

O/203/22

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION
UK00003467098 BY KEITH SCHOLEFIELD
TO REGISTER:**

Windows 12 Lite

**AS A TRADE MARK
IN THE UNITED KINGDOM**

IN CLASS 9

AND

**IN THE MATTER OF OPPOSITION
THERE TO UNDER NO. 422055**

BY MICROSOFT CORPORATION

BACKGROUND AND PLEADINGS

1. On 14 February 2020, Keith Scholefield (“the applicant”) applied to register the mark shown on the cover page of this decision in the United Kingdom in respect of the following goods in class 9:

Computer operating system software; Operating system software.

2. The application was published for opposition purposes on 14 August 2020 and, on 13 November 2020, the application was opposed, in full, by Microsoft Corporation (“the opponent”). The opposition is brought under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”).

3. In respect of its section 5(2)(b) and 5(3) claims, the opponent relies upon its European Union Trade Mark (“EUTM”) 16801235¹ and its United Kingdom Trade Mark (“UKTM”) 1512097 (“the earlier marks”), the relevant details of which are laid out below:

EUTM 16801235

WINDOWS

Filing date: 5 June 2017

Registration date: 19 February 2018

Goods and services relied upon:

Class 9: *Computer software*

Class 42: *Providing temporary use of non-downloadable computer programs for accessing global communication networks; Providing temporary use of non-downloadable computer programs for accessing global communication networks and displaying content therefrom; Providing temporary use of a full line of non-downloadable business application programs; design and development of computer hardware and software; computer services, namely remote hosting of operating systems and computer applications; providing hosted operating systems and computer applications through the internet; providing, developing and designing non-*

¹ The mark has since been converted to a comparable UK mark; UK00916801235

downloadable software accessible over a global computer network for managing computer applications

UKTM 1512097

WINDOWS

Filing date: 1 September 1992

Registration date: 11 May 2001

Goods relied upon:

Class 9: Computer software included in Class 9

4. Whilst I note Mr Scholefield's comment that WINDOWS is not a trade mark but is, instead, 'an attribute', the earlier marks qualify as an acceptable basis to oppose the application at hand, in accordance with section 6 of the Act, and I am not aware of any proceedings launched to challenge their validity. As it had not been registered for more than five years at the date of application, the opponent's EUTM is not subject to the proof of use requirements defined in section 6A of the Act, though the opponent's UKTM is. The opponent can consequently rely upon its EUTM and all goods and services which it has identified, without providing evidence of use.

5. In regard to its 5(2)(b) claim, the opponent submits that the similarities between the respective marks coupled with the identity or, alternatively, high similarity between the respective goods (and services) is likely to give rise to a likelihood of confusion. For the purpose of its claim under section 5(3), the opponent submits that its earlier marks enjoy a substantial reputation and, in light of the marks' similarities, the applicant would gain an unfair advantage as it would be, without due cause, associating itself with the opponent and its well-established brand and will derive a benefit in doing so. The opponent is further concerned that use of the applicant's mark would damage the opponent's reputation, with the opponent having no control in how the applicant operates, and its use may erode the distinctive character of the earlier marks. Furthermore, the opponent submits that the consumers' 'link' between the marks would affect their economic behaviour and ultimately lead to a decrease in its revenue. Turning to its 5(4)(a) claim, the opponent claims to have used its WINDOWS mark since

1985 throughout the UK and, in doing so, has acquired goodwill in that sign. It claims that use of the applicant's mark would result in misrepresentation contrary to the law of passing-off.

6. In its counterstatement, the applicant denies each ground in turn and asks that the opposition be dismissed. It also asks that the opponent provide proof of use in respect of its UKTM.

7. The opponent is represented by CMS Cameron McKenna Nabarro Olswang LLP Limited, whilst the applicant is unrepresented. Only the opponent filed evidence during the course of these proceedings, which will be summarised to the extent that it is considered necessary. The parties were given the option of an oral hearing, though neither asked to be heard on the matter. Only the opponent elected, instead, to file written submissions in lieu. Again, I do not intend to summarise these but will refer to them where necessary. This decision is taken following a careful perusal of the papers before me, keeping all submissions in mind.

Confidentiality

8. Upon submission of its evidence, the opponent asked that a confidentiality order be granted in respect of Exhibit CG6, to the extent that it was not made available for public inspection. The registry issued a preliminary view to allow the exhibit's confidentiality and, in reply, the applicant requested a hearing. I note that the opponent deemed the applicant's request for a hearing 'unreasonable and disproportionate' and advised that it would support the applicant, were it to withdraw its request. The applicant declined to do so. A hearing was held before me on 19 August 2021 and, in official letters dated 20 August 2021, I notified the parties that the preliminary view was upheld and a confidentiality order was subsequently issued on 6 September 2021.

