparatus]; scales with body mass analysers; audio interfaces; virtual reality headsets; set-top boxes; thermal imaging cameras; infrared detectors; car video recorders; personal digital assistants [PDAs]; computer software platforms, recorded or downloadable; digital weather stations; biochips; electronic key fobs being remote control apparatus; computer screen saver software, recorded or downloadable; hand-held electronic dictionaries; downloadable graphics for mobile phones; wearable computers; thin client computers; security surveillance robots; wearable video	

display monitors; selfie sticks adapted for cellular phones; selfie lenses; telecommunication apparatus in the form of jewellery; laboratory robots; teaching robots.	
("the fourth earlier mark")	
Class 9: Humanoid robots with artificial intelligence for use in scientific research; TV and computer all-in-one; Downloadable mobile phone software applications; Computer programs, downloadable; Computer software platforms, recorded or downloadable; Tablet computers; Smartwatches; Smartglasses; Smart rings; Electronic pens; Notebook computers; Computer memories; Integrated circuit cards; [smart cards]; Face identification apparatus; Holograms; Ticket dispensers; Pedometers; Stamping mail (Apparatus to check-); Point-of-sale terminal (POS terminal); Fingerprint identifier; Attendance register; Bathroom scales; Measures; Electronic notice boards; Switchboards; Smartphones; Foldable smartphones; Equipment for communication network; Routers; Cabinets for loudspeakers; Camcorders; Television apparatus; Earphone; Cameras [photography]; Selfie lenses;	

Teaching robots Measuring instruments; Biochips; Infrared detectors; Optical lenses; USB cables; Sensor Optical fibre; Semi-conductors; Electronic chips; Coils, electric; Chips [integrated circuits]; Fluorescent screens; Video screens; Remote control apparatus; Heat regulating apparatus; Electrolysis apparatus for laboratory use; Fire extinguishing apparatus; Radiological apparatus for industrial purposes; Protection devices for personal use against accidents Alarm central units; Digital door locks; Eyeglasses; Batteries, electric; Mobile power supply (rechargeable batteries); Animated cartoons; Portable remote control car stop; Refrigerator magnets; Electrified fences; Magnets (Decorative-).	

Class 9

23. The Opponent, in its written submissions, contended that the Applicant's goods in class 9 are identical to the software goods contained in each of the Earlier Marks' specifications.[6]

24. The Applicant, in its written submissions, seems to initially accept some similarity between the Opponent's 'computer software' goods in class 9 and the contested 'software' goods in class 9 and 'software as a service' in class 42 of the application.[7] However, the Applicant subsequently submitted, in its submissions in lieu, that:

[6] Opponent's written submissions dated 19 June 2024, [33].
[7] Applicant's written submissions dated 19 August 2024, [XIII].

"*The Applicant accepts that, at a high-level, the Software is at least similar to the class 9 and class 42 G&S. On a practical level, however, the class 9 and class 42 G&S are software that coach users to research and write their book, helping them to structure their ideas and identify their ideal reader. In contrast, the 'MagicBook' sold by the Opponent is a laptop and the Software is therefore liable to be used to operate laptops rather than to assist users with conceiving and writing books. There is therefore a practical difference between these goods and services*"

25. With regard to the Applicant's submission reported at paragraph 24 above, whilst I acknowledge the Applicant's arguments towards the competing class 9 goods' dissimilarity, I note that I am required to make the assessment of the likelihood of confusion notionally and objectively based on the Opponent's goods, as registered, and the Applicants' goods and services, as applied for, in accordance with the relevant case law. That assessment requires that I must not take into account the 'practical' (i.e., actual) way that either party has used their marks in the marketplace or the kinds of goods or services that those marks have been used in relation to thus far. Rather, I must consider all of the circumstances in which the mark applied for might be used if it were registered.[8] This is because trade mark registrations are items of property which may be sold by the Applicant and/or Opponent to third parties in the future and may therefore be used in a different way, or upon/in relation to different goods, than those used by the current proprietors of those marks. In this connection, in *Devinlec Développement Innovation Leclerc SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) ("OHIM")*, Case C-171/06P, the Court of Justice of the European Union ("CJEU") stated:

"59. As regards the fact that the particular circumstances in which the goods in question were marketed were not taken into account, the Court of First Instance was fully entitled to hold that, since these may vary in time and depending on the wishes of the proprietors of the opposing marks, it is

[8] *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*, Case C- 533/06, [66].

inappropriate to take those circumstances into account in the prospective analysis of the likelihood of confusion between those marks."

26. As such, it is not appropriate to take these factors the Applicant raised into account in my assessment. I will make a notional assessment, as outlined below, as to the level of similarity (or lack thereof) between the goods and services at issue.

- "*Downloadable software in the form of mobile applications for assisting in the production of written texts*"

27. The Applicant's term above falls within the Opponent's wider category "*downloadable mobile phone software applications*" contained in the specification of the First Earlier Mark and Fourth Earlier Mark. Thus, the competing terms are identical in line with the principle outlined in *Meric*. Turning to the Second Earlier Mark and the Third Earlier Mark, they feature the term "*computer software applications, downloadable*" in their specifications. With regard to the Applicant's term above, I find it falls within the Opponent's wider category of "*computer software applications, downloadable*" and, thus, these terms are identical in line with *Meric*. In case I am mistaken, I find the respective goods to have the same nature (downloadable software applications) and that can overlap in their intended purpose as also the Opponent's computer software applications can be used for the production of written texts. Whilst these goods have different method of use (applications used on a mobile phone against applications used on a computer), they share the same users and are in competition with each other. The goods are also likley to share the same trade channels since software applications are usually downloaded from the same app stores irrespective of whether they are downloaded for use on mobile phones or computers. Therefore, overall, I find the respective goods to be highly similar.

