

O/0635/25

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF APPLICATIONS NOS. 3620182 & 3620178

BY REIGN BEVERAGE COMPANY LLC TO REGISTER:



REIGN
TOTAL BODY FUEL

& REIGN TOTAL BODY FUEL

AS TRADE MARKS IN CLASS 25

AND OPPOSITIONS THERETO UNDER NOS. 426465 & 426466 BY NERIAL LTD

AND

IN THE MATTER OF REGISTRATIONS NOS. 3669218, 918177339 & 3456076

IN THE NAME OF REIGN BEVERAGE COMPANY LLC

FOR THE FOLLOWING TRADE MARKS:



REIGN , REIGN & REIGN

IN CLASSES 6, 9, 18, 21, 24, 25 AND 28

AND APPLICATIONS FOR A DECLARATION OF INVALIDITY THERETO UNDER

NOS. 506539, 506540 & 506541 BY NERIAL LTD

AND

IN THE MATTER OF REGISTRATION NO. 917903788

IN THE NAME OF NERIAL LTD FOR THE TRADE MARK:

REIGNS

IN CLASS 9, 28 AND 41

AND AN APPLICATION TO REVOKE ON THE GROUNDS OF NON-USE

UNDER NO. 506637 BY REIGN BEVERAGE COMPANY LLC

BACKGROUND AND PLEADINGS

1. This decision deals with six consolidated proceedings in respect of two oppositions, three invalidity actions and a revocation for non-use. The oppositions and the applications for invalidity are pursued by Nerial Ltd (“NERIAL”) against trade mark applications and registrations in the name of REIGN BEVERAGE COMPANY LLC (“RBC”). The revocation for non-use is pursued by RBC against a trade mark registration in the name of NERIAL.

THE OPPOSITIONS

2. NERIAL opposes the following two UK trade mark applications in the name of RBC:

UK trade mark number: 3620182

(“RBC’s figurative trade mark application”)



UK trade mark number: 3620178

(“RBC’s word-only trade mark application”)

REIGN TOTAL BODY FUEL

3. Both applications were filed on 1 April 2021, benefit from a priority date of 8 October 2020¹ and seek registration for *Clothing; headwear; footwear* in class 25.

¹ The priority date is claimed from Japanese trade mark no. 2020-124498.

4. Both applications were published for opposition purposes on 28 May 2021. On 27 August 2021, NERIAL opposed both applications. The oppositions, which are directed against all the applied-for goods in class 25, are based upon Sections 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”).

5. In both oppositions, under the Section 5(3) ground, NERIAL relies upon one single trade mark and the goods and services underlined below for which NERIAL claims to enjoy a reputation:

UK trade mark number: 917903788

REIGNS

Filing date: 23 May 2018

Registration date: 27 September 2018

Class 9: Software; computer game and video game software; mobile application software; mobile apps; electronic game software; electronic game software for wireless devices; software development tools; computer game and video game cartridges, CDs, DVDs and other data carriers; computer game and video game discs; downloadable software; electronic publications.

Class 28: *Toys, games, playthings and novelties; dolls; plush toys; video game and computer game apparatus; arcade video game machines; handheld computer games; game sets; board games; dice; game cards; parts and fitting for all the foregoing.*

Class 41: Entertainment; interactive entertainment; online interactive entertainment; online computer game services; video game entertainment services; organising and conducting contests and competitions for computer games and video games; providing online news and information in the field of computer games and video games; conducting exhibition events for entertainment purposes; provision of computer games and video games; screenplay writing; information, advisory and consultancy services relating to all the foregoing.

6. NERIAL’s claim under this ground is as follows:

“The mark applied for includes the shared element "REIGN" in the earlier trade mark. Given the reputation and enhanced distinctiveness of the earlier trade mark, the similarity between the marks, and as the contested mark has been filed for merchandise goods (such as clothing), and that the opponent has used its earlier mark with a helmet logo device (such as shown at Annex 1), the relevant public will believe that the Applicant's mark is being used by the Opponent and/or that there is an economic connection between the parties, such as with a license”

7. In both oppositions, under the Section 5(4)(a) ground, NERIAL relies upon the unregistered sign ‘REIGNS’ which it claims to have used throughout the UK since August 2016 in relation to *Computer and video games including in the nature of games for computers and games for mobile devices*. In addition, in the opposition against RCB’s figurative trade mark application (no. 3620182), NERIAL relies on the following sign which it also claims to have used throughout the UK since August 2016 for the same goods:²



8. NERIAL’s claim under this ground is as follows:

“The Opponent owns and/or controls the intellectual property rights, including trade marks and goodwill, in and to the REIGNS video game. As a result of its long-standing commercial use of the REIGNS name, the Opponent has built up protectable goodwill in its business in the UK. It is common practice in the

² In its Forms TM7 NERIAL relied upon another figurative mark; however, it subsequently withdrew reliance upon that mark- see paragraph 5 of skeleton argument.

industry to exploit well-known video games titles with merchandise and the public has come to expect such commercial exploitation. Any use of the contested trade mark application, which includes the shared word "REIGN" for goods in Class 25 (including clothing which is a common type of merchandise) would misrepresent to the public that the goods originate from or are otherwise connected to the Opponent (such as being provided under license), when they would not be. This is likely to cause damage to the Opponent's goodwill; for example, due to a loss of sales and/or loss of licensing revenue, due to harm caused by dissatisfaction with the Applicant's goods, and/or as a result of dilution."

9. RBC filed counterstatements wherein it denied the claims against it.

THE INVALIDITY APPLICATIONS

10. On 26 September 2023, NERIAL applied to have three UK trade mark registrations in the name of RBC declared invalid under Section 47 of the Trade Marks Act 1994. The registrations under attack are as follows:

UK trade mark number: 3669218

("RBC's figurative trade mark registration")



REIGN

Filing date: 15 July 2021

Registration date: 12 November 2021

Priority date: 20 January 2021³

³ Priority derives from New Zealand trade mark no. 1168982

Class 25: *Clothing; clothing, namely, tops, shirts, t-shirts, sweatshirts, hoodies, jackets, bottoms, pants, shorts, sports bras, bandanas, sweat bands, and gloves; headwear; hats; beanies; work-out gloves; fingerless gloves; socks; footwear.*

UK trade mark number: 918177339

("RBC's word-only trade mark registration 1")

REIGN

Filing date: 07 January 2020

Registration date: 16 June 2020

Priority date: 08 July 2019⁴

Class 6: *Metal locks; metal padlocks; padlocks formed primarily of metal.*

Class 9: *Earphones; wireless earphones; protective covers and cases for laptops; display screen protectors for providing shade and privacy specially adapted to electronic devices, namely, laptops; headphones; wireless headphones; wireless speakers; audio speakers; sunglasses; eyewear; smart watch; wearable activity trackers; sports helmets; cellphone battery chargers; cell phone cases; cell phone mounts; cables for charging; USB cables for cell phones; battery power banks for cell phones; portable cell phone mounts; electric locks; work gloves in the nature of mechanics' gloves.*

Class 18: *Sports bags; gym bags; athletic bags; traveling bags; all-purpose carrying bags; backpacks; duffel bags; toiletry bags sold empty; luggage; umbrellas.*

Class 21: *Bottle openers.*

Class 24: *Towels; blankets for outdoor use.*

Class 25: *Clothing; clothing, namely, tops, shirts, t-shirts, sweatshirts, hoodies, jackets, bottoms, pants, shorts, sports bras, bandanas, sweat bands, and gloves; headwear; hats; beanies; fingerless gloves; socks; footwear.*

⁴ Priority derives from US trade mark no. 88504294

Class 28: *Resistance bands for exercise; jump ropes; toy cars; remote control toys, namely, cars; cornhole game sets; cornhole game boards; cornhole bags; surf boards; skate boards; snowboards; boxing gloves; mixed martial arts gloves; golf bags; punching bags; video game interactive remote control units; video game controller joystick, thumbstick and control-pad extensions; sports gloves; work-out gloves.*

UK trade mark number: 3456076

("RBC's word-only trade mark registration 2")

REIGN

Filing date: 07 January 2020

Date of entry in register: 8 August 2020

Priority date: 08 July 2019⁵

The specification of this mark is the same as that of the trade mark registration no. 918177339, the only difference being that this mark includes *electric locks* in the class 9 specification and *work-out gloves* in the class 25 specification (rather than in class 28).

11. The invalidity application against RBC's figurative trade mark registration (i.e. the registration no. 3669218) is directed against all the registered goods in class 25 and is based upon Sections 5(3) and 5(4)(a). Under Section 5(3), NERIAL relies on the same earlier mark no. UK00917903788 relied upon in the oppositions and claims reputation for the same goods and services, with the exception of the terms *software; downloadable software* (in class 9) and *entertainment* (in class 41) which are not relied upon. Under Section 5(4)(a) NERIAL relies upon the same unregistered signs which are relied upon in the opposition against RBC's figurative trade mark application (i.e. the application no. 3620182) with use being claimed from the same date and in relation to the same goods.

12. The invalidity against RBC's word-only trade mark registration 1 (i.e. registration no. 918177339) is based upon Sections 5(2)(b), 5(3) and 5(4)(a). Under Section

⁵ Priority derives from US trade mark no. 88/504294

5(2)(b), NERIAL relies upon the entire specification of the earlier mark UK00917903788, with the invalidity being directed against the terms highlighted in grey in the specification of the registration no. 918177339 which, for ease of reference, I reproduce below:

Class 9: *Earphones; wireless earphones headphones; wireless headphones; wireless speakers; audio speakers; smart watch; wearable activity trackers.*

Class 28: *video game interactive remote control units; video game controller joystick, thumbstick and control-pad extensions.*

13. Conversely, the Section 5(3) ground is directed against all of the registered terms in the specification of the registration no. 918177339, and it is based upon the same earlier mark UK00917903788 mentioned above, with reputation being claimed for the following goods and services:

Class 9: *computer game and video game software; mobile application software; mobile apps; electronic game software; electronic game software for wireless devices.*

Class 41: *interactive entertainment; online interactive entertainment; online computer game services; video game entertainment services; provision of computer games and video games.*

14. The Section 5(4)(a) ground is also directed against all of the registered terms, and it is based on the sign 'REIGNS' with use being claimed from the same date and in relation to the same goods as those pleaded in the oppositions.

15. Lastly, the invalidity application against RBC's word-only trade mark registration 2 (i.e. the registration no. 3456076) mirrors that against RBC's word-only trade mark registration 1 (i.e. the registration no. 918177339).

16. RBC filed counterstatements wherein it denied the claims against it.

THE REVOCATION FOR NON-USE

17. I turn now to the application for revocation for non-use. This is directed against NERIAL's earlier trade mark no. UK00917903788 and was filed by RBC on 20 October 2023. The period during which RBC alleges non-use under Section 46(1)(a) is the five-year period after the registration of the mark, being it 28 September 2018 to 27 September 2023 ("the first relevant period") with revocation being sought from 28 September 2023. Under its Section 46(1)(b) ground, RBC alleges non-use for the period 20 October 2018 to 19 October 2023 ("the second relevant period") with revocation being sought from 20 October 2023.

18. NERIAL filed a counterstatement defending the application for revocation in respect of some of the registered goods and services, namely:

Class 9: *Computer game and video game software; software; computer game and video game software; mobile application software; mobile apps; electronic game software; electronic game software for wireless devices; downloadable software.*

Class 28: *Toys, games; game sets; board games; game cards; parts and fitting for all the foregoing.*

Class 41: *Entertainment; interactive entertainment; online interactive entertainment; online computer game services; video game entertainment services; provision of computer games and video games; information, advisory and consultancy services relating to all the foregoing.*

19. Since the following goods and services have not been defended, NERIAL's earlier trade mark no. UK00917903788 is revoked from the earliest possible date of 28 September 2023 in relation to them:

Class 9: *software development tools; computer game and video game cartridges, CDs, DVDs and other data carriers; computer game and video game discs; electronic publications.*

Class 28: *playthings and novelties; dolls; plush toys; video game and computer game apparatus; arcade video game machines; handheld computer games; dice.*

Class 41: *organising and conducting contests and competitions for computer games and video games; providing online news and information in the field of computer games and video games; conducting exhibition events for entertainment purposes; screenplay writing.*

REPRESENTATION

20. NERIAL is represented by Wiggin LLP and RBC is represented by Bird & Bird LLP. Both parties filed evidence during the evidence rounds. A hearing was requested which was heard before me on 17 December 2024, via video conference. Mr Andrew Norris KC (counsel) instructed by Bird & Bird LLP appeared for RBC and Mr Michael Hicks (counsel) instructed by Wiggin LLP appeared for NERIAL.