EVIDENCE

Opponent's evidence

9. The opponent's evidence comprises a witness statement dated 2 July 2021 from Mr Camillo Gatta, Senior Corporate Counsel and Head of Trade Marks for the opponent. Mr Gatta's statement is supported by exhibits CG1 to CG24. Mr Gatta explains that Microsoft was founded on 4 April 1975 and describes it as a global leader in the development, manufacture, licensing, support and sale of computer software and hardware and consumer electronics as well as associated services and online services. He also submits that Microsoft is the world's largest manufacturer of software (by revenue) and one of the world's most valuable companies offering, amongst other things, operating systems and software products under its 'WINDOWS' mark. It has many international subsidiaries including one in the United Kingdom and each of the EU member states.

10. At CG1, Mr Gatta encloses a timeline of key events in Microsoft's history. Mr Gatta has highlighted a number of relevant entries relating specifically to its WINDOWS releases, though the first mention of Windows appears to be on 22 May 1990 with the launch of Windows 3.0. I have reproduced the 'Windows' events below:

May 22, 1990	Microsoft launches Windows 3.0
Aug. 24, 1995	Microsoft launches Windows 95
June 25, 1998	Microsoft launches Windows 98
Feb. 17, 2000	Microsoft launches Windows 2000
Oct. 25, 2001	Microsoft launches Windows XP
April 24, 2003	Microsoft launches Windows Server 2003
Jan. 30, 2007	Microsoft launches Windows Vista and the 2007 Microsoft Office System to consumers worldwide
Feb. 27, 2008	Microsoft launches Windows Server 2008, SQL Server 2008 and Visual Studio 2008
Oct. 22, 2009	Microsoft launches Windows 7; opens first physical store in Scottsdale, Arizona
Nov. 10, 2010	Microsoft launches Windows Phone 7
Sept. 4, 2012	Microsoft launches Windows Server 2012
Oct. 26, 2012	Microsoft launches Windows 8 and Microsoft Surface

Oct. 17, 2013	Microsoft launches Windows 8.1
July 29, 2015	Microsoft launches Windows 10
Oct. 26, 2016	Microsoft introduces Surface Studio, Surface Dial, new Surface Book and Windows 10 Creators Update
May 2, 2017	Microsoft introduces new technology for education, including Windows 10 S, new Surface Laptop and Microsoft Teams for classrooms
May 23, 2017	Microsoft announces Windows 10 China Government Edition and the new Surface Pro
Oct. 17, 2017	Windows 10 Fall Creators Update and Mixed Reality Headsets become available; Surface Book 2 announced

11. Mr Gatta explains that Microsoft sells its software and hardware products to a wide range of business and home users, with those products reaching the market via a wide range of methods. Purchases can be made directly from Microsoft's retail experience centre on Regent Street, online at www.microsoftstore.com, or through third party retailers including bricks-and-mortar stores such as PC World and John Lewis, and various online retailers including Amazon.co.uk.

12. Exhibit CG2 shows that Microsoft is placed at number three on Forbes' yearly 'List of the World's Most Powerful Brands', valued at \$162.9 billion in 2020. Mr Gatta states that it has not featured outside of the top three since 2011. In 2013, Microsoft achieved the highest consumer perception score in a global survey of 2,000 consumers. Also in 2020, Microsoft was placed at number three in Global Brand Consultancy 'Interbrand's annual survey of Best Global brands and it has not placed outside of the top four since 2015, as supported by Exhibit CG3.

13. The opponent's first WINDOWS operating system, WINDOWS 1.0, was released in November 1985 and, since then, the opponent has developed and marketed several 'families' of operating systems under the WINDOWS brand name (each with multiple versions and updates). Mr Gatta provides the below table to summarise the most recent operating systems released by the opponent to demonstrate that it has used an ascending numbering convention to denote successive Windows versions.

Operating system name	Date of announcement	Date of release
WINDOWS 7	July 2009	October 2009
WINDOWS 8	January 2011	August 2012
WINDOWS 10	September 2014	July 2015
WINDOWS 11	June 2021	N/A

14. Screenshots dated 28 June 2021 at Exhibit CG4 show copies of Windows 7, Windows 8 and Windows 10² software for sale on Amazon, alongside comprehensive product information and UK consumer reviews. Additional advertised features include ‘Windows Media Player’ and ‘Windows Touch’.

15. The following table summarises the worldwide revenue (in USD) generated by Microsoft’s business segment including the majority (but not all) of the sales relating to its Windows brand from 2009 to 2014. Mr Gatta explains that the segment’s name has changed over time and that data after 2014 is not included since it is no longer broken down in the same format. The information is provided rather to offer some ‘helpful context’. I note, however, that the segments do include revenue generated from sales of certain other products which are not part of the WINDOWS brand (its 2013 report, for example, explains that ‘Windows Division’ refers to offerings consisting of the Windows operating system, Surface and PC accessories) but it can be seen that Microsoft enjoys substantial year-on-year sales of products *including* those offered under the WINDOWS brand.