- "*software for assisting in the production of written text; software for assistance in writing stories and books*"

28. The Opponent's specifications contain, in the First Earlier Mark, the term "*computer software, recorded*" and in the Second Earlier Mark the term "*computer software [recorded]*". The Opponent's specifications also feature the term

"*Computer programs, recorded*" in the Third Earlier Mark and the term "*Computer programs, downloadable*" in the Fourth Earlier Mark. The Applicant's terms above consist of a set of data (or collection of instructions) to enable its users to create text (e.g., to write stories and books). Considering that a 'computer program' is a set of instructions to perform a task on a computer and that a 'software' is a collection of computer programs to perfom a task, the Opponent's goods are either a computer program or a combination of more computer programs (i.e., software) that can perfom one or various tasks encompassing also types of programs/software that, inter alia, can create text. Therefore, I find the Applicant's terms above to fall within the wider category of the Opponent's 'computer software' and 'computer programs' goods and, thus, to be *Meric* identical.

Class 35

- "*Assistance for promoting the goods and services of others; advertising and promotional services; marketing assistance; all relating to the production and sale of written text, including books*"

29. In its written submissions the Opponent contended that "*there is an overlap with the Applicant's class 35 of* "*Assistance for promoting the goods and services of others; advertising and promotional services; marketing assistance; all relating to the production and sale of written text, including books" and the Opponent's goods, as software is used in order to aid the promotion, advertsing and marketing of goods/services*".[9]

30. The Applicant, in its submissions in lieu, argued that "*the suggestion that the Software is similar to the class 35 G&S because one might use software to provide those services is misguided. On that basis, almost every service would be similar to software. It does not stand up to scrutiny. They are different goods and services*".

31. The contested services consist of marketing services aimed at promoting third party's goods and services relating to the the production and sale of written text. The Opponent argued that the Applicant's services above and the Opponent's

[9] Opponent's written submissions dated 19 June 2024. The same point is made with regard to all the Earlier Marks at [36], [40], [44], [48].

'software goods' overlap as software is used in order to aid the promotion, advertising and marketing of goods/services. There is no evidence before me showing that there are software that can be used by businesses or individuals to perform the function of promoting the goods and services of others or carry out advertising and promotional services, all relating to the production and sale of written text, including books. Nonetheless, even admitting that such software exists, that would be an internal use by the advertising companies. Thus, I agree with the Applicant that computer software is used in every part of modern life and this does not automatically make computer software similar to those services which use computer software to operate. If the average consumer for an undertaking is the general public, that average consumer is not likely to be interested in what software the undertaking uses to provide its services and would not consider there to be a link between them. It follows the competing goods/services differ in their nature (marketing services versus software), do not overalp in users and trade channels because businesses that seek to obtain third-party marketing services are unlikley to purchase digital tools (i.e., software) to use on their own for marketing purposes (i.e., the marketing company offering the services will be the one using such software to offer the services) and these goods and services are neither in competition nor complementary. Furthermore, the mere fact that the goods and services may partially overlap in their intended purpose on the basis that software can be used for marketing purposes is a level of similarity placed at a too high general level to base a finding of similarity excluisvely on this basis. Accordingly, in *Unicorn Studio Inc v Veronese (Société par Actions Simplifiée)* [2024] EWHC 1098 (Ch), Mr Iain Purvis KC (sitting as a deputy High Court judge) said:

> "23. […] It seems to me the greater the level of generality at which some similarity under *Canon* factors can be found (i.e. both goods are '*sold in large department stores'* or both goods are *'used by ordinary people'*) the less relevant could it be to any question of confusion, and any assessment of similarity of goods should take that into account."

32. In my view, the similarity is at a comparably general level here. I consider that this is not sufficient for me to find that the goods and services are similar. Therefore, I

agree with the Applicant the Opponent's conclusion on the goods and services' similarity is misguided and I find the contested services in class 35 to differ from any of the Opponent's goods for each of the Earlier Marks.

Class 41

- "*Training and educational services relating to advertising, promotion and marketing of written text, including books*"

33. In the statement of grounds and written submissions, the Opponent contended that "*the services covered in class 41 are similar to the Opponent's goods, given that it is usual for companies producing software to also provide related training and educational services. These services would also be seen to coincide with the Opponent's* "teaching robots" *in class 09 and thus will be seen as complementary*".

34. The Applicant, in its subissions in lieu, submitted that "*the Teaching Apparatus might be similar to straight educational services. The class 41 G&S are, however, highly specific educational services directed to advertising, promotion and marketing. It is not understood how the Teaching Apparatus is similar to such services. Once again, they are different and the suggestion of similarity is misguided*".

35. Following from the above submissions, I find that there is no similarity between the Applicant's terms above and the Opponent's goods in class 9. Their respective nature, purpose and method of use are different, there is no competition between them, and any coincidental overlap of users would be at too broad a level of generality to give rise to any similarity. I acknowledge the Opponent's submissions and take into consideration the possibility for companies to offer training in the use of the Opponent's products (e.g., software). However, similarity cannot be found on these basis. Firstly, because the Applicant's services are training/educational services concering the advertising, promotion and marketing of written text (including books) and do not concern training/educational services for 'software' goods. Secondly, I have received no evidence that manufacturers of software also generally provide training for their software. Such evidence would have needed to show that dedicated training supplied independently of the supply of the products is customarily provided by those who provide the products, in order to establish,

as required by the case law,[10] that customers may think that the responsibility for the respective products and training lies with the same undertaking. I find no complementarity has been established within the meaning of the case law. The same reasoning also applies to the Opponent's "*teaching robots*" for which the Opponent did not provide evidence for me to find reasonable to believe that robots are deployed in the relevant market to provide training and educational services to the extent that consumers are likley to believe that it exists a complementary relationship between the goods and services and that such goods and services derive from the same or related undertakings. Therefore, I find these goods and services to be dissimilar.