EVIDENCE

21. NERIAL's evidence in chief consists of three witness statements of Tamara Alliot, the first dated 14 July 2023 (accompanied by exhibits TA1- TA14), the second dated 17 November 2023 (accompanied by exhibits TA15-TA23) and the third dated 05 April 2024 (accompanied by exhibits TA24- TA40). Ms Alliot is the CEO of NERIAL.

22. RBC's evidence in chief consists of the witness statement of Lauren Kourie dated 18 September 2023 (accompanied by exhibits LK1- LK16). Ms Kourie is an associate solicitor at Bird & Bird LLP, the firm representing RBC in the present proceedings.

23. Both parties filed skeleton arguments prior to the hearing. Whilst I do not propose to summarise the evidence or submissions in full here, I have taken them all into account when coming to my decision and shall refer to any salient points at the appropriate stage of my decision.

RELEVANCE OF EU LAW

24. 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.

PRELIMINARY REMARKS

25. The assessment I must make in respect of the oppositions and invalidity applications is wholly distinct from the assessment I must make in the revocation for non-use. Further, the success or failure of the revocation action will have no impact on the opposition and invalidity proceedings. This is because the earliest date the revocation of NERIAL's earlier trade mark can take effect is later than the filing date (or priority date) of the trade marks which are the subject of the opposition and invalidity proceedings. Consequently, even if NERIAL's earlier trade mark no. 917903788 is revoked from the earliest possible date (i.e. 28 September 2023), NERIAL will still be able to rely upon it in the opposition and invalidity proceedings against RBC's trade marks, as its registration would be deemed to be valid and in full force and effect at the filing date of RBC's trade marks (i.e. 8 October 2020, 20 January 2021, 08 July 2019, and 08 July 2019).

26. Given that the oppositions and invalidity applications were discussed first at the hearing, I consider this to be an appropriate place to start.

RBC'S CONCESSION AT THE HEARING

27. Before I turn to the substance of the cases, I wish to record a concession made by Mr Norris (on behalf of RBC) in his skeleton arguments.

28. Mr Norris, on behalf of RBC accepted that NERIAL "*has made genuine use of the [917903788] mark in relation to mobile video games only*" requesting that the

“registration should be cut back to that as representing a fair specification and an appropriate sub-category” with “the provision of downloadable computer and video game software for wireless devices” being identified as the right “sub-set of class 9 and [...] a fair specification”. Whilst conceding genuine use, Mr Norris argued that NERIAL’s evidence does not go far enough to establish reputation or “significant or substantial goodwill” for any of its marks.

MY APPROACH

29. Insofar as the oppositions against RBC’s applications nos. 3620182 and 3620178 are concerned, NERIAL’ earlier mark no. 917903788 (which was filed on 23 May 2018 and was registered on 27 September 2018) is an earlier trade mark in accordance with Section 6 of the Act because it was filed earlier than RBC’s applications nos. 3620182 and 3620178 (both of which were filed on 1 April 2021). This is so even considering that RBC’s applications benefit from a priority date of 8 October 2020.

30. The same goes for the invalidity applications against RBC’s trade mark registrations nos. 3669218, 918177339 and 3456076 which were filed on 15 July 2021 (trade mark registration no. 3669218 benefiting from a priority date of 20 January 2021) and 07 January 2020 (trade mark registrations nos. 918177339 and 3456076, both benefiting from a priority date of 08 July 2019), respectively; indeed these dates are later than the filing date of NERIAL’ earlier mark no. 917903788 (i.e. 23 May 2018).

31. Further, since NERIAL’s earlier mark no. 917903788 had not been registered for five years or more at the filing date of the RBC’s applications (i.e. 1 April 2021) or at the date of the applications for the declaration of invalidity of RBC’s trade mark registrations (i.e. 26 September 2023), it is not subject to the use conditions under Section 6A of the Act. In this connection, there is no dispute between the parties that NERIAL’s trade mark no. 917903788 is a valid earlier mark which is not subject to proof of use for the purpose of the present opposition and invalidity proceedings.

32. Nevertheless, since NERIAL’s oppositions are only based on evidence-based grounds, namely Section 5(3) and 5(4)(a), and since RBC denies both the existence of actionable reputation and goodwill, the first task for me in dealing with the

oppositions would be to look at NERIAL's evidence of use to see if it is sufficient to establish reputation and goodwill in relation to the goods and services claimed. In this connection, I have pondered on the correct approach to take, for the same evidence covering use, reputation and goodwill. Further, the evidence of use is relevant for assessing enhanced distinctiveness which is relevant for the purpose of assessing the invalidity applications against RBC's registrations nos. 3456076 and 918177339, both of which include grounds based on Section 5(2)(b).

33. Having considered all of the above, I have concluded that the most effective way of dealing with the cases at issue is to start with the Section 5(2)(b) ground (which is pleaded only in the invalidity applications against the two word-only registrations nos. 3456076 and 918177339) before moving to the grounds based upon Section 5(3) and 5(4)(a) (which are pleaded in the two oppositions, as well as in all three invalidity applications).

DECISION

THE INVALIDITY APPLICATIONS AGAINST RBC'S TWO WORD-ONLY TRADE MARK REGISTRATIONS (NOS. 3456076 AND 918177339) – SECTIONS 5(2)(B), 5(3) AND 5(4)(A).

34. Sections 5(2)(b), 5(3) and 5(4)(a) of the Act have application in invalidation proceedings pursuant to Section 47 of the Act. Section 47 reads as follows:

“47. (1) [...]

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

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

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

(2ZA) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 5(6).

(2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if –

(a) the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with their consent in relation to the goods or services for which it is registered-

(i) within the period of 5 years ending with the date of application for the declaration, and

(ii) within the period of 5 years ending with the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application where, at that date, the five year period within which the earlier trade mark should have been put to genuine use as provided in section 46(1)(a) has expired, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes –

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D)-(2DA) [Repealed]

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c)

(2G) An application for a declaration of invalidity on the basis of an earlier trade mark must be refused if it would have been refused, for any of the reasons set out in subsection (2H), had the application for the declaration been made on the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application.

(2H) The reasons referred to in subsection (2G) are-

(a) that on the date in question the earlier trade mark was liable to be declared invalid by virtue of section 3(1)(b), (c) or (d), (and had not yet

acquired a distinctive character as mentioned in the words after paragraph (d) in section 3(1));

(b) that the application for a declaration of invalidity is based on section 5(2) and the earlier trade mark had not yet become sufficiently distinctive to support a finding of likelihood of confusion within the meaning of section 5(2);

(c) that the application for a declaration of invalidity is based on section 5(3)(a) and the earlier trade mark had not yet acquired a reputation within the meaning of section 5(3).

(3) [...]

(4) [...]

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

(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed.”

Section 5(2)(b)

35. Section 5(2)(b) of the Act reads 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.”

36. 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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

37. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

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

38. 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.

39. In *Gérard Meric v 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 for 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.”

40. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court (“GC”) stated that “complementary” means:

“[...] there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking.”

41. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different. The purpose of examining whether there is a complementary relationship between goods and services is to assess whether the relevant public are liable to believe that responsibility for the goods and services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander QC noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL O/255/13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense – but it does not follow that wine and glassware are similar goods for trade mark purposes.”

42. Whilst on the other hand:

“[...] it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

43. The competing goods and services are as follows:

RBC's opposed goods	NERIAL's earlier goods and services
<p>Class 9: Earphones; wireless earphones headphones; wireless headphones; wireless speakers; audio speakers; smart watch; wearable activity trackers.</p>	<p>Class 9: Software; computer game and video game software; mobile application software; mobile apps; electronic game software; electronic game software for wireless devices; software development tools; computer game and video game cartridges, CDs, DVDs and other data carriers; computer game and video game discs; downloadable software; electronic publications.</p>
<p>Class 28: video game interactive remote control units; video game controller joystick, thumbstick and control-pad extensions.</p>	<p>Class 28: Toys, games, playthings and novelties; dolls; plush toys; video game and computer game apparatus; arcade video game machines; handheld computer games; game sets; board games; dice; game cards; parts and fitting for all the foregoing.</p>
	<p>Class 41: Entertainment; interactive entertainment; online interactive entertainment; online computer game services; video game entertainment services; organising and conducting contests and competitions for computer games and video games; providing online news and information in the field of computer games and video games; conducting exhibition events for entertainment purposes; provision of computer games and video games; screenplay writing; information, advisory</p>

	<i>and consultancy services relating to all the foregoing.</i>
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44. In his submissions, Mr Hicks claimed that RBC's *Earphones; wireless earphones headphones; wireless headphones; wireless speakers; audio speakers* (in class 9) are similar to NERIAL's *software; computer game and video game software; electronic game software; electronic game software for wireless devices* (in class 9); *video game and computer game apparatus and handheld computer game* (in class 28) and *provision of computer games and video games* (in class 41) because they are complementary. Mr Hicks also submitted that these goods are similar to NERIAL's *parts and fitting for all the foregoing* in class 28 because they are of a similar nature and are likely to be obtained from the same source, and also because they are complementary to such goods.

45. Turning to RBC's *smart watch; wearable activity trackers* (in class 9) Mr Hicks claimed that they are similar to NERIAL's *mobile application software; mobile apps* (in class 9) because smart watches and wearable activity trackers are used in conjunction with mobile devices and need to be used in conjunction with such software and apps.

46. Lastly, Mr Hicks claimed that RBC's *video game interactive remote control units; video game controller joystick, thumbstick and control-pad extensions* (in class 28) are identical to NERIAL's *video game and computer game apparatus and parts and fitting for all the foregoing* in class 28 or, alternatively, similar to the goods in class 9 which cover video and computer game software because they are complementary to such goods.

47. In his skeleton arguments, Mr Norris argued that RBC's goods in class 9 have no conceivable basis for being considered similar to any of the goods or services of NERIAL's earlier mark. However, he accepted that in class 28, there is a medium degree of similarity between the competing goods with the exception of *thumbsticks and control-pad extensions*, which, he claimed, are dissimilar because they are accessories for a computer. In addition, Mr Norris stated that "*it is unrealistic to consider that the average consumer would purchase any of the class 9 goods by mistake thinking they were part of a mobile video game*", that "*there is no connection*

between mobile video games and speakers or earphones” and that “the consumer would not substitute one for the other and there is no risk of direct confusion”. Lastly, Mr Norris stated that “thumb sticks and control-pad extensions are similarly distanced from the goods and services [of NERIAL’s] mark. Whilst two of the goods relate to gaming, the purchasing decisions are quite different”.

48. Some of Mr Norris’ submissions clearly refer to the likelihood of confusion. However, the question, at this stage, is not whether the average consumer would mistake the goods or their origin, but whether, bearing in mind the *Canon* criteria, the goods and services are sufficiently similar (or related) for the question of the likelihood of confusion to arise.

Class 9

Earphones; wireless earphones headphones; wireless headphones; wireless speakers; audio speakers; smart watch; wearable activity trackers.

49. NERIAL’s goods include software at large, mobile apps, mobile application software, downloadable software, computer game and video game software (in class 9) as well as video game apparatus and parts and fittings thereof (in class 28). RBC’s *earphones; wireless earphones headphones; wireless headphones; wireless speakers; audio speakers* include goods intended for mobile phones and video games which would be used together with NERIAL’s goods in the normal course of operation. In this connection, I agree with Mr Hicks that RBC’s goods are items of audio equipment that might be used as accessories for video games. In addition, the handling of NERIAL’s wireless earphones, headphones and speakers might require the action of downloading from the Internet or using NERIAL’s software to set up the earphones, headphones or speakers, as nowadays those goods use software and may be used via software applications. Although the goods have a different nature and method of use, I agree with Mr Hicks that they might have a similar purpose insofar as they enable the user to play a video game (or use an item of wireless audio equipment). In addition, the goods might coincide in producers, can be directed at the same relevant public, and might share distribution channels. Furthermore, they are

complementary. Overall, I consider these goods to be similar to a low to medium degree.