Year	Name of Segment	Revenue
2009	Client	14,414,000,000
2010	Windows & Windows Live Division	17,788,000,000
2011	Windows & Windows Live Division	18,778,000,000
2012	Windows & Windows Live Division	18,818,000,000
2013	Windows Division	18,680,000,000
2014	Devices and Consumer	18,803,000,000

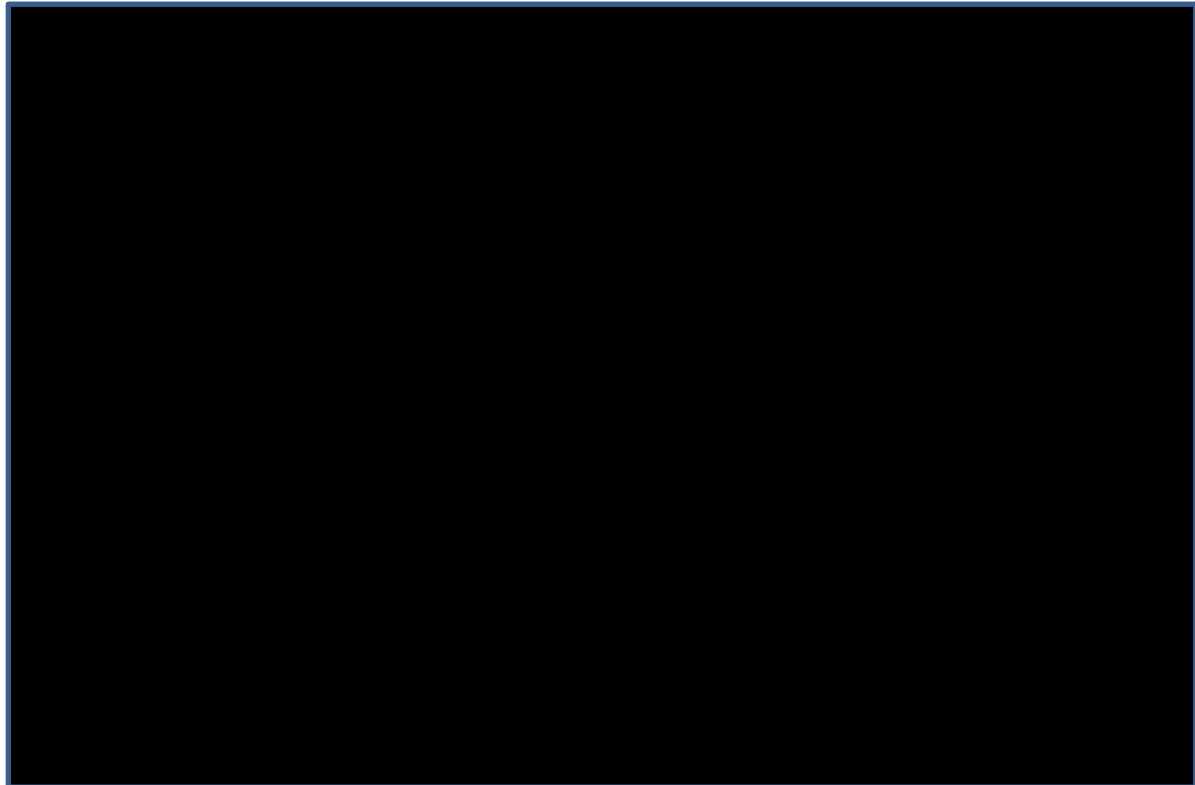
² Microsoft Windows Professional, Full Version (PC DVD), Windows 8 Pro Upgrade Edition - Upgrade from Windows XP, Windows Vista, Windows 7 (PC), Windows 10 Professional 64 bit – USB Flash Drive – English – 1 PC – Windows 10 Professional USB 32 bit/64 bit

16. In the financial quarter inclusive of the application date, Microsoft announced that there are more than 1.3 billion monthly active devices worldwide running WINDOWS 10. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



17. At Exhibit CG7 are a number of statistical insights primarily pertaining to the opponent's market share. A graph generated by StatCounter shows the top operating systems on UK desktops between 2017 and 2020. In 2017, Windows held a 77.13% share, in 2018 a share of 74.87%, in 2019 a share of 72.31% and, in 2020, it held a 66.81% market share. A further StatCounter graph shows its market share worldwide from May 2020 to May 2021. In May of 2021, the opponent held 73.54% of the operating system market share worldwide. Finally, data compiled from the Office of National Statistics (ONS) shows that, in 2017/18, 88% of UK households had a home computer. Mr Gatta calculates, using the market share data and assuming a UK population of 65 million, that over 37 million UK residents had a computer operating using Windows at home, in that period. In addition to these users, Mr Gatta submits that many more

residents will have access to a PC running Windows at work or school, with the vast majority of both business users and schools favouring the Windows operating system.

18. As for the sales and availability of the opponent's software, Mr Gatta refers to the website, <https://www.microsoft.com/en-gb/software-download/windows10> where its most recent operating system, Windows 10, can be downloaded. The existing download page is shown at Exhibit CG8, alongside archived pages from 2015 and 2017. Also enclosed with the exhibit is a screenshot from Currys' website, described by Mr Gatta as a 'popular electronic retailer'. The screenshot shows 'MICROSOFT Windows 10 Pro (download)' for sale at £164.99 (the 'Pro' version of standard Windows 10, which can be downloaded for free by UK consumers).