Class 42

- "*Software as a service (SAAS) featuring software for creating and interacting with written text, including books*"

36. The Opponent contended that the Applicant's services above are identical to its 'software' goods in class 9.[11] No further clarification was provided on this point. With regard to the Applicant's submissions on the similarity between the goods and services at hand, I refer to my comments outlined in paragraphs 24 and 25 above.

37. The Applicant's "*Software as a service (SAAS)*" is qualified as "*featuring software for creating and interacting with written text, including books*". I construe the term "featuring" to mean that the terms following specify the feature the services have. Thus, I interpret the term above as meaning "S*oftware as a service (SAAS)*" with the main feature of performing the function of "*creating and interacting with written text, including books".* Software as a service is a cloud-based software delivery model. It relates to the provision of non-downloadable software that is hosted on the cloud and used over an internet connection. In general, the above services are concerned with software that is rented or licensed, etc., rather than purchased outright. Accordingly, rather than buying software and paying for periodic upgrades, etc., the above services tend to be subscription based, and mean that

[10] See *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06.
[11] Opponent's written submissions dated 19 June 2024.

any updates/upgrades are delivered automatically during the subscription period. With regard to the Opponent's "*computer software, recorded*" contained in the First Earlier Mark's class 9, the Second Earlier Mark's "*computer software [recorded]*", the term "*Computer programs, recorded*" in the Third Earlier Mark and "*Computer programs, downloadable*" in the Fourth Earlier Mark and following from my considerations outlined at paragraph 28 above, I find the Opponent's software/programs may include the same type of software/programs provided through the above services. As such, the goods and services will overlap in trade channels, with the same undertaking providing both the goods and services. There will also be an overlap in user, and the user will also assume that the goods and services originate from the same undertaking, especially as they are important and indispensable to one another (the above services cannot be provided without the software). Consequently, I consider that they are complementary. I also consider that, to some extent, the goods and services may be in competition, with the user electing to either access their software via the internet, or alternatively choosing to purchase the equivalent software as goods. Therefore, taking all of the above into account, the goods and services are similar to a medium degree.

Conclusion on the comparison of goods and services

38. Under section 5(2)(b), a degree of similarity between the goods and services is essential for there to be a finding of likelihood of confusion: see paragraph 49 of *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA. In relation to the goods and services which I have found to be dissimilar, as there can be no likelihood of confusion under section 5(2)(b), I will take no further account of such services, with the oppositions failing to that extent.

39. The opposition against the terms that I have found to have no similarity to the Opponent's goods/services therefore fails at this point. For ease of reference, those terms are:

Class 35 Assistance for promoting the goods and services of others; advertising and promotional services; marketing assistance; all relating to the production and sale of written text, including books

Class 41 Training and educational services relating to advertising, promotion and marketing of written text, including books

40. I will now continue with the opposition based on section 5(2)(b) of the Act in respect of the similar goods and services in classes 9 and 42.

The average consumer and the nature of the purchasing act

41. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. The word "average" merely denotes that the person is typical,[12] which in substance means that they are neither deficient in the requisite characteristics of being well informed, observant and circumspect, nor top performers in the demonstration of those characteristics.[13] 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 according to the category of goods and services in question (see *Lloyd Schuhfabrik Meyer*, Case C-342/97).

42. The Opponent submitted that "*the degree of attention is average or medium due to the special nature of the goods and services, the frequency of purchase and their price*".[14] The Applicant contended that "*the average consumer will pay an above average degree of attention during the purchasing act*".[15]

43. The parties' goods in class 9 (i.e., computer software) and services in class 42 (i.e., software as a service) have a wide scope of average consumer, for example, they could be purchased by the general public (e.g., home PC user wanting recorded or cloud-based software for word processing) or a business or other form of organisation/undertaking (i.e., professional consumers), wanting a software (either downloadable or cloud-based) for various purposes, including to create text (or books). Professional consumers are likely to purchase the goods/services for use on a larger scale and for marketing purposes. The price and frequency of purchase is likely to vary. Various factors will be taken into account such as compatibility with existing systems, functionality, useability, and ability to meet the

[12] *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), paragraph 60.
[13] *Schutz (UK) Ltd v Delta Containers Ltd* [2011] EWHC 1712, paragraph 98.
[14] Opponent's written submissions dated 19 June 2024, [53].
[15] Applicant's written submissions in lieu dated 21 October 2024, [27].

user's needs. Consequently, I consider that at least a medium degree of attention will be paid during the selection process. However, I recognise that it may be higher where there is a financial element (business use of the goods/services) associated with the goods/services or where the product/service is particularly important for the user's business (e.g., the business exclusively markets in the text production or book publication industry).

44. The goods and services will be available via both general retailers and more specialist ones, and their online or catalogue equivalents. At the retailers' physical premises, the goods will be displayed on shelves and in cabinets; the goods can also be purhased online via specific platfroms. The services will be displayed on signs, placards, or contained in online advertising messages (including on social media pltfroms) all being self-selected by the consumer. When the goods and services are selected online or via catalogues, consumers will select them after seeing an image, on, for example, a webpage or in a catalogue. In my view, the visual component will dominate all methods of sale, although I do not discount an aural component in word-of-mouth recommendations and advice received from sales assistants.

Comparison of the marks

45. 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."

46. 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.

47. The trade marks to be compared are as follows:

<table>
<tr><th>Opponent's trade marks</th><th>Applicant's trade marks</th></tr>
<tr><td>MagicBook

("the first earlier mark")</td><td rowspan="4">BOOKMAGICAI

("the '959 mark")

bookmagic ai

("the '352 mark")</td></tr>
<tr><td>Magic UI

("the second earlier mark")</td></tr>
<tr><td>HONOR MagicBook

("the third earlier mark")</td></tr>
<tr><td>MagicBook Air

("the fourth earlier mark")</td></tr>
</table>

Overall impression

48. The First Earlier Mark is comprised of the single word combination ‘MagicBook’. As the mark contains no other elements, the overall impression resides in this juxtaposition.