50. NERIAL'S smart watch; wearable activity trackers are physical items which need to use or connect to software to function successfully for the purposes of data collection or monitoring. RBC's *software* and *downloadable software* are broad terms which encompass software required for NERIAL'S *smart watch* and *wearable activity* to function. Again, although the goods have a different nature and method of use, they have a similar purpose, usually coincide in producers, can be directed at the same relevant public, and might share distribution channels. Furthermore, they are complementary. I consider these goods to be similar to a low to medium degree.

Class 28

Video game interactive remote control units; video game controller joystick, thumbstick and control-pad extensions.

51. I agree with Mr Hicks that NERIAL's video game interactive remote control units; video game controller joystick, thumbstick and control-pad extensions fall within RBC's registered term *video game and computer game apparatus*. These goods are identical on the principle outlined in *Meric*.

Average consumer

52. As the case law above indicates, it is necessary for me to determine who the average consumer is for the parties' goods. I must then determine the manner in which the goods are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. (as he then was) described the average consumer in these terms:

"60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the

relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

53. The average consumer of the parties’ goods in class 9 and 28 is a member of the general public.

54. The purchasing process for the goods is likely to be predominantly visual, with some of the goods being downloaded from websites on mobile phones, and other being purchased from specialist retail outlets, their online equivalent or following inspection of a specialist catalogue. However, as word-of-mouth recommendations may also play a part, I do not discount that there will also be an aural component to the purchase.

55. As regards the level of attention the relevant public will display during the selection process, I agree with Mr Hicks that the goods are neither extremely high value goods, nor are they casual purchases and that they will attract a medium degree of attention, with the average consumers taking into consideration various factors including suitability for the user’s particular needs and ease of use.

Comparison of marks

56. 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.”

57. 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. The respective marks are shown below:

RBC’s trade marks	NERIAL’s earlier mark
REIGN	REIGNS

Overall impression

58. Both RBC’s contested marks and NERIAL’s earlier mark are word-only marks consisting of a single word. The overall impression of each mark resides in the single word of which each is composed.

Visual comparison

59. RBC’s marks are composed of the five-letter long single word ‘REIGN’, and NERIAL’s earlier mark is composed of the six-letter long plural word ‘REIGNS’.

60. Bearing in mind that the beginnings of marks are generally more focussed upon, that the sequence of the first five letters (‘REIGN’) is identical in both marks, and that the marks only differ in the earlier mark containing an additional letter ‘S’ at the end, I consider the marks to be visually similar to a very high degree.

Aural comparison

61. The marks will be pronounced as 'R -E -I- N' and 'R -E- I- NZ' with the letter 'G' in both marks being silent and the final letter 'S' in NERIAL's earlier mark being pronounced as a 'Z'. The marks are aurally similar to a very high degree.

Conceptual comparison

62. Conceptually, the word 'REIGN' means "*the period of time when a king or queen rules a country*" or "*a period when a particular person, feeling, or quality is very important or has a strong influence*". The word 'REIGNS' is the plural of 'REIGN', resulting in the marks conveying the same concept, one in the plural, the other in the singular form.

63. In his submissions, Mr Norris argued that "*Reigns*" is aurally identical to "*Reins*" which gives rise to a dual conceptual meaning not only referring to multiple rulers (either consecutively or concurrently in different territories) but also to an association with the idea of having access to the tools of control, as in the phrase "*the reins of power*" or "*taking the reins*". This dual conceptual meaning is not present in "*Reign*". I am not persuaded by this submission. As it will be recalled, the goods concerned will be selected, primarily, visually. This means that when the average consumer will encounter NERIAL's earlier mark, they will perceive and memorise the concept conveyed by the word 'REIGNS' as written, not as spoken.

64. In my view, the word 'REIGNS' in NERIAL's earlier mark will be recognised by the average consumer as meaning the word 'REIGN' in its plural form. Accordingly, I find that the marks are conceptually similar to a very high degree.

Distinctive character of earlier mark

65. 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).”

66. Registered trade marks possess various degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or 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 made of it.

67. NERIAL’s earlier mark consists of the word ‘REIGNS’ without any additional element. At the hearing, Mr Hicks argued that the word ‘REIGNS’ is neither descriptive nor allusive in the context of the goods for which the mark is registered and it is inherently highly distinctive. Whilst there is no reason why existing words used as trade marks cannot be inherently distinctive to a high degree, it will depend on the mark in question and its relationship to the goods or services.⁶ In this case, the relationship between the word ‘REIGNS’ (which is an ordinary English word) and the registered goods (which relate to software and video games), is not so strikingly

⁶ *Janus Trade Mark*, BL-O-0558/25

arbitrary that it results in a highly distinctive mark. In my view, the mark is distinctive to a medium degree.

68. In addition, at the hearing, Mr Hicks stated that the distinctiveness of the earlier mark has been enhanced through use for computer and video game software although he also stated that that is not necessarily part of NERIAL's case under Section 5(2)(b). Nevertheless, since I have rejected Mr Hicks' submission that NERIAL's earlier mark is inherently distinctive to a high degree, I will go on to consider whether NERIAL's use of the earlier mark has increased its distinctiveness.

69. The relevant date for assessing whether the distinctiveness of NERIAL's mark has been enhanced through use is the date when the marks subject to the invalidity attack were filed (i.e. 07 January 2020) however, in this case the marks also benefit from a priority date of **08 July 2019** – the latter being the date I need to look at. The evidence filed in support of the claim of enhanced distinctiveness is the same as that filed in support of the claims of reputation and goodwill and it is as follows.

70. In her first witness statement, Ms Alliot states that NERIAL was incorporated in 2016, and it is an award-winning independent games studio. NERIAL was responsible for developing a video game marketed and sold under and by reference to the name 'REIGNS'. The game was launched in 2016 and since then NERIAL has produced 5 versions of the game, namely: 'REIGNS'; 'REIGNS: Game of Thrones'; 'REIGNS: Her Majesty'; 'REIGNS: Beyond'; and 'REIGNS: The Three Kingdom'. These versions were released in the UK on the following dates:

Game title	Release date
Reigns	11 August 2016
Reigns: Her Majesty	6 December 2017
Reigns: Game of Thrones	18 October 2018
Reigns: Beyond	6 November 2020
Reigns: Three Kingdoms	29 November 2022

71. NERIAL's game is distributed throughout the UK and internationally. According to Ms Alliot, NERIAL's game was a financial and critical success and in 2018 NERIAL collaborated with the popular TV series Game of Thrones, and the Game of Thrones version of 'REIGNS' was produced.

72. Ms Alliot explains that 'REIGNS' is a strategy game set in a medieval world. It places the player in the role of a monarch who rules a kingdom by accepting or rejecting suggestions from advisers. Each decision will have consequences on one of the four aspects of the kingdom, namely the church, the people, the military and the wealth. The game ends when one of these four pillars becomes full or empty at which point the king's reign ends and the game continues with the player controlling the heirs.

73. The game was translated in 11 languages including, Spanish, French, Italian, Japanese, Korean and Chinese. It was released on a range of platforms, including Android, iOS, Linux, MAC OS, and Microsoft Windows in August 2016 and it is available on most platforms, including Apple, Steam, GoG iOS, Android and Nintendo Switch.

74. Ms Alliot provides the following table summarising the number of downloads (i.e. unit sold) and revenue generated by them. However, only the first version of the game indicates the number of UK downloads on IOS and Apple Arcade which, according to my calculation, is roughly 7.8% and 2.6% of the total downloads from these platforms, respectively:

Game title	Units sold
Reigns	IOS: 1,190,000 (\$3.25m revenue) (93,400 UK downloads) Android: 915,000 (\$2.2m revenue) Steam: 733,000 (\$1.5m revenue) Other: 1,000,000 (~\$2m revenue) (26,000 UK downloads on Apple Arcade)
Reigns: Her Majesty	IOS: 262,000 (\$721k revenue) Android: 248,000 (\$594k revenue) Steam: 226,000 (\$470k revenue) Other: 200,000 (~\$400k revenue)
Reigns: Game of Thrones	IOS: 341,000 (\$1.25m revenue) Android: 160,000 (\$535k revenue) Steam: 155,000 (\$362k revenue) Other: 200,000 (~\$2m revenue)
Reigns: Beyond and Reigns: Three Kingdoms	IOS and Netflix: 700k (~\$7m revenue)

75. Ms Alliot also provides the following sales figures for the years 2017-2022 which Mr Hicks confirmed at the hearing are **global** turnover figures for all the REIGNS games:

Game title	30.04.17 Turnover	30.04.18 Turnover	30.04.19 Turnover	30.04.20 Turnover	29.04.21 Turnover	PE31.12.21 Turnover	31.12.22 Turnover	Total
Reigns	£1,249,186	£550,416	£335,954	£244,745	£70,474	£208,963	£263,940	£2,923,678
Reigns: Her Majesty	£10,268	£137,305	£260,622	£157,543	£49,688	N/A	£88,210	£703,636
Reigns: Game of Thrones			£281,826	£287,010	£28,132	N/A	£32,175	£629,143
Reigns: Beyond				1,823,106	30,681	43,237		£1,897,024
Reigns: Three Kingdoms						£1,174,166		£1,174,166
Reigns Boardgame				£87,449	£24,862			£112,311
Reigns China		£11,319						£11,319
							Total	£7,451,277

76. At the hearing Mr Hicks pointed out that the number of units sold is quite substantial and that the game is not expensive and drew my attention to the evidence that there were 1.19 million iOS sales of the 'REIGNS' game, amounting to \$3.25 million of revenue. Whilst accepting that depending on the relevant date for the marks concerned, some of the columns in the table above might not be relevant, Mr Hicks also argued that the fourth column ending 30 April 2020 is partly relevant to the two marks at issue (whose relevant date falls in July 2019) because it covers the period between April 2019 and April 2020. However, since the turnover is not broken down by month, it would be a guess to try to allocate any proportion of the sales generated between April 2019 and April 2020 to the period before July 2019. Mr Hicks also said that his impression on reading the turnover evidence was that in the period between 2017 and 2019 most of the sales were made in relation to the first two games, and that after 2019 there were fewer sales of the first two games whilst the more recent games gained more market share.

77. The rest of Ms Alliot's first witness statement talks about awards, nominations and press attention attracted by NERIAL's game. In terms of awards, Ms Alliot states that the game has won the following awards and produces exhibit TA4 in support:

Award	Category	Year
Google Play Store	Most Innovative Game	2016
Ludicious	International Competition	2017
Google Play	Indie game contest	2018
Writers Guild award	Best Writing in a Video Game	2019

78. Furthermore, Ms Alliot states that the 'REIGNS' game was nominated for the following awards and produces exhibit TA5 in support:

Award	Category	Year
Apple	Game of the Year	2016
Unity Awards	Best Mobile Game	2016
Develop Awards	Use of Narrative	2016
BAFTA	Games Mobile Games	2017
BAFTA	Games Mobile Games	2019

79. Admittedly, the tables reproduced above do not say whether these awards were UK national awards or not. Nevertheless, the evidence contained in TA4 refers to 'REIGNS' winning *"the [Ludicrous] international competition at the Zurich Game Festival"*, and to the Writer Guild award being held in London on 14 January 2019, whereas it gives no clue as to where the Google Play awards were held. Likewise, TA5 indicates that 'REIGNS' was a runner-up for the Game of the Year category from the US App Store and a finalist for the Develop Awards 2016 which was held in Brighton. Lastly, whilst BAFTA being the British Academy Awards relates to the UK, TA5 gives no clue as to where the Unity awards were held. On this point, Mr Hicks advanced the submission that the computer games market is international and pointed out that 'REIGNS' won two awards on the Google Play Store and Google Play (in 2016 and 2018), stating that this is a significant win because the market concerned is global and these awards imply that NERIAL's reputation is also global. In addition, Mr Hicks argued that the collaboration with the well-known game 'Game of Thrones' has enhanced the reputation of NERIAL's game and that the people behind *"Game of Thrones would hardly work with people who they did not think were going to generate a reputation"*.