19. The opponent's operating systems and software are also licensed, with distribution through Original Equipment Manufacturers ('OEMs'), which pre-install Microsoft's software on new PCs, tablets, servers and similar devices which are then sold to end consumers. Mr Gatta explains that, broadly speaking, there are two categories of OEMs; direct OEMs with whom Microsoft has direct agreements (such as Acer, Dell, Hewlett-Packard, Nokia and Samsung) and lower-volume PC manufacturers which source Microsoft software for pre-installation and local redistribution mainly through Microsoft's distributor channel rather than a direct agreement or relationship. Between 2000 and 2021, the opponent entered into thousands of licensing agreements for the manufacture and/or distribution of WINDOWS products in the UK with organisations including Fujitsu, Siemens AG and Vodafone Group Services.

20. At Exhibit CG9, Mr Gatta provides printouts from the websites of UK retailers John Lewis and PC World showing devices on sale by several of its OEMs. Mr Gatta confirms, by way of example, that at John Lewis 141 laptops and 40 desk computers, and at PC World 238 laptops and 73 desktop PCs are for sale, all of which are running Windows 10. A sample of the exhibit is shown below:

Applied filters

Windows 10

Out of stock items [Show](#) [Hide](#)

☐ New In (28)

On Offer

☐ All Offers (45)

☐ Reduced To Clear (5)

Operating System

☒ Windows 10 (141)

☐ Chrome OS (37)

☐ macOS (8)

Brand

☐ Acer (12)

☐ ASUS (25)

☐ Dell (17)

☐ GEO (1)

☐ HP (32)

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ASUS VivoBook 15 X512DA Laptop, AMD Ryzen 5 Processor, 8GB RAM, 256GB SSD, 15.6" Full HD, Silver

£449.99

★★★★★ (8)

Save £80 (price includes saving)

☐ Compare



[Add to your basket](#)

ASUS VivoBook 17 X712 Laptop, Intel Core i3 Processor, 8GB RAM, 1TB HDD, 17.3" HD+, Silver

£399.99

★★★★★ (13)

Save £80 (price includes saving)

☐ Compare



[Add to your basket](#)

HP Pavilion 15-eg0024na Laptop, Intel Pentium Gold Processor, 8GB RAM, 128GB SSD, 15.6" Full HD, Silver

£449.99

★★★★★ (13)

Save £80 (price includes saving)

☐ Compare



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Acer Swift 1 SF114-34 Laptop, Intel Pentium Silver Processor, 4GB RAM, 128GB SSD, 14" Full HD, Silver

£329.00

★★★★★ (1)

Save £80 (price includes saving)

☐ Compare



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☐ £299.00 - £499.00

☐ £499.00 - £699.00

☐ £699.00 - £899.00

☐ £899.00 - £1,000.00

☐ Over £1,000.00

£ From To Refresh

Brand

☐ HP (50)

☐ LENOVO (42)

☐ ACER (40)

☐ ASUS (23)

☐ DELL (21)

☐ MICROSOFT (20)

☐ SAMSUNG (11)

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Showing 1 - 50 of 238 results

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Show 20 | 30 | 50 items per page

View: [Grid](#) [List](#)

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Our Experts Love

LENOVO IdeaPad 5i 14" Laptop - Intel® Core™ i5, 256 GB SSD, Grey

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Our Experts Love

ACER Swift 3 14" Laptop - AMD Ryzen 5, 1 TB SSD, Silver

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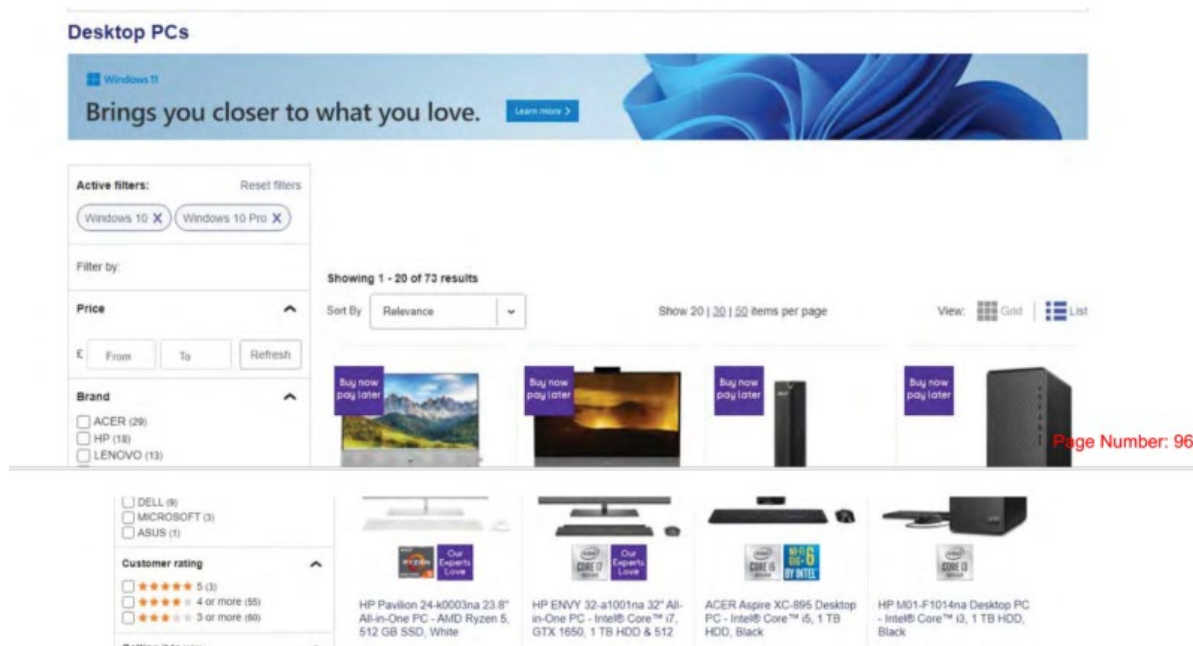
ASUS VivoBook K403JA 14" Laptop - Intel® Core™ i5, 512 GB SSD, Silver Blue