49. The Second Earlier Mark features the word ‘Magic’ and the all-capitalised letter combination ‘UI’. The overall impression rests solely and equally on those two verbal components.

50. The Third Earlier Mark is a figurative mark and consists of the capitalised word ‘HONOR’ and the juxtaposition ‘MagicBook’. The words composing the mark do not form a unitary meaning, but neither word, in my view, can be said to be truly dominant and as such I find that the overall impression of the mark resides in the combination of these words.

51. The Fourth Earlier Mark is comprised of the word combination ‘MagicBook’ and ‘Air’. These two verbal components forming the mark are not correlated to create a unitary meaning and the overall impression lies in the mark’s word combination without any verbal component dominating over the others.

52. The Applicant’s ‘959 mark comprises of the all-capitalised word combination ‘BOOKMAGICAI’. The overall impression resides in the juxtapoasition of wich the mark is composed.

53. The Applicant’s ‘352 mark is a figurative mark featuring the words ‘book’, ‘magic’ and ‘ai’ all conjoined together, represented in a lower and rounded typeface with a stylised open book placed over the letter ‘i’ in place of the letter’s dot. The mark features the letters ‘ai’ represented in lower font, inscribed into a square with rounded edges and smaller in comparison to the rest of the mark. The letters ‘ai’ are represented with the same rounded typeface as the rest of the mark but in white on a darker backround (i.e., inside the black rounded-edged square). While the words are presented in a specific typeface, the typeface used is quite standard and will have very little impact upon the overall impression of the mark. As a result, I find that the words ‘magic’, ‘book’, and ‘ai’ will dominate the overall impression. As for the figurative element, I find that the book device will play a secondary role in the overall impression due to its size and position within the mark.

i. ‘MagicBook’

Visual similarity

54. The Opponent, in its statement of grounds, submitted that "*BOOKMAGICAI is highly similar to the Opponent's MagicBook mark as the components of Opponent's earlier mark, namely "MAGIC" and "BOOK" are wholly incorporated within the application*". Additionally, the Opponent argued that the abbreviation "AI" in the Contested Mark is descriptive and more emphasis is to be placed on the distinctive elements "BOOK" and "MAGIC".[16]

55. The Opponent also contended that in both competing marks, the relevant consumers will immediately separate and read the words "BOOK" and "MAGIC" (or in reverse order for the Contested Mark).[17]

56. The Applicant submitted that:

> "*Visually, the 374 Mark and the Word are lowly similar. They contain nine overlapping letters but the elements 'BOOK' and 'MAGIC' are reversed and the element 'AI' is missing from the 374 Mark. The average consumer will notice these differences*".

57. The First Earlier Mark is comprised of 9 letters forming the two (conjoined) words "Magic" and "Book". Albeit conjoined to form one sequence of letters, the words "Magic" and "Book" are both capitalised drawing the consumer's eye towards the visual differentiation of the two words composing the mark. To this regard, I agree with the Opponent that while the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details,[18] he will nevertheless, perceiving a verbal sign, break it down into verbal elements which suggest a concrete meaning, resemble words known to him,[19] or that resemble words that he already knows.[20] This is especially the case when a mark contains elements that would encourage such a split, such as irregular capitals.

[16] Opponent's submissions in lieu dated 19 June 2024, [16].
[17] Ibid, [14].
[18] *Lloyd Schuhfabrik Meyer*, [25].
[19] Case T-356/02 *Vitakraft-Werke Wührmann* v *OHIM – Krafft (VITAKRAFT)* [2004] ECR II-3445, [51]; Case T-256/04 *Mundipharma* v *OHIM – Altana Pharma (RESPICUR)* [2007] ECR II-0000, [57].
[20] Case T-256/04, Respicur, [57]; Case T-146/06, Aturion, [58].

58. The '959 mark is comprised of eleven letters forming the all-capitalised word sequence 'BOOK', 'MAGIC', 'AI'. The three words are conjoined together. The marks overlap in the words "book" and "magic" although they are placed in reverse order in the marks and the '959 mark contains the additional letters "AI" at the end. I note that the '959 mark is in lower case (apart from the first letters 'M' and 'B' that are capitalised), whilst the First Earlier Mark is all capitalised. To this regard, I remind myself that since the protection conferred by the registration of a word mark applies to the word stated in the application for registration and not to the individual graphic features that the mark might possess,[21] it is irrelevant whether a word mark is depicted in lower- or upper-case letters, or in a combination thereof in a manner that does not depart from the usual way of writing. Consequently, the difference in the signs under comparison in this regard is immaterial.

59. Overall, the competing marks overlap identically in the words "book" and "magic", albeit in reversed order, and differ in the '959 mark's additional "AI" placed at the end of the mark. I find the marks to be visually similar to a medium degree. Turning to the '352 mark, taking into conideration the above considerations and the Contested Mark's figurative character, I find the marks to have a low visual similarity.