80. Similar deficiencies affect the evidence about the rating 'REIGNS' game has received on various platforms where it is available for purchase. It is not clear, in fact, how the rating is assigned (as the scores given seem to use different metrics) and whether it reflects the UK position:

Platform	Rating
Reigns - Apple Store	#3 in cards 4.7
Reigns - Google Play	4.5
Reigns - GOG.com	3.5
Reigns - Steam	'Very Positive' player reviews
Metacritic – Reigns – iOS	87
Metacritic – Reigns - PC	77
Metacritic – Reigns: Game of Thrones – PC	84
Metacritic – Reigns: Game of Thrones – iOS	84
Metacritic – Reigns: Game of Thrones – Switch	74
Metacritic – Reigns: Kings and Queens – Switch (<i>Value buy of Reigns and Reign: Her Majesty</i>)	77
Metacritic – Reigns: Her Majesty – iOS	81
Metacritic – Reigns: Her Majesty – PC	81

81. Finally, Ms Alliot provides examples of reviews and press coverage. Most of these reviews are from websites which end with a .com domain name, and in the absence of evidence on the point, it is not clear whether they are targeted at the UK. However, Mr Hicks very helpfully drew my attention to the following evidence which is UK focused:

- An online article from the Guardian newspaper dated 23 August 2018. It states: *“HBO announces new Game of Thrones video game. Reigns: Game of Thrones, by the award-winning developer of the Reigns series, will be released in October on Android, iPhones and PC”*. The article anticipates that the game will be released in October for £2.99 (\$3.99), on iPhones, Android and PC via Steam. Mr Hicks argued that the article contains a favourable review of the game; however, the article merely announces the release of the game whilst

describing it and commenting that *“the Reigns series is known for its dark sense of humour”*.

- An online review from the Guardian newspaper dated October 2018. It states: *“Reigns: Game of Thrones review death, disaster and dark magic on your phone”* and gives four stars out of five to the game. It states: *“The Reigns: Game of Thrones is available now; £3.99”*.
- A review from the website www.trustedreviews.com dated October 2018. Mr Hicks pointed out that it is a UK review with a price of £2.99 in UK. It states: *“Probably the best Game of Thrones game we have played to date. Incredible value no matter what format you are playing on”* describing the game as *“truly engrossing and it takes the already genius formula of the previous games”*. This, Mr Hicks argues, shows that that reviewer was aware of the previous games and is saying, essentially, it is a continuation of the previous games.

82. In her witness statement, Ms Alliot points to the following passage from the website www.forbes.com: *“Reigns is a critically acclaimed mobile series that boils its gameplay down to a series of tough decisions, one after another: you are the ruler of a kingdom, and everything you do is a trade-off between keeping people happy, staying wealthy, maintaining your army, and so on. It's all set up like Tinder: swipe left to start a war, swipe right to make a peace offering. It's a fascinating little concept that's caught on in the mobile gaming world, first with Reigns and second with Reigns: Her Majesty.”* Whilst I note the reference to ‘REINGS’ being an acclaimed mobile series, it is not clear that the website www.forbes.com is targeted at the UK.

83. In addition to the evidence above, Ms Alliot provided two further witness statements. At the hearing, Mr Hicks drew my attention to paragraph 7 of Ms Alliot’s second witness statement making the point that the aim of that evidence is to demonstrate that: (1) the games market is very large, (2) within that large market, there are some very successful and extremely large games developers and (3) within the same market, ‘REIGNS’ is nevertheless a substantial player as supported by the

evidence that NERIAL's game has won awards, has been reviewed in national newspapers, and has generated substantial sales.

84. Paragraph 7 of Ms Alliot's second witness statement refers to an article from Game Developer⁷ titled "*There are 44,000 game developers on Steam. Who are they?*" dated 2 March 2022, which, based on statistics from Video Game Insights and Steam, shows the revenue statics for games developers. She points out that the data shows that of 44,375 developers, on Steam, only 1,622 have earned more than one million USD (around 3.8%). In this connection, Mr Hicks took me back to the figures given by Ms Alliot about turnover for Steam pointing out that they are (cumulatively for the first three games) above one million USD. However, as noted above, these are global turnover figures which are not UK specific.

85. Mr Hicks further clarified that Ms Alliot's third witness statement primarily deals with the application for revocation for non-use, however, as far as reputation (and, I would add, enhanced distinctiveness) is concerned he relied on the following parts of that evidence:

- The game is available on all major games' platforms including Steam, Apple, Google Play and Netflix (paragraph 14).
- Ms Alliot provides the following table showing a breakdown turnover by country. Mr Hicks points out that the UK is the largest market, followed closely by France and Germany:

⁷ Exhibit TA-21

Country	in excess of total
UK	USD 730,000.00
France	USD 705,000.00
Germany	USD 510,000.00
Spain	USD 175,000.00
Italy	USD 435,000.00
Netherlands	USD 70,000.00
Poland	USD 65,000.00
Belgium	USD 65,000.00
Sweden	USD 60,000.00
Austria	USD 60,000.00
Denmark	USD 35,000.00
Finland	USD 30,000.00
Ireland	USD 30,000.00
Czech Republic	USD 25,000.00
Portugal	USD 15,000.00
Romania	USD 10,000.00
Hungary	USD 10,000.00
Slovakia	USD 8,000.00
Greece	USD 5,000.00
Bulgaria	USD 4,000.00
Estonia	USD 4,000.00
Latvia	USD 4,000.00
Lithuania	USD 4,000.00
Luxembourg	USD 6,000.00
Croatia	USD 3,000.00

Slovenia	USD 1,000.00
Malta	USD 1,000.00
Cyprus	USD 1,000.00
EU in excess of total:	USD 2,341,000.00
UK & EU in excess of total	USD 3,071,000.00

86. These figures, Ms Alliot says, indicates NERIAL's revenue for the relevant period of 27 September 2018 – 28 September 2023 for all the versions of the game, however, there is no way of knowing how much revenue was generated in the UK prior to the relevant date of 08 July 2019.

87. Lastly, in her third witness statement, Ms Alliot provides the following marketing figures; however, once again, they are not UK specific and relate to the five years period which is relevant for the revocation for non-use:

Game	In excess of total
Reigns Her Majesty	£160,000
Reigns Game of Thrones	£115,000
Reigns	£90,000
Reigns Beyond	£50,000
Reigns Three Kingdoms	£5,000

88. I will now draw the threads together.

89. I have already expressed my concerns about NERIAL's evidence about turnover and marketing spend. As I have discussed above, Ms Alliot's evidence fails to address the following questions: (a) how much revenue was generated by the sale or download of 'REIGNS' games in the UK prior to the relevant date? (b) how many units of 'REIGNS' games were sold or downloaded in the UK prior to the relevant date? and (c) how much did NERIAL spend to promote its 'REIGNS' game in the UK prior to the relevant date?

90. Admittedly, there are global turnover figures, but these, indeed, do not really assist, as the only use that is relevant for the purpose of establishing enhanced distinctiveness is UK use. Likewise, the sales figures showing that there were 93,400 downloads on IOS and 26,000 downloads on Apple Arcade appear to relate to units sold in the UK at the time when the first witness statement was drafted (i.e. 14 July 2023) which is 4 years after the relevant date. The same goes for the UK turnover figures provided by Ms Alliot in her third witness statement which relate to the relevant period of 27 September 2018 – 28 September 2023 and include turnover generated in the four years following the relevant date of 8 July 2019.

91. Furthermore, if one looks closely at the turnover figures, it is significant that; (i) the UK total turnover (\$730,000 which, at today rate, equates to approximately £535,000) is about 7% of the global turnover (£7.4 million); (ii) nearly half of the global turnover

(roughly £3million) was generated after the relevant date by games released in 2020 ('Reigns: Beyond' which generated a turnover of £1.8million in 2020 and 'Reigns: Three Kingdoms' which generated a turnover of £1.1million in 2021); (ii) the 'Game of Thrones' version of the game that was released in October 2018 - which Mr Hicks states has enhanced the reputation of NERIAL's game - was the least successful of the five games released with a global turnover of £629,143. Even taking the (generous) approach that some of the global turnover for 2019 should be allocated to the period before the relevant date of 8 July 2019, the total global turnover up to April 2020 would be about £2.8million, which means that applying the 7% rate I have worked out above, it would be less than £200k for the UK turnover: this would be far from significant in the context of the UK video game market.

92. It is true that the evidence about 'REIGNS' being awarded three British awards (i.e. two BAFTA awards and one Writer Guild award) and being a finalist for another UK award (i.e. Develop Awards 2016) and the reviews from the Guardian newspaper, relate specifically to the UK and are dated prior to the relevant date. However, even considering that evidence, it does not overcome the lack of crucial UK specific evidence about turnover, units sold, marketing spend and market share. Lastly, the assumed figures I have worked out doing my best with the evidence I have, suggest use on a small-scale. Taking all of this into account, I am not satisfied that at the relevant date of 8 July 2019, the distinctiveness of NERIAL's earlier mark had been enhanced to any material extent through use in the UK.

Likelihood of confusion

93. 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, including that a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective goods and vice versa. I must keep in mind the distinctive character of the earlier mark, the average consumer for the goods and the nature of the purchasing process. I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

94. Confusion can be direct or indirect. The difference between these two types of confusion was explained in *L.A. Sugar Trade Mark*, BL O/375/10, where Iain Purvis Q.C. (as he then was) 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 recognized 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).”

95. These three categories are not exhaustive. Rather, they were intended to be illustrative of the general approach.

96. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ approved Mr Purvis’s formulation but added:

“13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/219/16) at [16] ‘a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion’. Mr Mellor went on to say that, if there is no likelihood of direct confusion, ‘one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion’. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion.”

97. It is not sufficient that a mark merely calls to mind another mark: *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17. This is mere association not indirect confusion.

98. Earlier in this decision I found that:

- The goods objected to in class 9 are similar to NERIAL’s goods to a low to medium degree, whereas the goods objected to in class 28 are identical.
- The average consumer for the goods is a member of the general public who will select the goods visually with a medium degree of attention.
- The contested mark ‘REIGN’ and the earlier mark ‘REIGNS’ are visually, aurally and conceptually similar to a very high degree.

- Inherently, the earlier mark is distinctive to a medium degree and its distinctiveness has not been enhanced through use.

99. Bearing in mind the very high degree of similarity between the marks and the (only) medium level of attention deployed by the relevant public, I am of the opinion that this is one of those cases whereby there is a likelihood of direct confusion through consumers misreading or mishearing one mark for the other despite the low to medium degree of similarity between some of the goods concerned. The difference between the singular and plural version of the identical word 'REIGN' is likely to go unnoticed or be lost in the imperfect collection of the marks, there being no other difference capable of counteracting the very high degree of aural, visual and conceptual similarity between the marks. There is a likelihood of direct confusion under Section 5(2)(b).

100. The partial opposition under this ground is successful.

Section 5(3)

101. Section 5(3) of the Act states:

“5(3) A trade mark which –

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

102. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oreal v Bellure*, Case C-323/09, *Marks and Spencer v Interflora*, Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows:

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24*.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors, paragraph 26*.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Salomon, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the holder of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

103. The conditions of Section 5(3) are cumulative. Firstly, the opponent must show that the earlier mark and the applicant's marks are similar. Secondly, the opponent must show that the earlier marks have achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them in the sense of the earlier marks being brought to mind by the later mark. Finally, assuming the first three conditions have been met, Section 5(3) requires that one or more of the types of damage will occur. It is unnecessary for the purposes of Section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

104. The relevant date for the assessment under Section 5(3) is the priority date of the registrations at issue, being 8 July 2019.

Reputation

105. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

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

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation ‘in the Member State’. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation ‘throughout’ the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

106. Whilst enhanced distinctiveness and reputation are different, the factors relevant to both assessments are the same. For the same reasons given above, I consider that the opponent has not demonstrated a reputation in the UK at the relevant date. The claim under Section 5(3) fails accordingly.

107. At the hearing, Mr Hicks made the point that in relation to a pre-Brexit assessment, European sales are also relevant, but I do not think it is going to make any difference at all, because the deficiencies I have highlighted in relation to the UK turnover and marketing figures apply equally to the EU.

108. Further, in *In China Construction Bank Corporation v Groupement Des Cartes Bancaires*, BL O/281/14, Mr Iain Purvis Q.C. (as he then was), sitting as the Appointed Person, stated:

“40. [...] I believe that the ultimate decision under s5(3) was nonetheless correct. In order to succeed under s5(3), the opponent has to show either that the distinctive character or repute of its earlier mark would be damaged by reasonable and fair use of the mark applied for, or that such reasonable and fair use would take unfair advantage of the reputation of its earlier mark. The reasonable and fair use of the mark applied for can only be use in the United Kingdom, since this is the entire territorial scope of the application.