Buy now pay later



Our Experts Love

HP 15s-eq1510sa 15.6" Laptop - AMD Ryzen 5, 256 GB SSD, Silver



21. The opponent has invested \$1.6billion annually in advertising, worldwide, for consecutive years 2018, 2019 and 2020. This is confirmed by way of an extract from the opponent's annual report of 2020, enclosed at Exhibit CG10. Whilst Mr Gatta is unable to exhibit specific figures pertaining to the opponent's UK marketing spend for reasons of business sensitivity, he provides the following summary of its historic media spend in the UK, attributed to its WINDOWS product specifically, based on documents of which he has had sight and which were generated by Microsoft's internal marketing and financial teams:

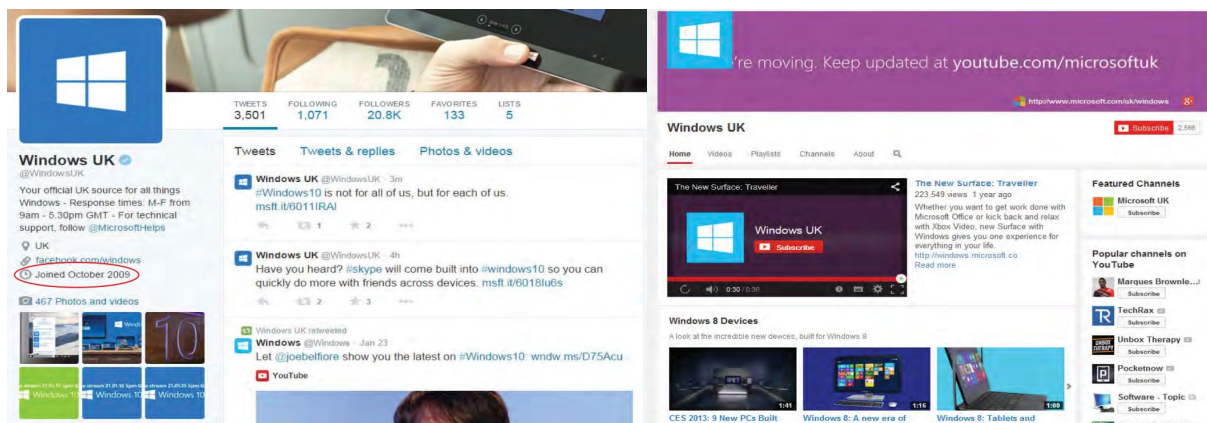
- (a) In the years 2018-2020 over \$22 million USD was spent on marketing activities in the UK.
- (b) UK spend in the years 2018- 2021 across TV adverts and on-demand TV platforms such as 4OD exceeded \$6m USD.
- (c) UK spend on social media advertising the years 2018-2021 exceeded \$4m USD.
- (d) UK spend on display advertising (i.e. traditional billboards and online display advertising) between 2018 and 2020 exceeded \$8.5m USD. This spending was separate to the social media budget mentioned in the preceding paragraph.

22. As to the ways in which the opponent's Windows products have been promoted in the UK, Mr Gatta provides some additional context. Its UK website (*Microsoft.com/en-gb*) provides a range of information regarding WINDOWS products and services and Mr Gatta uses data generated by SimilarWeb and Alexa (enclosed at Exhibit CG11) to confirm that Microsoft.com is ranked as the 23rd most visited website in the UK and that