Aural Similarity

60. The Opponent contended that "*in the same manner as the visual similarity, the Contested Marks and the "MagicBook" Earlier Marks' dominant elements are the words "BOOK" and "MAGIC", which would be pronounced identically. Even though the distinctive word "BOOK" and "MAGIC" are in inverse order, this does not give rise to absence of aural similarity to the Opponent's "MagicBook" Earlier Marks and, as mentioned above, these words will be pronounced identically*".[22] The Applicant submitted that "*[…] the contested marks have elements which further distinguish them from the earlier marks. In the case of the 959 Contested Mark, the letters AI at the end of the mark significantly affect the appearance of the marks, both visually and phonetically […]*"[23] and "*aurally, […] they are aurally similar to a*

[21] Case T-254/06, *RadioCom*, [43].
[22] Opponent's written submissions dated 19 June 2024, [20]-[21].
[23] Applicant's written submissions dated 19 August 2024, [VI] – [VII].

low to very low degree".[24] The First Earlier Mark will be read as two separarte words ("magic" and "book") and pronounced in two syllables: "magic/book". The '959 mark will be pronounced as three separate words and in three syllables: "magic/book/ai". The words "book" and "magic" in the marks are common English dictionary words and will be pronunced identically in both marks. The relevant consumer is also familiar with the initialism "ai" (the short form for "artificial intelligence") and will read it as 'ei – ai'. The respective marks therefore include two words that will be pronounced identically, albeit in a different order, and the '959 mark contains the additional word "ai", placed at the end of the mark, that introduces a point of further aural difference. In my view, the marks are aurally similar to a medium degree. In the '352 mark the figurative device will not be articulated and, thus, the same reasonng for the '959 applies in its entirety. Thus, also for the '352 mark, the competing marks are aurally similar to a medium degree.

Conceptual similarity

61. The Opponent submitted that "*the Contested Marks are conceptually identical to the earlier "MagicBook" marks insofar that they consist of the same two distinctive words, namely "BOOK" and "MAGIC". "BOOK" is defined as* "a written text that can be published in printed or electronic form" *and "MAGIC" is defined as* "the use of special powers to make things happen that would usually be impossible, such as stories for children". *As each element would have the same meaning to the average consumer, the distincitve elements of the marks should be considered conceptually identical, even if the marks are inverse order. […] "AI" is an abbreviation for "artificial intelligence" and is defined as* "the use or study of computer systems or machines that have some of the qualities that the human brain has, such as the ability to interpretate and produce language in a away that seems human, recognize or create images, solve problems, and learn from data supplied to them"."[25]

62. The Applicant contended that "*the Applicant acknowledges that the words MAGIC and BOOK, appearing as MagicBook in three of the earlier marks are "two normal English words" suggesting a book concerning magic or being magical. However,*

[24] Applicant's written submissions in lieu dated 21 October 2024, [38].
[25] Opponent's written submissions dated 19 June 2024, [25] and [27].

the component BOOKMAGIC or bookmagic of the contetsed marks does not convey such a meaning. Rather, the reversal of the order of these words removes the perception of a book concerning magic or being magical into something meaningless or possibly an action involving booking a magical event"[26] and that "*the Applications point to a different concept, namely a clever artifical intelligence system that helps with books*".[27]

63. From the above it appears that the parties agree on the common meanings for the words "book", "magic" and that "ai" will be undertsood as indicating "artificial intelligence". Both the competing marks contain the words "book" and "magic" (placed in different order) and the relevant consumer will likely undertand these marks as referring to magic and books (e.g., magic book). I note the Applicant argued that one possible meaning for the Contested Marks could be "booking a magical event", however, considering the Applicant's goods and services all refer to the creation of text, stories or books it is likely the consumers will readily understand the Contested Marks are referring to books (whether magical or not) rather than the act of booking something. The Contested Marks also contain a reference to "artificial intelligence" which, although not semantically linked to the words "book" and "magic" introduces a point of conceptual difference from the First Earlier Mark. Therefore, the marks allude to the concepts of book and magic (albeit without conferring a clear meaning) and the Contested Marks also convey the meaning of "artificial intelligence". Overall, I find the competing marks to be conceptually similar to a <u>high</u> degree. Turning to the figurative '352 mark, the depiction of a book reinforces the message of the 'book' as agreed by the parties (i.e., written text that can be in printed or electronic form). Also with reference to the '352 mark I find the competing marks to be conceptually similar to a <u>high</u> degree.

ii. *<u>'Magic UI'</u>*

Visual similarity

64. In its statement of grounds the Opponentn contended that "*[…] BOOKMAGICAI is highly similar to the Opponent's Magic UI mark as the dominant distinctive element*

[26] Applicant's written submissions dated 19 August 2024, [V].
[27] Applicant's written submissions in lieu dated 21 October 2024, [41].

of the Opponent's mark, namely "MAGIC", is wholly incorporated within the Opponent's BOOKMAGICAI. In addition, the Application includes the suffix "AI" which differs only by one letter with the Opponent's "UI" suffix" and that "*even when the Contetsed Marks are taken as a whole, the suffix "-MAGICAI" is highly similar to the Opponent's "Magic UI" […]*".[28] The Applicant, in its counterstatment, submitted that "*visually, the Applicant emphasises, inter alia, the following: although the marks share the word MAGIC, that is where the similarity ends as the Contested Mark starts with the word BOOK and ends with the letters "AI" whereas the 806 has only the additional letters "UI" at the end; they are in a different order in each mark and the Contested Mark also contains the additional letters "AI"; the Contested Mark is a logo mark featuring distinctive stylisation; and, the Contested Mark is a single word whereas the 806 Mark is 2 words*".

65. The competing marks overalp in the word "MAGIC" placed at the beginning of the mark in the Second Earlier Mark and between the words "BOOK" and "AI" in the '959 mark. The marks also end with the same last letter 'I' although it belongs to different initialisms (respectively 'UI' and 'AI'). I note the Applicant's submission that the Opponent's mark is two-word long (with the second word being the letter combination 'UI') and the '959 mark is three-word long. Overall I find the marks to have a low visual similarity. With regard to the '352 mark the figurative elements (i.e., the book device, the mark's typeface and the "AI" stylisation) take the marks' visual similarity even further apart.