41. If the reputation of the earlier mark does not extend to the United Kingdom, it is difficult to see how (at least in the usual case) it could be damaged by use of a mark in the United Kingdom, or that such use could be said to take unfair advantage of the earlier mark. For one thing, the necessary ‘link’ between the marks in the mind of the average consumer which must be established in any case which relies on the extended protection (see *Adidas-Saloman v Fitnessworld* [2004] ETMR 10) would not exist. There is certainly no evidence in the present case which explains how any ‘link’ could be made in the UK absent of a reputation here.”

109. In *Iron & Smith kft v Unilever NV*, C-125/14, EU:C:2015:539, the CJEU held that:

“If the earlier Community trade mark has already acquired a reputation in a substantial part of the territory of the European Union, but not with the relevant public in the Member State in which registration of the later national mark concerned by the opposition has been applied for, the proprietor of the Community trade mark may benefit from the protection introduced by Article 4(3) of Directive 2008/95 where it is shown that a commercially significant part of that public is familiar with that mark, makes a connection between it and the later national mark, and that there is, taking account of all the relevant factors in the case, either actual and present injury to its mark, for the purposes of that provision or, failing that, a serious risk that such injury may occur in the future.”

110. It is apparent from the court's judgment that "a *commercially significant part of the [relevant] public*" is intended to cover a lesser but still significant degree of recognition of the EUTM in the Member State where the same or a similar trade mark has been applied for by a third party. This is confirmed by versions of the judgment in other languages. The French version says that a "commercially non-negligible" part of the relevant public in the Member State must be aware of the earlier CTM (now EUTM) and make a link with the later national trade mark.

111. It follows that where there is no awareness of the EU trade mark in the UK, or only a negligible level of awareness of it, the relevant UK public will not make the necessary 'link' between the EU mark and the later national mark. Consequently, the use of the national mark will not take unfair advantage of, or be detrimental to, the (EU) reputation and/or the distinctive character of the EU trade mark. This is such a case. The UK relevant public will have had no, or only a negligible, awareness of NERIAL's trade mark. In consequence, there is no prospect of a commercially significant part of the UK public making the link between the marks.

112. Since NERIAL has failed to establish a sufficient reputation, the discussion of its case under Section 5(3) should stop here. However, if I am wrong, the reputation enjoyed by NERIAL's earlier mark was, at best, moderate, and was in relation to a video game. I will now go on to consider the matter of whether the relevant public will make a link based on those assumptions. However, I will limit my consideration to the contested goods which have survived the Section 5(2)(b) attack.

Link

113. As I noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks

114. I adopt the same finding set out above as regards the visual, aural and conceptual similarity, which is very high.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public.

115. Whilst the Section 5(3) attack was originally directed against all of the goods for which RBC's marks are registered, at the hearing Mr Hicks withdrew the applications for invalidity against the following goods:

Class 6: all of the goods in this class.

Class 9: *Electric locks; work gloves in the nature of mechanics' gloves.*

Class 18: *umbrellas*

Class 21: all of the goods in this class.

Class 25: *work-out gloves*

Class 28: *resistance bands for exercise; jump ropes; toy cars; Surf boards; Snow boards; boxing gloves; mixed martial arts gloves; golf bags; punching bags; sports gloves; work-out gloves.*

116. For ease of reference, this leaves the following:

Class 9: *protective covers and cases for laptops; display screen protectors for providing shade and privacy specially adapted to electronic devices, namely, laptops; sunglasses; eyewear; sports helmets; cellphone battery chargers; cell phone cases; cell phone mounts; cables for charging; USB cables for cell phones; battery power banks for cell phones; portable cell phone mounts.*

Class 18: *Sports bags; gym bags; athletic bags; traveling bags; all-purpose carrying bags; backpacks; duffel bags; toiletry bags sold empty; luggage.*

Class 24: *Towels; blankets for outdoor use.*

Class 25: *Clothing; clothing, namely, tops, shirts, t-shirts, sweatshirts, hoodies, jackets, bottoms, pants, shorts, sports bras, bandanas, sweat bands, and gloves; headwear; hats; beanies; fingerless gloves; socks; footwear.*

Class 28: *remote control toys, namely, cars; cornhole game sets; cornhole game boards; cornhole bags; skate boards.*

117. Mr Hicks presented his case under this ground saying that the remaining goods might be divided into two general categories. The first category, he said, is the goods that are closely associated with video games and the like. These, Mr Hicks stated, are “*the ones that [NERIAL] has objected to under Section 5(2)*” and are in the same market segment as computer and video games as they are all consumer electronics and other games-type things. The other category of goods, Mr Hicks said, falls within the category of merchandise.

118. Whilst admitting that merchandise could include some goods in the same market segment, such as headphones, Mr Hicks said that NERIAL’s primary position is that the goods objected to in class 9 are in the same market segment as video games, clarifying that the merchandising argument was run only in relation to goods falling within different segments of the market, for example clothing, headwear, footwear and bags. In this connection, Mr Hicks relied upon the evidence that it is common practice in the gaming industry for owners of rights in successful games to seek the exploitation of their titles by producing merchandise.

119. I will pause here to make three observations.

Goods in classes 18, 24 and 25

120. First, Mr Hicks’ argument that the goods falling within the category of merchandise (i.e. the goods in classes 18, 24 and 25) belong to a different segment of the market implies an admission that the goods are dissimilar. I agree with Mr Hicks’ approach – these goods are dissimilar.

Goods in class 9

121. Second, RBC’s marks are protected for a range of goods in class 9 which are not the subject of the attack under Section 5(2)(b) and in relation to which Mr Hicks did

not withdraw the attack under Section 5(3), namely *protective covers and cases for laptops; display screen protectors for providing shade and privacy specially adapted to electronic devices, namely, laptops; sunglasses; eyewear; sports helmets; cellphone battery chargers; cell phone cases; cell phone mounts; cables for charging; USB cables for cell phones; battery power banks for cell phones; portable cell phone mounts*. Most of these goods being protective covers for electronic goods, helmets or items of eyewear are not electric goods. Further, whilst batteries for mobile phones and cables for charging batteries might be complementary to mobile phones, NERIAL's specification does not cover mobile phones as such, but only video games for mobile phones, which are one step removed. These goods have nothing in common with NERIAL's video games software and in the absence of any specific submission as to why these goods are similar to NERIAL's *mobile application software; mobile apps; electronic game software; electronic game software for wireless devices* (in class 9) and *interactive entertainment; online interactive entertainment; online computer game services; video game entertainment services; provision of computer games and video games* (in class 41), I find that they are **dissimilar**. The goods have a different nature, use, purpose, method of use, are neither complementary nor in competition, and do not share trade channels, the possible coincidence of non-specialist users being insufficient for a finding of similarity.

122. For the sake of completeness, I should say that in his skeleton argument, Mr Hicks argued that "*the average consumer will naturally form a link between Nerial's goods and services [and] these goods if branded with RBC's marks because they are the kind of goods that a games developer may expand into (directly or by licensing) or may wish to licence as official accessories or addons to the game*". Although the argument was not pursued in Mr Hicks' oral submission, I reject it. First, there is no evidence that games developers may expand into or licence *protective covers and cases for laptops; display screen protectors for providing shade and privacy specially adapted to electronic devices, namely, laptops; sunglasses; eyewear; sports helmets; cellphone battery chargers; cell phone cases; cell phone mounts; cables for charging; USB cables for cell phones; battery power banks for cell phones; portable cell phone mounts* as official accessories for a video game. Second, the argument muddles the similarity of the goods (which must be assessed based on the same *Canon* criteria which I have discussed when assessing the similarity of the goods under Section

5(2)(b)) with the issue of whether use of an identical or similar sign on the relevant goods is liable to create a link. The similarity of the goods is a question which must be posed and answered before one looks at the reaction the average consumer might have when encountering the conflicting (identical or similar) sign affixed to the relevant goods. In other words, the argument about the existence of a link cannot replace the assessment of the similarity of the goods, which must be carried out before the question of the link is considered.

Goods in class 28

123. Third, following Mr Hicks' withdrawal of the invalidity action against some of the registered goods in class 28, the remaining goods objected to in this class (as it will be recalled I am not listing the goods in class 28 in relation to which the Section 5(2)(b) ground has been successful) are *remote control toys, namely, cars; cornhole game sets; cornhole game boards; cornhole bags; skate boards*. I find that these goods are also one step removed from the goods relied upon by NERIAL under Section 5(3), namely *computer game and video game software; mobile application software; mobile apps; electronic game software; electronic game software for wireless devices* (in class 9) and services in class 41. Whilst the respective goods and services can all be used for the same general purpose of entertainment, they have a different nature, use and method of use; they do not share trade channels and are neither complementary nor in competition. These goods are dissimilar.

124. The relevant public for the goods is a member of the general public.

The strength of the earlier mark's reputation

125. If the opponent had a protectable reputation at the relevant date, it was for a video game called 'REIGNS'. Given the absence of UK specific evidence of turnover, market share and marketing spent targeted at the relevant date, and bearing in mind that the length of use is far from longstanding – as it will be recalled the video game was released only three years prior to the relevant date – and that, as Mr Norris pointed out at the hearing, the video game market is very large indeed, NERIAL's reputation was, at best, moderate. In this connection, Mr Norris referred to Lauren Kourie's

evidence that the video game Fortnite generated \$340million and was downloaded 6 million times in one month alone (i.e. December 2019);⁸ comparatively NERIAL's evidence that there was a combined total of 120,000 UK downloads (93,400 + 26,000) up to the date of Ms Alliot's first statement (i.e. 14 July 2023) and that the game generated a total UK and global turnover of USD 740,000 and £7.4million, respectively, in the 5 year period between 2018 and 2023 appear, admittedly, quite low.

126. The sign 'REIGNS' was known to indicate NERIAL's video game: this is how the game was identified on the relevant platforms and how the press and members of the public referred to it. Consequently, if NERIAL enjoyed any reputation in the UK in relation to the name 'REIGNS' it was only insofar as the said name was applied to a video game sold under that title. There is no evidence (or claim) that NERIAL had, at the relevant date, any reputation in the name 'REIGNS' in relation to any type of video game or in relation to video games at large.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use.

127. In NERIAL's game, the user assumes the role of a medieval monarch who rules a reign (or kingdom) and the game ends when the reign ends. The game continues with the player taking control of other reigns (i.e. the heirs' reigns). Consequently, the use of the plural 'REIGNS' in the title of NERIAL's video game denotes the fact that the game simulates a monarch ruling on multiple reigns. Inherently, the word 'REIGNS' is descriptive or low in distinctiveness as it describes a feature of, or the game, in relation to which it has been used. By the relevant date in 2019, NERIAL had released 3 different video games that had the common title 'REIGNS', although the second and the third title included the additional words 'Her Majesty' and 'Game of Thrones'. Such use is likely to have contributed to the sign 'REIGNS' acquiring secondary distinctiveness through use of the game title in multiple versions of the game (as opposed to a single game), and being regarded as referring to a particular game from a particular source; in this sense the sign 'REIGNS' can be said to convey origin

⁸ LK1

information.⁹ Accordingly, I consider that, as a result of the use made, 'REIGNS' had become distinctive to, at best, a degree between low and medium.

128. Insofar as my conclusion is inconsistent with my finding under Section 5(2)(b) that 'REIGNS' is inherently distinctive to a medium degree in relation to the registered goods, that finding is based on notional use of 'REIGNS' as a trade mark to denote the origin of any type of *mobile application software; mobile apps; electronic game software; electronic game software for wireless devices* (including software in relation to which the meaning of the word 'REINGS' is not relevant). Here, I should clarify, I am assessing the distinctiveness of 'REIGNS' based on its actual use as the title of video game which describes a feature of the game.

Whether there is a likelihood of confusion

129. As the goods and services are dissimilar, there cannot be any likelihood of confusion under Section 5(2)(b). However, it is possible under Section 5(3) for the reputation of an earlier mark to be such that the relevant consumer is likely to believe that the use of a contested mark in relation to dissimilar goods or services will be use of the same or a similar mark deriving from the same or a connected economic entity. A finding of this nature would result in a conclusion that there is a likelihood that the consumer will be confused as to the origin of the marks either directly or indirectly under this ground. This is how NERIAL has pleaded its case under Section 5(3), claiming that the relevant public will believe that RBS's marks are being used by NERIAL and/or that there is an economic connection between the parties, such as a license.