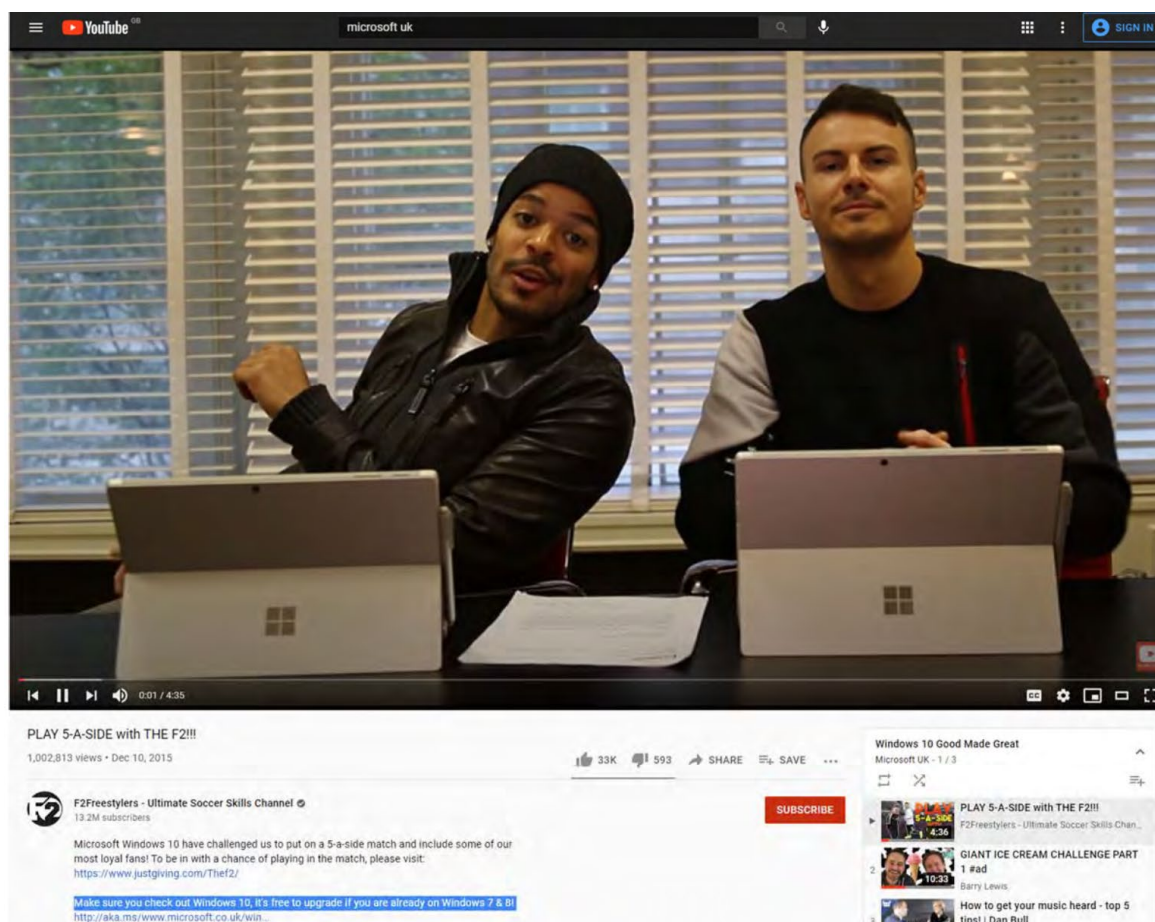
1.8% of all visitors to *Microsoft.com* are based in the UK. By reviewing the combined data, Mr Gatta deduces that there were approximately 17.9 million UK-based visits to *Microsoft.com* per month in the six months to May 2020 and around 17,000 UK-based monthly visits to *Windows.Microsoft.com*.

23. The opponent also places adverts in the mainstream and traditional print media, a range of newspaper and magazine publications and various social media channels, all of which target UK consumers, amongst other territories. Examples of such advertisements are provided at Exhibit CG12 alongside a selection of historical social media entries, and I refer to a sample of those below:





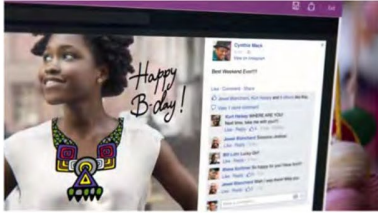
24. The opponent has also garnered a number of celebrity endorsements, with whom they have leveraged various social media posts and adverts, and has further collaborated with some prominent and popular 'Youtubers'. Such celebrities include Jay-Z, Jessica Alba, Gwen Stefani and James Corden. Examples are enclosed at Exhibits CG13 and CG14, some of which are reproduced below. The examples also nod to a number of partnerships with companies such as Premium Credit, Red and Somerset County Council, with the promotional videos suggesting that working with Windows allows the entities to 'gain flexibility', 'work smarter' and 'improve productivity'.



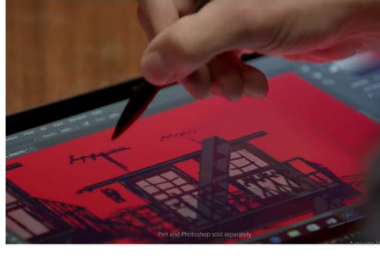
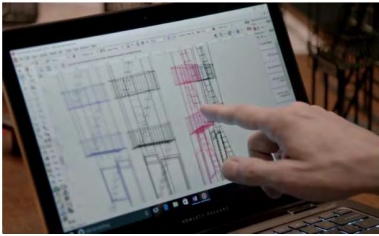
25. The opponent has also utilised video advertising campaigns broadcast on TV and on-demand UK networks. In the period from 2018 to 2021 adverts appeared on channels such as Channel 4, ITV, Sky and STV and, at Exhibit CG15, Mr Gatta provides screenshots from several UK-focused adverts aired during that period which feature

Windows 10, though Mr Gatta admits that the adverts are often co-branded with OEMs such as HP and retail stores such as PC World.