Aural similarity

66. The Opponent's mark is two-syllable long and the consumers will read the word "magic" according to its ordinary dictionary definition and will read 'UI' as the combination of the two alphabet letters: 'you – ai'. The Applicant's '959 mark is longer being comprised of three words (althouth the last word is just the letter combination 'AI'). The relevant consumer will pronounce these three words according to their dictionary meaning as found in paragraph 60 above. The marks coincide in the word "MAGIC". I find the marks to be aurally similar to a low degree.

[28] Opponent's written submissions dated 19 June 2024, [17].

Turning to the '352 mark, since the figurative element will not be voiced, the same reasoning of this paragraph applies and I find the marks' aural similarity to be low.

Conceptual similarity

67. The Applicant submitted that "*conceptually, the average consumer will recognise the words that make up the marks and derive meaning therefrom such that the 806 Mark would convey something about magic and possibly about a "user interface" whereas the Earlier Mark will convey the meaning of each of its 3 elements, being BOOK, MAGIC and A.I. but those concepts do not hang together into one clear concept. The marks are therefore conceptually different*".[29] The Opponent contended that *"[…] the suffix "AI" in the Contested Mark is conceptually similar to the suffix "UI" included within the Opponent's "Magic UI" Earlier Mark. "AI" is an abbreviation for "artificial intelligence" […]. Comparatively, "UI" is an abbreviation for the "user interface" and is defined as "the way in which the information on a computer, phone, etc. and instructions on how to use it are arranged on the screen and shown to the user". As these elements would have a similar meaning to the average consumer, the non-distincitve elements of the marks should be considered conceptually similar to a high degree*".[30] I already found the parties agree on the concept of "AI" as meaning "artificial intelligence". From the submissions above, it seems the parties also agree on the fact that "UI" will be perceived as meaning "user interface". Therefore, the Opponent's mark seems to refer to a "magic user interface" whilst the Applicant's mark convey the meaning of "magic book" and "artificial intelligence". Thus, overall the competing marks exclsuively share the reference to "magic" and some type of technology ("artificial intelligence"/"user interface") with the Applicant's mark also conveying the meaning of a "book". Thus, overall, I find the marks to have a low conceptual similarity. The same reasoning applies to the '352 figurative mark with the only note that the depiction of a stylised book in the mark reinforces such meaning already conveyed by the mark's verbal component, but it does not affect the mark's conceptual similarity which I find to be low.

[29] Applicant's counterstatement, [XIV].
[30] Opponent's written submissions dated 19 June 2024, [27].

iii. ‘HONOR MagicBook’

Visual similarity

68. In its statement of grounds the Opponent submitted that “*BOOKMAGICAI is highly similar to the Opponent’s HONOR MagicBook mark as the components of Opponent's earlier mark, namely "MAGIC" and "BOOK" are wholly incorporated within the application*”. The Applicant, in its counterstatement, argued that “*visually, the Applicant emphasises, inter alia, the following: although the marks share the words BOOK and MAGIC, they are in a different order in each mark and the 568 Mark contains the distinctive word HONOR at the beginning and, further the Contested Mark also contains the additional letters “AI”*”. The Third Earlier Mark features the all-capitalised word “HONOR” placed at the beginning of the mark. The competing marks are roughly of the same length with the Opponent’s mark being fourteen-letter long and the Applicant’s mark being eleven-letter long. Both marks comprise three verbal segments (i.e., three syllables) that coincide with three words. The competing marks overlap in the words “magic” and “book” although these are placed in reverse order in the ‘959 mark. The marks also differ in so far that the Third Eralier Mark begins with “HONOR” and the ‘959 mark ends with the word “AI”. Taking into consideration all these elements and that words are normally read from left to right[31] with the initial part of a mark normally having a greater impact, both visually and aurally, than the following or final parts,[32] I find, overall, the marks have a low visual similarity. Such visual similarity is reduced even further with regard to the Opponent’s ‘352 figurative mark due to the mark’s stylisation and figurative device.

Aural similarity

69. The Opponent contended that “*the additional verbal elements, namely “HONOR” […] in the Opponent’s Earlier Marks and AI within the Contested Marks, are not sufficient to outweigh the identity in the remainder as these elements will be regarded as a simple addition with no distinctive character or simply as the*

[31] *New Look Ltd v European Union Intellectual Property Office*, Joined Cases T-117/03 to T-119/03 and T-171/03, [28].
[32] *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, [81].

Opponent's company name".[33] In its counterstatement the Applicant submitted that "*aurally, the marks sound completely different, being pronounced as "Book Magic A I" in the case of the Contested Mark and "Honor Magic Book" in the case of the 568 Mark*". Both marks will be pronounced in three syllables: ' honor/magic/book' and 'book/magic/AI' in line with the ordinary pronunciation for these dictionary words (albeit 'honor' has an American English spelling) and 'AI' will be voiced as 'ei-ai'. The respective marks therefore include two words that will be pronounced identically, albeit in a different order, and the presence of 'honor' and 'ai' creates points of aural difference. Overall the marks have a low aural similarity. Turning to the '352 mark, the same findings apply as the relevant consumers will not voice the figurative device, leading to the same conclusion of low aural similarity.