130. Wadlow¹⁰ states that in cases concerning descriptive titles, differences in the goods themselves are given far more weight here than is usual in any other field of business. Though the comments were made in the context of passing off, I think the

⁹ See *Games Workshop Ltd v Transworld Publishers Ltd* [1993] F.S.R. 705 CA. where in considering alleged trade mark infringement, the CoA held that use of words as the title of a series of books is significantly different from use of the words as the title of a single book, and might be considered comparable to the title of a periodical magazine, which has been held to be used as a trade mark.

¹⁰ The Law of Passing-Off 6th Ed. Chapter 8 – Signs Section F. - Titles 8-247

same logic applies to cases under Section 5(3) when assessing whether there is a likelihood of confusion for the purpose of establishing a 'link'.

131. Further, it is important to consider the specific characteristics of the games market.

132. At the hearing, Mr Hicks referred to Ms Alliot's evidence that "*it is common practice in the gaming industry for rights owners in successful games to exploit the popularity of well-known game titles, trade marks and other signs and indicia that are used in, or in connection with, the game by producing or licensing a wide array of merchandising*". In support of this claim, Ms Alliot exhibits examples of game merchandise including (a) a M&S collection of clothes featuring the name of the video game POKEMON and its characters, (b) a SMYTH collection of toys based on POKEMON including plush toys, figurines, trading cards, playsets, cameras, books, watches and a controller for Nintendo (c) examples of merchandise relating to other video games including DUNGEON AND DRAGON and DOOM (both from the website www.empt.uk), SUPER MARIO (from M&S but also from the UK Nintendo store), YU-GI-OH (from the website www.tokyotoys.com), PAC-MAN (from the website www.pacman.com), MINECRAFT (from the website www.shop.minecraft.net), and FORTNITE (from the website www.next.co.uk). Ms Alliot also exhibits an example of "*official brand merchandise*" released by NERIAL consisting of a board game.

133. I stop here for a moment to remark that the evidence of merchandise filed by Ms Alliot is undated, the only visible date being the printing date of 8 July 2023; it being 4 years after the relevant date, such evidence is not particularly pertinent. Further, Mr Norris said Ms Alliot's evidence relates to small group of games developers and does not establish that it is common practice in the video game market for games developers to sell merchandise; plus, the merchandise argument could apply to any case before this Tribunal. Mr Hicks replied that since Ms Alliot's evidence is unchallenged it should be accepted at face value. I reject this proposition. Ms Alliot is the CEO of NERIAL and her evidence is not expert evidence; hence, in the absence of sufficiently strong support for her claims I do not have to accept them. But even more material in the consideration of the present question is, in my view, that only some of the examples of merchandise goods produced in evidence is qualified as

“official merchandise”- this implies that not all merchandise come from an official source, i.e. the originator of the game and the entity owing the IP rights in the game and the characters. That does not assist NERIAL’s case. I say this because such evidence corroborates my impression that the use of titles and characters in merchandise does not always denote to the trade and the public products which emanate from the official source (or their licensees): it is not, therefore, trade mark use. For example, in the evidence reproduced below, is use of the name POKEMON and the image of a POKEMON character by M&S use under a licence? And linked to this, is it use as a trade mark, or is it intended as purely decorative?



£12
M&S COLLECTION
Pure Cotton Pokémon™ T-Shirt (6 - 16 Yrs)



£9
M&S COLLECTION
Pure Cotton Pokémon™ T-Shirt (3-8 Yrs)

134. As Mr Justice Briss noted in *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors* [2014] EWHC 439 (Ch) (25 February 2014):

“Problems with merchandising
[...]

69. The essential problem in all these cases is one of fact. The question is always concerned with what the relevant sign signifies to the average consumer (or equivalent in a passing off case). When famous names or images are applied to merchandise they are not necessarily being used as indicators of origin of the goods at all. As Richard Arnold QC (as he then was) noted in *LINKIN PARK*, referring back to *TARZAN*, what better way is there to describe a poster depicting the band LINKIN PARK as a “LINKIN PARK poster”. So if one imagines a consumer asking in a shop for a LINKIN PARK poster, in that context the mark is being used descriptively and it would be difficult if not impossible for a trader to sell such a poster without calling it a LINKIN PARK poster.”

135. Further, Kerly's Law of Trade Marks and Trade Names 17th Ed¹¹ states as follows (emphasis added):

“16-123 - Famous trade marks are often used on t-shirts or other merchandise: these being goods which are not similar to any goods sold by the registered proprietor. Traditionally such use might not even be considered trade mark use, let alone use which is calculated to cause confusion as to the origin of the goods. However, it seems such use is likely to be considered to fall into that area between the extremes of distinctiveness and descriptiveness identified by Lord Walker in *Arsenal*. In such cases it is to be anticipated that the courts may be more willing than hitherto to find that such use is both trade mark use and use which is likely to establish a “link” between the sign and the registered mark. Also, it may well result in the traders in such goods unfairly benefiting from the reputation of the registered proprietor.”

136. In footnote 325 Kerly's goes on to explain (emphasis added):

“Although not a legitimate aid to interpretation it is interesting that this was recognised at the Committee stage of the Bill (see, HL Official Report, Public

¹¹ Chapter 16. – Infringement Section 4. - The Categories of Infringement (3) - Section 10(3)/art.9(2)(c): Where the Use of the Sign Without Due Cause Takes Unfair Advantage of, or is Detrimental to, the Distinctive Character or the Repute of the Trade Mark The Specific Conditions for Infringement Merchandising

Bill Committee, Trade Marks Bill, Second Sitting, 18 January 1994, cols 35 and 36). Similarly in the White Paper, Reform of Trade Marks Law, September 1990, it was noted at para.3.17: “A trade mark may acquire such a wide reputation in relation to particular goods that its use in relation to quite different goods is likely to lead the public into thinking that there is a trade connection. This is probably more so today, when consumers have grown accustomed to supermarkets selling a wide range of goods, or to manufacturers of unrelated goods who are part of the same economic group, than it was when the present law was passed in 1938. Moreover there has grown up the practice of using familiar trade marks to decorate such goods as T-shirts. If the owner of such a mark has no redress then other traders are able to benefit unjustly from his reputation. He may also be denied the opportunity to diversify the exploitation of his mark.”

137. The *Arsenal* case to which Kerly's refers was an infringement case relating to the sale outside Arsenal football club's ground of "unofficial" club merchandise. In that case the claimant had brought infringement proceedings under Section 10 of the Act and claimed passing off. The defendant argued that the signs had not been used as trade marks indicating trade origin, but were merely a sign of affiliation to the claimant's football club. Questions were referred to the ECJ as to whether the claimant should be able to prevent the use as signs of affiliation. The ECJ ruled that, in the circumstances, the claimant would be entitled to prevent the use of signs identical to its trade marks on goods for which the mark was registered, however, the judge felt that he was not bound by the ECJ's ruling in favour of the claimant and ruled for the defendant. In allowing the appeal, the Court of Appeal observed that the questions referred by the judge to the ECJ were based on the view that the issue of infringement would depend upon whether the use complained about was trade mark use, in the sense that the use indicated the origin of the goods. The ECJ concluded that that was not the relevant consideration and held that registration of a trade mark gave the proprietor a property right and the relevant consideration was whether the use complained of was likely to damage that property right or was likely to affect or jeopardise the guarantee of origin that constituted the essential function of the mark. That did not depend on whether the use complained of was trade mark use. The Court of Appeal found that the defendant's use of identical signs would affect the essential

function of the registered marks as a guarantee of origin and the infringement case was successful.

138. The conclusion that I draw from the above is that use of a famous sign or well-known character on merchandise is not automatically trade mark use indicating the origin of the goods to which it is affixed – the *Arsenal* case says, in fact, that merchandise use can be infringing even if it not trade mark use. Whether or not such use is trade mark use depends on the evidence of the case, but traditionally, use on merchandise is decorative and is not understood by the trade or the public to denote origin. That is the reason why disputes involving merchandise do not usually arise in invalidities or oppositions, but are more common in infringement proceedings with parties filing evidence about how a sign has been used in the course of trade. Such evidence would be filed either to support a claim to goodwill in a sign or character (for example in *Hearst Holdings* the claimant claimed that they were the only legitimate source of Betty Boop merchandise in the UK and that defendants had committed acts of trade mark infringement and passing off, whereas the defendant argued that The Betty Boop imagery appearing on the goods was purely decorative, making no representation about trade origin and so could not infringe) or an attack against the use of a sign or character on merchandising (for example, in the *Arsenal* case). Either way, evidence needs to be filed.

139. This leads me to the next two observations.

140. First, the use which NERIAL alleges would give rise to confusion, i.e. the use in relation to merchandise, does not fall within fair and notional use of RBC's contested trade marks in relation to the goods for which these marks are protected. Use of RBC's trade marks on the registered goods must be use to denote the origin of the goods (i.e. use as a trade mark on labels, tags and packaging), not decorative use on merchandise. Whilst it is possible that use on merchandise is also trade mark use, as I have said, that would require specific evidence, but notional and fair use of RBCs registered marks in relation to the registered goods does not cover use on merchandise because the latter is not, by definition, trade mark use. For this reason alone, I reject NERIAL's case that use by RBC of the contested marks on merchandise would lead consumers to mistakenly believe that RBC's goods are provided (or

licensed) by NERIAL; this is because such use does not fall within notional and fair use of RBC's trade marks.

141. Second, I agree with Mr Norris that if Mr Hicks was right, the argument about merchandise could effectively be used by any trade mark owner to stretch the reach of Section 5(3), by arguing, for example, that the relevant public would regard goods in a different field of activity as merchandise originating from, or being approved by, the same source, even in circumstances whereby the trade mark owner has not produced any merchandise at all, reducing significantly the hurdle of showing that the link and damage are operative in cases involving dissimilar goods.

142. If I am wrong, I consider that the moderate level of reputation which NERIAL enjoyed at the relevant date and the fact that NERIAL's earlier mark is not registered for goods identical to those in relation to which the merchandise argument is run, is insufficient to bridge the gap between the dissimilar goods at issue and the average consumers will not be confused as to the origin of the goods. Even if a link is made, it will be so fleeting as not to cause any damage (though this goes beyond the pleaded case which is that the only link made will be a link which causes confusion as to the origin of the goods). The same applies to the goods in class 9 which I found to be dissimilar and which Mr Hicks described as falling outside the merchandise category.

143. Lastly, at the hearing Mr Hicks drew my attention to what he described as the evidence of a link. Interestingly, having conceded that RBC did not suggest that this is a case where there has been a presence in the market for the goods concerned which could point to a lack of likelihood of confusion or a lack of making a link, Mr Hicks then argued that there is evidence of a link being made albeit not between the goods in question, because they do not necessarily exist on the market. In particular, Mr Hicks referred to the evidence of comments made on social media such as Reddit and Twitter querying whether there is a connection between the game 'REIGNS' and 'REIGN' energy drink.¹² As RBC's marks are not registered for energy drinks, this evidence does not take NERIAL's case any further.

¹² TA14

144. The invalidity applications against the trade marks nos. 3456076 and 918177339 based on Section 5(3) fail.

Section 5(4)(a)

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

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

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa)

(b)

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

146. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

147. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the Jif Lemon case (Reckitt &

Colman Product v Borden [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

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

148. At the hearing Mr Hicks conceded that the Section 5(4)(a) challenges are extremely similar to the Section 5(3) ones, although the difference is that NERIAL must show goodwill, misrepresentation and damage. The sign and the goods relied upon under this ground are the same as those relied upon under Section 5(3) and the invalidity attack under this ground is directed at the same goods as those against which the Section 5(3) attack is directed. The relevant date for the assessment under this ground is also the same as that for the assessment under Section 5(3) and the evidence relied upon to show goodwill is the same as that supporting the claim of reputation.

149. I have found that, at the relevant date, NERIAL had no actional reputation. But in the alternative scenario, I found that it had, at best, a moderate reputation in the UK in relation to a video games called 'REIGNS'. Despite 'REIGNS' describing a feature of, or the game, in relation to which the word has been used as a title, I have found that by the relevant date in 2019, NERIAL had released 3 different video games that had the common title 'REIGNS', and that such use is likely to have contributed to the sign 'REIGNS' acquiring secondary distinctiveness through use of the game title in multiple versions of the game (as opposed to a single game), and being regarded as referring to a particular game from a particular source. Accordingly, I find that NERIAL, as the developer of the game, had generated sufficient goodwill to sustain an action for passing off at the relevant date.