The future starts now

		
"these kids won't have to remember passwords, or obsess about security"	"for them every screen is meant to be touched , Webpages are meant to be scribbled on and shared"	"they'll expect their devices to listen to them and talk and sing and tell a funny joke"
		
"as they grow and get better at things, their technology will too"	"because these kids will grow up with Windows 10. The future starts now for all of us"	"Windows 10, a more human way to do"

Set Designer Beowulf Boritt Brings his Ideas to Life with Windows 10

		
'An opening night on Broadway is kind of magic'	'I'm Beowulf Boritt and I am a Broadway set designer'	'I'll build a little model in Photoshop and add these details in with a pen'
		
'I could never do that with a MAC'	'This Windows PC is amazing'	'Having all of my tools right at my fingertips is incredible'

26. Mr Gatta submits that Microsoft has an extensive portfolio protecting its WINDOWS brand, comprising registrations for not only WINDOWS but composite marks where the first component is WINDOWS, and other related marks, for a wide range of goods and services. Mr Gatta encloses a non-exhaustive schedule of such marks at Exhibit CG16. The list is extensive and pertains to a number of territories in the EU, the UK and beyond. Its composite marks include WINDOWS XP, WINDOWS LIVE and WINDOWS PHONE. Mr Gatta explains that the opponent proactively monitors trade mark filings which may conflict with its rights and any inappropriate use of WINDOWS or related marks, and takes action accordingly.

27. At Exhibit CG17, Mr Gatta provides a table summarising a number of judgments and opposition decisions, from a number of countries worldwide, which have found that the WINDOWS mark is famous or well-known. He further provides a number of 'pertinent' extracts from decisions from entities such as Nominet, WIPO and the European Court of First Instance, reaching the same conclusion.

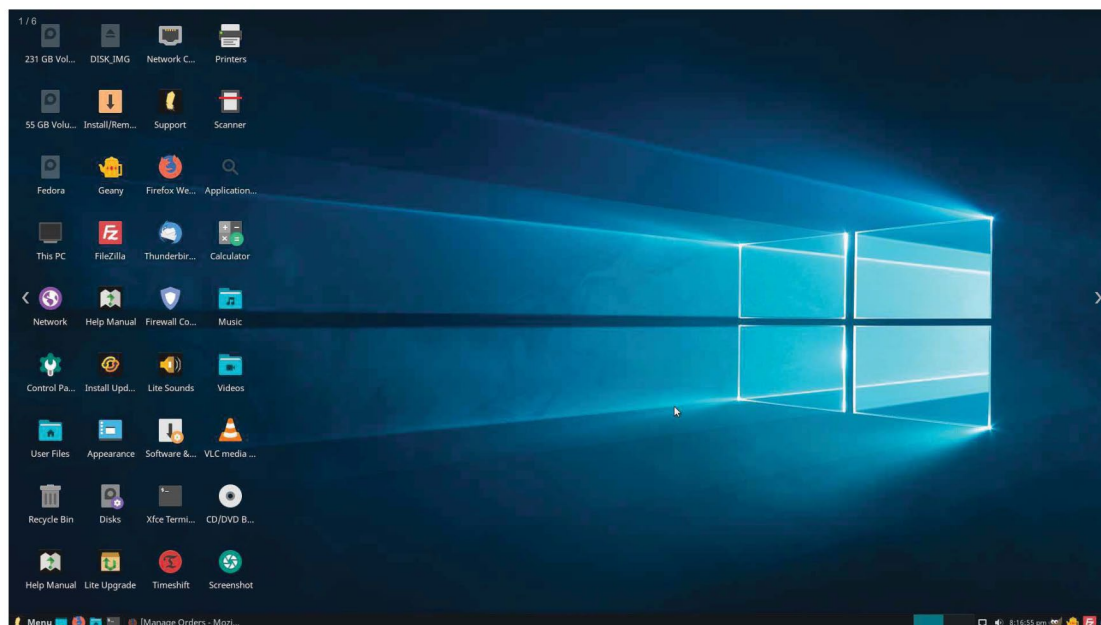
28. The latter part of Mr Gatta's statement goes to the activities of the applicant. Mr Gatta contends that Mr Scholefield operates a website at *webhouses.co.uk/lite*, with the site marketing a product under the name WINDOWS 12 LITE and the address referenced on the site corresponding with that which is given as the address for the applicant on the register. At Exhibit CG18, Mr Gatta provides historic printouts of said website (extracts shown below) to highlight the applicant's use of the mark and, at CG19, extracts from the site displaying Mr Scholefield's address.



You can install it on as many machines you want. Windows 12 Lite has a full suite of the latest top of the range programs. You can add many more from the 80,000+ free programs in the Package Software Manager on your desktop.