Conceptual similarity

70. The Applicant submitted that "*conceptually, the average consumer will recognise the words that make up the marks and derive meaning therefrom such that the 568 Mark would be understood as a book concerning magic or being magical and having some connection with a person called Honor or an award of some type, whereas the Earlier Mark will convey the meaning of each of its 3 elements, being BOOK, MAGIC and A.I. but those concepts do not hang together into one clear concept. The marks are therefore conceptually different*". The Opponent provided submissions concerning the meanng of "book" and "magic" as reported above, but it did not provide me with specific submissions concerning the meaning of 'HONOR'. Whilst I acknowledge the Applicant's argument, it is my view the relevant consumers will likely perceive the word 'honor' as the misspelling (or American-English spelling) of the dictionary word 'honour' and understand it accordingly. Thus, the respective marks overlap in their meanings of "book" and "magic" (both alluding to the idea of supernatural powers and written text) and differ in so far that the Opponent's mark conveys a meaning relating to 'honour' and the Applicant's mark conveys the additional meaning of 'artificial intelligence'. Thus, overall I find the marks share a medium degree of conceptual similarity. With regard to the '352 mark the stylised device reinforces the meaning of "book"

[33] Opponent's written submissions dated 19 June 2024, [23].

in the mark, but it does not affect my outcome outlined above. Thus, also for the '352 mark, I find a medium degree of conceptual similarity.

iv. 'MagicBook Air'

Visual similarity

71. In its statement of grounds the Opponent submitted that "*BOOKMAGICAI is highly similar to the Opponent's MagicBook Air mark as the components of Opponent's earlier mark, namely "MAGIC" and "BOOK" are wholly incorporated within the application. Similarly, the suffix "AI" is wholly incorporated with the suffix "Air", increasing the similarity*". In its counterstatement the Applicant contended that "*visually, the Applicant emphasises, inter alia, the following: although the marks share the words BOOK and MAGIC, they are in a different order in each mark and the 784 also contains the additional word AIR whereas the Contested Mark contains the additional letters "AI"*" and in its submissions in lieu argued that "*the 784 Mark is also less similar to either the Word or the Device: the element 'AIR' is separated from the main element 'MagicBook' and the average consumer will notice the difference between 'AIR' (separated) and 'AI' (concatenated)*". According to my considerations above for the First Earlier Mark, the relevant consumers will read the word sequence "Magic", "Book", "air" in the Opponent's mark and they will read "Book", Magic", "AI" in the Applicant's mark. Both marks contain the words "book" and "magic" and the last word starting in "ai-" with "book" and "magic" being reversed in the Applicant's mark. Having taken into consideration the parties' submissions and referring to my findings regarding the First Earlier Mark, I find the marks to have a between medium and high visual similarity. Turning to the '532 mark, I find the stylised book device and the stylisation of "AI" at the end of the mark introduce points of visual difference reducing the marks' visual similarity to a medium degree.

Aural similarity

72. The Opponent submitted that "*the additional verbal elements, namely […] "AIR" in the Opponent's Earlier Marks and "AI" within the Contetsed Marks, are not sufficient to outweigh the identity in the remainder as these elements will be*

regarded as a simple adition with no distinctive character or simply as the Opponent's company name".[34] The Applicant argued that "*aurally, the marks sound completely different, being pronounced as "Book Magic A I" in the case of the Contested Mark and "Magic Book Air" in the case of the 784 Mark*".[35] The relevant consumers will read the Opponent's mark as the three-syllable word combination "magic book air"; similarly the Applicant's mark is the three-syllable word combination "book magic AI". "book" and "magic" in the competing marks are English dictionary words and will be pronounced accordingly. I find that although "air" and "AI" share the same first two letters, these words are pronounced differently since "air" is voiced as 'er' whilst the relevant consumer will spell each letter in "AI", being an initialism, and will voice it as 'ei-ai'. Overall I find the marks to have a medium degree of aural similarity. With regard to the '352 mark, since the relevant consumer will not voice the figurative device, I reach the same conclusion and find the marks to have a medium degree of aural similarity.

Conceptual similarity

73. The Applicant submitted, in its counterstatement, that "*conceptually, the average consumer will recognise the words that make up the marks and derive meaning therefrom such that the 784 Mark would be understood as a book concerning magic or being magical and having some connection to the air or being light, whereas the Earlier Mark will convey the meaning of each of its 3 elements, being BOOK, MAGIC and A.I. but those concepts do not hang together into one clear concept. The marks are therefore conceptually different*". The Opponent did not provide specific submissions regarding the competing marks apart from the conceptual considerations for the meanings of "book" and "magic" already dicussed above in this decision for the other marks. I find the relevant consumers will likely understand "air" according to its ordinary dictionary meaning and I disagree with the Applicant the consumers will understand "air" as meaning the goods are 'light'. Therefore, the marks overlap in their meanings of "book" and "magic" whilst differ in the concepts conveyed by thei respective "air" and "AI". Overall, thus, I find the marks to have a medium degree of conceptual similarity.

[34] Opponent's written submissions date 19 June 2024, [23].
[35] Applicant's counterstatement dated 8 April 2024, [XXV].

Turning to the '352 mark, the stylised book device reinforces the meaning of "book" in the mark and the stylisation of "AI" does not affect the way consumers will understand this word. Thus, also for the '352 mark my assessment of conceptual similarity remains the same and I find a medium degree of conceptual similarity.

Approach

74. Having compared the Applicant's marks with all four earlier marks, it is my view that the First Earlier Mark ('MagicBook') and the Fourth Earlier Mark ('MagicBook Air') are the Opponent's best case for a finding of a likelihood of confusion. This is on the basis that both marks' specifications and their overall level of similarity to the Applicant's marks are higher than the remaining earlier marks. I will proceed with my decision on the basis of the 'MagicBook' and 'MagicBook Air' marks. If there is no likelihood of confusion with these marks, the remaining earlier marks do not improve the Opponent's case.

Distinctive character of the earlier marks

75. 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)."

76. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods/services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

77. The Opponent has filed no evidence of use and so I have only the inherent position to consider. The Opponent's 'MagicBook' consists of the juxtaposition of two English dictionary words referring to written text (published on paper or in electronic form) combined with the more allusive reference to magic. Taking into consideration the nature of the Opponent's goods (software and mobile phone applications), the First Earlier Mark does not have any clear semantic correation with such goods. Overall, 'MagicBook' has a medium degree of inherent distinctive character. Turning to the Fourth Earlier Mark, this contains the additional word "air" that, in combination to "MagicBook" does not convey any clear meaning in relation to the goods for which the mark is registered, creating even more semantic quirkiness than the First Earlier Mark. Overall, I find 'MagicBook Air' to have an above medium inherent distinctive character.