150. Turning to the requirement of misrepresentation, there is no rule that the parties must operate in the same field of activity, however, this does not mean that the closeness or otherwise of respective fields of activity is irrelevant. The more remote the activities of the parties, the stronger the evidence needs to be to establish misrepresentation and the real likelihood of damage. Further, as I have discussed above, I have rejected the argument about use of RBC's marks in the context of game merchandise as I am not convinced that such an argument can be run in opposition and invalidity proceedings – the latter must be assessed on the basis of what notional and fair use of a mark covers and, in my view, it does not cover use on merchandise.

151. Taking into account all of the above, my conclusion is that looking at the matter from this perspective, there is no link between the production of a video game and the manufacture of RBC's goods in classes 9, 18, 24, 25 and 28. Accordingly, the goods are too dissimilar to cause any misrepresentation and damage despite the similarity of the signs.

152. Accordingly, the opposition under Section 5(4)(a) fails.

153. The overall outcome of the invalidity applications against RBC's two word-only trade mark registrations nos. 3456076 and 918177339 is as follows:

- The partial objection under Section 5(2)(b) against some of the registered goods in class 9 and 28 is successful.
- The objections based on grounds under Section 5(3) and 5(4)(a) fail inasmuch as they relate to the remaining goods in classes 9, 18, 24, 25, and 28 which will remain registered (as well as the other goods in relation to which the Sections 5(3) and 5(4)(a) attacks have been withdrawn).

154. Accordingly, RBC's registrations nos. 3456076 and 918177339 are declared invalid from their filing dates and will be cancelled in relation to the following goods:

Class 9: *Earphones; wireless earphones headphones; wireless headphones; wireless speakers; audio speakers; smart watch; wearable activity trackers.*

Class 28: *video game interactive remote control units; video game controller joystick, thumbstick and control-pad extensions.*

THE OPPOSITION AGAINST RBC'S WORD-ONLY TRADE MARK APPLICATION NO. 3620178.

155. For the same reasons as those I have discussed in the invalidity applications against RBC's word-only marks nos. 3456076 and 918177339, the outcomes of the Section 5(3) and 5(4)(a) grounds apply *mutatis mutandis* to the opposition against RBC's word-only trade mark no. 3620178.

156. The only difference between this mark and the mark nos. 3456076 and 918177339 is that this mark contains the additional words 'TOTAL BODY FUEL' after the word 'REIGN', which makes it less similar to the earlier mark than the word 'REIGN' alone (the latter being the only element of the marks nos. 3456076 and 918177339).

157. The goods for which this mark seeks registration are *Clothing; headwear; footwear* in class 25 and my finding about the dissimilarity between these goods and NERIAL's goods and services also apply here, as well as the reasons why I have rejected the argument about merchandising.

158. Finally, the relevant date in the opposition against this mark is 8 October 2020, which is just over one year after the relevant date in the invalidity applications against trade mark nos. 3456076 and 918177339 (i.e. 8 July 2019) and does not make any material difference to my finding about reputation and goodwill, the additional one year of trade not changing my conclusion about the reputation being, at best, moderate.

159. Accordingly, the opposition based upon Section 5(3) and 5(4)(a) against RBC's word-only trade mark application no. 3620178 fails in its entirety.

THE INVALIDITY AGAINST RBC'S FIGURATIVE TRADE MARK REGISTRATION NO. 3669218

160. RBC's trade mark no. 3669218 is a figurative mark incorporating a highly stylised figurative element which will be perceived as a crown placed above the word 'REIGN' as shown below:



161. The relevant date for the assessment of reputation and goodwill in the invalidity action against this mark is the priority date of 20 January 2021. For the reasons which I have set out above, this does not make any material difference to my finding about reputation and goodwill. The level of reputation was moderate.

162. The only difference between this mark and the mark nos. 3456076 and 918177339 is that it contains an additional figurative element: this makes it less similar to the earlier mark than the word 'REIGN' alone (the latter being the only element of the marks nos. 3456076 and 918177339). Whilst Mr Hicks made a point that the figurative element of this mark is highly similar to an image used by NERIAL in its video game, as Mr Norris correctly pointed out, that is not part of the earlier right relied upon under Section 5(3) and is not something that I should take into account when assessing the ground under Section 5(3). This also goes for the ground under Section 5(4)(a) which relies on the sign 'REIGNS' and the figurative sign separately, rather than in conjunction.

163. Finally, the goods for which this mark seeks registration are *Clothing; headwear; footwear* in class 25 and my finding about the dissimilarity between these goods and

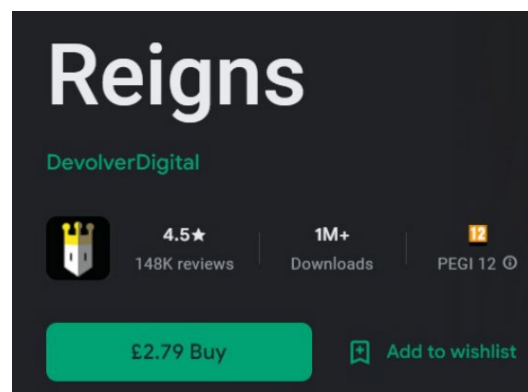
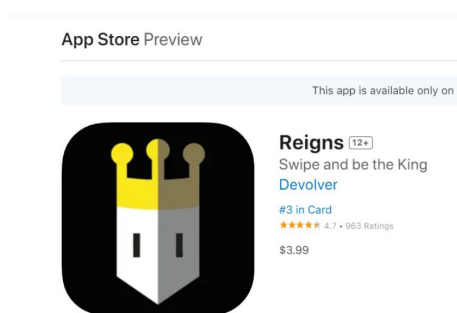
NERIAL's goods and services also applies here, as well as the reasons why I have rejected the argument about merchandising.

164. Accordingly, the invalidity against RBC's figurative trade mark registration no. 3669218 based on Section 5(3) and that based on Section 5(4)(a) which relies upon the sign 'REIGNS' fails.

165. I should add some comments about the invalidity action based on Section 5(4)(a) which relies on the figurative sign shown below:




166. The evidence indicates that this is the game logo used to identify NERIAL's 'REIGNS' game on the various platforms from which it can be downloaded as shown below:



167. Most of this evidence about such use is undated and consists of copies of webpages printed after the relevant date. Admittedly, some of the evidence is dated


prior to the relevant date,¹³ however, part of it refers to a board game, rather than a video game and NERIAL does not rely on board games under this ground.

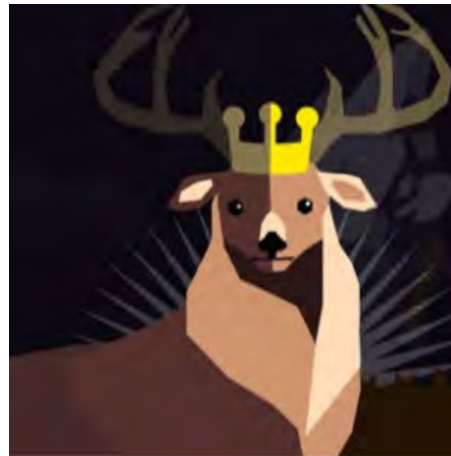
168. In order to establish that the figurative sign identifies the video game ‘REIGNS’ and that NERIAL had, at the relevant date, goodwill associated with it, the evidence should have established, at least, that prior to the relevant date the sign was what UK users would see when downloading the game but also, as Mr Norris argued, that consumers had been educated to see the sign as having trade mark significance (as opposed to being an image from the game). However, the documents that have been produced do not show that. In this connection, Mr Norris made the point that the evidence filed shows use of other images as well as game logos (shown below) which are different from the figurative sign relied upon and relate to different games:¹⁴

	REIGNS
	REIGNS: HER MAJESTY
	REIGNS: GAMES OF THRONES
	REIGNS: BEYOND

¹³ TA-37 page 6 (board game).

¹⁴

	REIGNS: THE THREE KINGDOM
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169. I agree with Mr Norris that the average consumer would see these images and the unregistered sign relied upon as decorative images from the games and would not attribute to them any trade mark significance.

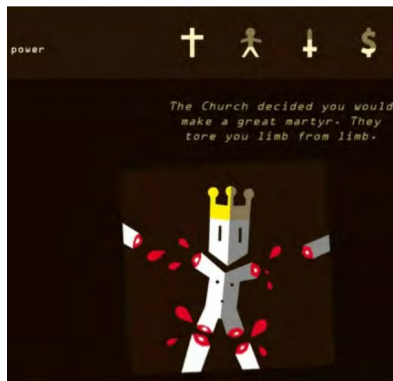
170. Hence, my primary finding is that NERIAL has not demonstrated that it had sufficient goodwill in the sign to sustain an action for passing off. If I am wrong, NERIAL's case under Section 5(4)(a) cannot be more successful than that based on the sign 'REIGN' (which has failed) for the following reasons.

171. Whilst I have concluded that NERIAL's sign 'REIGNS' is highly similar to RBC's sign 'REIGN', NERIAL's figurative sign is visually dissimilar to the figurative element of RBC's mark. Mr Hicks did not spend a lot of time in identifying where the similarities between the two figurative elements lie, but I think the differences are quite obvious in that although they might both represent a stylised crown, they do so in a distinctly different manner. First, the three peaks on the uppermost part of the crown are angular in RBC's logo, and circular in NERIAL's logo. Second, RBC's logo is black, whereas NERIAL's logo is yellow and white against a black background. Third, NERIAL's logo

is so stylised that it looks like both a castle with two windows and a king's face with two eyes wearing a yellow crown:

RBC's logo	NERIAL's unregistered game logo
	

172. Furthermore, the image below confirms my impression that NERIAL's logo represents the head of the king in the game, and it is how players of the game will see it:



173. Such impression has no counterpart in RBC's logo.

174. Accordingly, for all of the reasons I have mentioned above, the ground of opposition under Section 5(4)(a) based on the figurative signs also fails.

THE OPPOSITION AGAINST RBC'S FIGURATIVE TRADE MARK APPLICATION NO. 3620182.

175. I extend the finding above to the opposition against RBC's figurative mark no. 3620182 which, for ease of reference, I reproduce below:



176. The relevant date for the assessment of reputation and goodwill in the opposition against this mark is the priority date of 8 October 2020. For the reasons which I have set out above, this does not make any material difference to my finding about reputation and goodwill.

177. The only difference between this mark and the figurative mark no. 3669218 is that it contains the additional words 'TOTAL BODY FUEL' – if anything this makes it less similar than the figurative mark no. 3669218 to NERIAL's signs. The grounds pleaded and the signs relied upon in this opposition are the same as those in the invalidity against RBC's figurative trade mark registration no. 3669218.

178. Finally, the goods for which this mark seeks registration are *Clothing; headwear; footwear* in class 25 and my finding about the dissimilarity between these goods and NERIAL's video games (with which reputation and goodwill are associated) also apply here, as well as the reasons why I have rejected the argument about merchandising.

179. Accordingly, the opposition against RBC's figurative trade mark application no. 3620182 based on Sections 5(3) and 5(4)(a) fails in its entirety.

THE REVOCATION FOR NON-USE

180. Section 46 of the Act states:

"46. - (1) The registration of a trade mark may be revoked on any of the following grounds-

(a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c) [...]

(d) [...]

(2) For the purpose of subsection (1) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) [...]

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existing at an earlier date, that date”.

181. Given that NERIAL’s earlier trade mark is a comparable mark, paragraph 8 of part 1, schedule 2A is relevant. It reads:

“8.— Non-use as defence in infringement proceedings and revocation of registration of a comparable trade mark (EU)

(1) Sections 11A and 46 apply in relation to a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the period of five years referred to in sections 11A(3)(a) and 46(1)(a) or (b) (the "five-year period") has expired before [IP completion day]—

(a) the references in sections 11A(3) and (insofar as they relate to use of a trade mark) 46 to a trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in sections 11A and 46 to the United Kingdom include the European Union.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before [IP completion day]—

(a) the references in sections 11A(3) and (insofar as they relate to use of a trade mark) 46 to a trade mark, are to be treated as references to the corresponding EUTM ; and

(b) the references in sections 11A and 46 to the United Kingdom include the European Union”.

182. Section 100 is also relevant, which reads:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

183. In *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:

“105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C-720/18 and C-721/18 *Ferrari SpA v DU* [EU:C:2020:854].

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark,

including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

[...]

107. [...] The General Court of the European Union has repeatedly held that genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned: see e.g. Case T-78/19 *Lidl Stiftung & Co KG v European Union Intellectual Property Office* [EU:C:2020:166] at [25]. It has also repeatedly held that the smaller the commercial volume of the exploitation of the mark, the more necessary it is for

the proprietor to produce additional evidence to dispel any doubts as to the genuineness of its use: see e.g. *Lidl* at [33].”

184. Proven use of a mark which fails to establish that “*the commercial exploitation of the mark is real*” because the use would not be “*viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services protected by the mark*” is not, therefore, genuine use.¹⁵

185. As I have set out above, NERIAL’s earlier mark is a comparable mark based upon an earlier EU Trade Mark (“EUTM”). This means that use of this mark in the EU prior to (and including) IP Completion Day (being 31 December 2020) is relevant to the present assessment.¹⁶ By virtue of being a Member State prior to this date, the UK still forms part of the relevant territory of the EU. From 1 January 2021 onwards, however, the relevant territory is the UK only.

186. With regard to assessing use within the EU (for the purpose of the earlier comparable marks), I also bear in mind that in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, the CJEU found that while use of a Community trade mark in one member state could suffice to establish genuine use in the Community, “*all facts and circumstances*” should be considered including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity.¹⁷

187. I have set out the relevant periods above when discussing the basis of the revocation action. For ease of reference, I remind myself that the first and the second relevant periods nearly totally overlap being 28 September 2018 to 27 September 2023 and 20 October 2018 to 19 October 2023.

¹⁵ *Jumpman*, Case BL O/222/16

¹⁶ See paragraph 4 of Tribunal Practice Notice 2/2020

¹⁷ See also *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52 (paragraphs 228-230) and Case T-398/13, *TVR Automotive Ltd v OHIM* (paragraph 57)

Genuine use

188. Both parties agreed that there has been use in relation to video games, though Mr Hicks also argued use for a board game. The only contentious point in relation to class 9 was what would be a fair specification in light of that use.

Fair specification

189. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

190. In *Merck KGaA v Merck Sharp & Dohme Corp & Ors* [2017] EWCA Civ 1834 the Court of Appeal set out the proper approach to partial revocation, as follows:

“245. First, it is necessary to identify the goods or services in relation to which the mark has been used during the relevant period.

246. Secondly, the goods or services for which the mark is registered must be considered. If the mark is registered for a category of goods or services which is sufficiently broad that it is possible to identify within it a number of subcategories capable of being viewed independently, use of the mark in relation to one or more of the subcategories will not constitute use of the mark in relation to all of the other subcategories.

247. Thirdly, it is not possible for a proprietor to use the mark in relation to all possible variations of a product or service. So care must be taken to ensure this exercise does not result in the proprietor being stripped of protection for goods

or services which, though not the same as those for which use has been proved, are not in essence different from them and cannot be distinguished from them other than in an arbitrary way.

248. Fourthly, these issues are to be considered having regard to the perception of the average consumer and the purpose and intended use of the products or services in issue. Ultimately it is the task of the tribunal to arrive at a fair specification of goods or services having regard to the use which has been made of the mark.

249. This approach does strike an appropriate balance. It gives effect to the clear intention of the EU legislature that marks must actually be used or, if not used, be subject to revocation. [...] It is also fair to proprietors for it does not require a proprietor to prove that he has used his mark in relation to all possible variations of the goods or services covered by its registration but only those which are sufficiently distinct to constitute coherent categories or subcategories. I am also satisfied that it gives appropriate protection to the legitimate interest of a proprietor in being able in the future to extend his range of goods or services within the scope of the terms describing the goods or services for which its mark is registered.”

191. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch) at [47], the late Carr J pointed out that it is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do; for example, in *Pan World Brands v Tripp Ltd (Extreme Trade Mark)* [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally.

192. Mr Norris submitted that a fair specification should be *Downloadable computer and video games for wireless devices* in class 9. He also argued that the use shown in relation to video games does not justify NERIAL retaining protection for services in class 41 and that the use in relation to board games is not sufficiently extensive to retain protection for such goods.

193. Mr Hicks submitted that there has been use for computer games and board games and argued that even if the video game had been made available only on a platform for mobile phones and wireless devices, the specification of goods should not be cut down purely to that, because the question is “*what would the average consumer describe the goods as?*”. In addition, Mr Hicks made the point that the game had been available on non-mobile devices, referring to the evidence that the game was available on a Window platform and PCs via Steam. ¹⁸

194. In relation to the services in class 41, Mr Hicks accepted that the user would obtain the video game in the form of downloadable software but argued that in the case of computer games it is very difficult to distinguish between goods in class 9 and services in class 41, because “*as far as the consumer is concerned, they do not really know what happens, they buy a game and somehow it arrives on their PC or on their mobile device*” but it is not clear to the average consumer whether they are purchasing a service or the goods. For goods in class 28, Mr Hicks claimed that a fair specification should be *Board games; game cards; parts and fittings for all the foregoing*.

195. In relation to board games, Mr Hicks drew my attention to the global figures given in the table at paragraph 23 of Ms Alliot’s first witness statement. It shows that global sales of ‘REIGNS’ boardgame were £87,499 in 2020 and £24,862 in 2021. However, since these are global turnover figures it is impossible to allocate any proportion of those sales to the UK or the EU. Mr Hicks also referred to paragraph 32 of Ms Alliot’s third witness statement which states that “during the campaign”, 1,950 units were sold to customers in Europe. This is the best evidence NERIAL has provided in relation to boardgames, because it shows at least the number of units sold in the relevant EU territory however it is not clear when these units were sold. Admittedly, Ms Alliot refers to the ‘REIGNS’ boardgame being launched in 2019 - it could be argued that “the campaign” is the launching campaign and that this was run in the months before the launch of the game in 2019; however, this is not what Mr Hicks (or Ms Alliot) said, and I am not prepared to make such an assumption. Further, there is no evidence or narrative which explains how the goods were sold, to whom they were sold or by whom they were sold. Accordingly, I am not persuaded that the use shown is sufficient to

¹⁸ TA6, page 56 and TA7 page 82

establish genuine use in the relevant territory during the relevant period. The registration is revoked in relation to all of the registered goods in class 28, namely *Toys, games; game sets; game cards; parts and fitting for all the foregoing*.

196. Turning to the goods in class 9, I consider that the use shown on video games software is not sufficient for NERIAL to retain protection for the terms *software* and *downloadable software* which are extremely broad and cover any type of software. The same goes for the terms *mobile application software; mobile apps* which cover any type of mobile application. The registration is revoked in relation to these goods.

1927 However, I consider that the registered terms *Computer game and video game software; electronic game software; electronic game software for wireless devices* are how the average consumer would refer to the goods in relation to which the mark has been genuinely used, and I accept Mr Hicks point that the evidence shows use on game software not restricted to mobiles.

198. Finally, whilst the relevant public purchasing or downloading a video game from the Internet is likely to perceive the provision of the platform from which the game is downloaded (i.e. Google Play Store) as the provision of an online game service (as opposed to the downloadable game software in itself being perceived as things or goods), I think there is strength in Mr Hicks' submission that it is very difficult to distinguish between goods in class 9 and services in class 41 in this field. This is because, contrary to tangible goods, game software goods are not tangible, and it is not easy from the public's point of view to distinguish between the "goods" and the "services". I think, for example, to the fact that reviewers might complain about or praise the actual game, rather than the platform from which the game is downloaded, which, in turn, mean that the game is also seen as part of the service. Accordingly, I consider that the following services are not in essence different from the goods in relation to which the mark has been used:

Class 41: *online computer game services; video game entertainment services; provision of computer games and video games.*

199. Accordingly, NERIAL's trade mark registration no. 917903788 will remain registered for the following goods:

Class 9: *Computer game and video game software; electronic game software; electronic game software for wireless devices.*

Class 41: *online computer game services; video game entertainment services; provision of computer games and video games.*

200. NERIAL's trade mark registration no. 917903788 is revoked for the remaining goods, namely those listed below, with effect from 28 September 2023:

Class 9: *Software; mobile application software; mobile apps; software development tools; computer game and video game cartridges, CDs, DVDs and other data carriers; computer game and video game discs; downloadable software; electronic publications.*

Class 28: *Toys, games, playthings and novelties; dolls; plush toys; video game and computer game apparatus; arcade video game machines; handheld computer games; game sets; board games; dice; game cards; parts and fitting for all the foregoing.*

Class 41: *Entertainment; interactive entertainment; online interactive entertainment; organising and conducting contests and competitions for computer games and video games; providing online news and information in the field of computer games and video games; conducting exhibition events for entertainment purposes; screenplay writing; information, advisory and consultancy services relating to all the foregoing.*

OVERALL OUTCOME

201. **The oppositions against RBC's trade mark applications nos. 3620182 and 3620178 fail in their entirety. These marks will proceed to registration.**

202. The application for a declaration of invalidity against RBC's trade mark registration no. 3669218 fails in its entirety. This mark will remain registered as it stands.

203. The applications for a declaration of invalidity against RBC's trade mark registrations nos. 918177339 and 3456076 are partially successful. These registrations are declared invalid and are deemed as if they were never made in relation to the following goods:

Class 9: *Earphones; wireless earphones headphones; wireless headphones; wireless speakers; audio speakers; smart watch; wearable activity trackers.*

Class 28: *Video game interactive remote control units; video game controller joystick, thumbstick and control-pad extensions.*

204. However, they will remain registered as they are for the remaining goods, namely:

Class 6: *Metal locks; metal padlocks; padlocks formed primarily of metal.*

Class 9: *protective covers and cases for laptops; display screen protectors for providing shade and privacy specially adapted to electronic devices, namely, laptops; sunglasses; eyewearsports helmets; cellphone battery chargers; cell phone cases; cell phone mounts; cables for charging; USB cables for cell phones; battery power banks for cell phones; portable cell phone mounts; electric locks; work gloves in the nature of mechanics' gloves.*

Class 18: *Sports bags; gym bags; athletic bags; traveling bags; all-purpose carrying bags; backpacks; duffel bags; toiletry bags sold empty; luggage; umbrellas.*

Class 21: *Bottle openers.*

Class 24: *Towels; blankets for outdoor use.*

Class 25: *Clothing; clothing, namely, tops, shirts, t-shirts, sweatshirts, hoodies, jackets, bottoms, pants, shorts, sports bras, bandanas, sweat bands, and gloves; headwear; hats; beanies; fingerless gloves; socks; footwear.*

Class 28: *Resistance bands for exercise; jump ropes; toy cars; remote control toys, namely, cars; cornhole game sets; cornhole game boards; cornhole bags; surf boards; skate boards; snowboards; boxing gloves; mixed martial arts gloves; golf bags; punching bags; sports gloves; work-out gloves.*

205. The application for revocation for non-use against NERIAL's earlier trade mark no. 917903788 is partially successful to the extent set out at paragraphs 194 and 195 above which I reproduce below:

NERIAL's trade mark registration no. 917903788 will remain registered for the following goods:

Class 9: *Computer game and video game software; electronic game software; electronic game software for wireless devices.*

Class 41: *online computer game services; video game entertainment services; provision of computer games and video games.*

NERIAL's trade mark registration no. 917903788 is revoked for the remaining goods, namely those listed below, with effect from 28 September 2023:

Class 9: *Software; mobile application software; mobile apps; software development tools; computer game and video game cartridges, CDs, DVDs and other data carriers; computer game and video game discs; downloadable software; electronic publications.*

Class 28: *Toys, games, playthings and novelties; dolls; plush toys; video game and computer game apparatus; arcade video game machines;*

handheld computer games; game sets; board games; dice; game cards; parts and fitting for all the foregoing.

Class 41: *Entertainment; interactive entertainment; online interactive entertainment; organising and conducting contests and competitions for computer games and video games; providing online news and information in the field of computer games and video games; conducting exhibition events for entertainment purposes; screenplay writing; information, advisory and consultancy services relating to all the foregoing.*

COSTS

207. In two of the six consolidated proceedings at issue, both parties have achieved a measure of success. For these proceedings, I order that each party bears their own costs. However, in four proceedings RBC has been successful in defending its applications and registrations and is, therefore, entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award RBC the sum of £2,400, calculated as follows:

Preparing 4 counterstatements and considering two notices of oppositions and two applications for invalidity:	£300 x 4 = £1,200
Evidence	£1,000
Attending a hearing:	£1,000
Total	£3,200

208. I therefore order Nerial Ltd to pay Reign Beverage Company LLC the sum of £3,200. This sum is to be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 14th day of July 2025

TERESA PINTO
For the Registrar