Likelihood of confusion

78. 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 the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, 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 goods or services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the Opponent's trade mark, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact 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 they have retained in their mind.

79. I found the competing goods and services to range from medium similarity to identity (where I did not find dissimilarity). I have found the '595 mark and the First Earlier Mark to be visually and aurally similar to a medium degree and have a high conceptual similarity. With regard to the '352 mark, I found the marks to be visually low in similarity, aurally similar to a medium degree and have a high conceptual similarity. Between the '595 mark and the First Earlier Mark I found the visual similarity to be between medium and high and the aural and conceptual similarity to be medium. With regard to the '352 mark, I found the marks' visual, aural and conceptual similarity to be medium. I have found the First Earlier Mark to have a medium degree of inherent distinctive character and the Fourth Earlier Mark to be inherently distinctive to an above medium degree.

80. Confusion can be direct or indirect. The difference between these two types of confusion was explained in *L.A. Sugar Limited v By Back Beat Inc.*, BL O/375/10, where Iain Purvis QC (as he then was), sitting as the Appointed Person, explained that:

> "16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: 'The later mark is different from

the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark'.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

> (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ("26 RED TESCO" would no doubt be such a case).
>
> (b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as "LITE", "EXPRESS", "WORLDWIDE", "MINI", etc.).
>
> (c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ("FAT FACE" to "BRAT FACE" for example)."

81. The Applicant provided me with previous decisions, at EU level, where it was held that the reversal of words in a trade mark does not lead to a likelihood of confusion. The Applicant referred me to a decision from the GC (number T-117/23) and a decision from the EUIPO (number R 2052/2023-2). In the latter the Applicant reports that the EUIPO Board of Appeals "*considered that ZERO MEAT and MEAT ZERO were not similar, the words "zero" and "meat" being descriptive and not perceived as distinctive, being part of basic English vocabulary*".[36] The Opponent addressed the Applicant's submissions stating that:

[36] Applicant's written submissions dated 19 August 2024, [XVI].

"*13. the EUIPO's decisions referenced in the Applicant's written submissions of 19 August 2024 should not be taken into account as the Office is not bound by the decisions of the EUIPO.*

14. In any case, the decisions referenced are in relation to weakly distinctive marks, i.e. "PARIS" and "BAR" for restaurant / food and drink / accommodation services in class 43 (T-117/23) and "ZERO" and "MEAT" for meat substitutes and foodstuffs in classes 29 and 30 (R 2052/2023-2). It therefore cannot be said that these decisions apply to the case at hand given that the words "BOOK" and "MAGIC" possess the normal level of inherent distinctiveness in relation to the goods covered by the Earlier Marks.

15. In addition to the above, in a 2019 UKIPO decision (O/019/19), the UKIPO found that the Opponent's word mark "PRIDE & HONOUR" was visually, aurally and conceptually similar to the Applicant's 

trade mark. Within the decision, the Examiner agreed that "the mere inversion of the elements (words) of the mark cannot allow the conclusion to be drawn that there is no visual similarity" (paragraph 33). This approach was followed in relation to the aural similarity (paragraph 34) and, in relation to the conceptual similarity of the marks, "the order in which the words are represented has no bearing on their conceptual significance" (paragraph 36)".

82. I considered the parties' submissions and I also make reference to the decision of the Hearing Officers in O/465/21 CLOUDBET/BETCLOUD and the further decisions referenced within that decision of O/382/01 NEXT GENERATION/GENERATION NEXT and O/092/04 BREATHE EASY/EASIBREATHE whereby it was considered that where the only difference between the marks is the reversal of the words, this was not enough to find no likelihood of confusion. Decisions of other Hearing Officers are not binding on me in this decision. However, I have taken the reasoning within these decisions into account. I also note the principle outlined in *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02 for which the beginnings of marks have more impact on the consumers and I note that the marks differ in their beginnings. However, in *Bristol*

Global Co Ltd v EUIPO, T-194/14, the GC held that there was a likelihood of confusion between AEROSTONE (slightly stylised) and STONE if both marks were used by different undertakings in relation to identical goods (land vehicles and automobile tyres). While that case is not directly comparable to the present matter, it shows that it does not necessarily follow that there is no likelihood of confusion where the beginnings of marks are different. It is my view that in this present case, the relevant public would be likely to recall the words 'BOOK' and 'MAGIC' in both marks, but, as a result of imperfect recollection, be less certain about the order of those words. I appreciate the Applicant's marks contain the additional "AI" at the end, but I believe this word (given its length and position within the mark) is insufficient for the consumers to remove any likelihood of confusion. This possibility of confusion is even hightened in relation to the Fourth Earlier Mark that also terminates with the letters 'ai-'. Keeping in mind the global assessment of the competing factors in my decision and that the average consumer is unlikely to see the marks side-by-side and will therefore be reliant on the imperfect picture of them they have kept in their mind, I find that there is a likelihood of direct confusion for those goods and services where there was considered to be similarity. I reach the same conclusion also with regard to the '352 mark: taking into consideration that the consumers' eye is drawn to the verbal elements contained in a mark[37] and the principle of imperfect recollection, I find the mark's stylisation is insufficient to enable the consumers to avoid any likelihood of confusion between the marks.

Conclusion

83. The opposition under section 5(2)(b) succeeds in part and the application, subject to any appeal, will be refused for the goods in class 9 and the services in class 42 for which I found similarity.

Costs

84. The Opponent has been partially successful. As both parties have had a reasonable degree of success, I decline to favour either with an award of costs.

[37] Case T-189/16, *MigrosGenossenschafts-Bund v EUIPO*, [52].

Dated this 27th day of June 2025

Andrea Rossi

For the Registrar