The desktop is simple to use with many more features and tweaks for style and speed that you never had with the cluttered Windows 10 desktop and it does not take three months to learn like Windows. Included in the installation guide a 5 minute tuition for the desktop to show the extra features and get you up to speed.

Windows 12 Lite Slideshow



29. Mr Gatta advises that the applicant's software has caught the attention of certain technology reviewers, with several reviews available online. A reviewer from *TechRadar.com/UK*³ comments that the software offered by Mr Scholefield is "not an official release from Microsoft" but, instead, it "appears to be a modified version of the Linux Lit 4.8 LTS distro made to look like Windows 10 with the default background wallpaper and custom icons". A copy of the review is enclosed at Exhibit CG20. Mr Gatta contends that, whilst experienced reviewers may be able to identify that the software provided by the applicant is not a genuine Microsoft product, a significant number of less experienced consumers are likely to be misled into believing that the software originates from, or was approved by, the opponent. In support of his contention, Mr Gatta points to a number of reviews or online posts which are indicative of confusion in the market. He highlights select extracts, shown below, and encloses the posts in full at Exhibit CG21.

³ 11 February, 2020

- a. *"...older people who are non-tech-savvy could very easily be tricked by the offering, or at least confused about what exactly it is." (technadu.com)*
- b. *"if you are confused by the Windows 12 name, and wonder whether this may be a new operating platform that Microsoft may be working on, then wonder no more. For it's not. It is simply a distribution of Linux developed by an over eager developer that has slapped the Windows 12 name on it ...there is no reason to use a dodgy Linux distribution that only resembles Windows 10 on the surface and in name." (windowschimp.com)*
- c. *"The new OS is called Windows 12 Lite. But for the name, people confused it with an official Windows release." (techymarvel.com/windows-12)*
- d. *"All I see are dozens of elderly individuals wondering why their Windows applications won't run" (A commentor, Reddit.com)*

30. Mr Gatta explains that the numbering of software releases is generally common within the industry. In June of 2021, for example, Microsoft announced that its next operating system would be called WINDOWS 11, as reported in UK newspapers including The Daily Mail, The Guardian, The Sun, The Times and The Telegraph. Exhibit CG22 provides YouGov's UK newspaper rankings and screenshots of articles announcing the release of Windows 11, including those in the aforementioned newspapers, or at least their equivalent webpages. Two examples are provided below. As for the rankings, Daily Mail stands at number one, The Guardian at number three, The Sun at number two, The Times at number ten and The Daily Telegraph at twelve.



Microsoft has update in store for new generation

Callum Jones, US Business Correspondent

Friday June 25 2021, 12:01am, The Times



Microsoft was founded in 1975 by Bill Gates and the late Paul Allen and is based in Washington State. Listed in 1986, it is one of the world's most valuable public companies. Gates, 65, left the Microsoft board last year
MARK PETERSON/GETTY IMAGES

Microsoft has revealed the latest version of its Windows operating system as the software group seeks to stem the loss of market share to rivals.

The company hailed the onset of a "new generation" for its desktop platform, which is the biggest in the world with over a billion users.

Windows 11 amounts to the system's largest revamp in six years. It includes a new version of the Microsoft Store.

31. Mr Gatta's final exhibits, CG23 and CG24, concern the applicant's use of the word "Lite" in the applied for mark. He contends that 'Lite' is often adopted by software manufacturers to denote a "lightweight" or stripped down version. To that end, at CG23, he encloses printouts from Google Play showing several software applications using the term in such a way. Such applications include Facebook Lite, Twitter Lite, Pinterest Lite and Lite for Instagram. At Exhibit CG24, he provides a definition from a glossary in *PC Mag*, defining 'Lite Version software' in the following terms:

An abbreviated version of a software application that is either bundled with a new computer or freely available from a website. The lite version (light version) may have limited functionality or be supported by advertisements, or both. Lite versions typically have no tech support. Upgrading to the full version for a fee eliminates the ads or invokes more program features, and tech support maybe provided.

DECISION

Proof of use

32. The applicant has put the opponent to proof of its UKTM. The relevant statutory provisions are as follows:

“6A - (1) This section applies where

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

- (a) within the relevant period the earlier trade mark has 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, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) 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.

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(5A) In relation to an international trade mark (EC) the reference in subsection (1)(c) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.

(6) 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.”

33. The onus is on the opponent, as the proprietor of the earlier mark, to show use made of the mark because section 100 of the Act states:

“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.”

34. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114. [...] The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), 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 Bundervsvereinigung 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 Marken BV v Hagelkruis Beheer BV*

[EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, 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] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases 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]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(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]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(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] and [22]. 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]; *Reber* at [29].

(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]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(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] and [76]-[77]; *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].”

35. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the earlier mark, in the course of trade, sufficient to create or maintain a market for the goods or services at issue in the UK during the relevant five-year period. In making this assessment, I am required to consider all relevant factors, including the scale and frequency of the use shown; the nature of the use shown; the goods or services for which use has been shown; the nature of those goods or services and the market for them; and the geographical extent of the use shown.

36. I am also guided by *Awareness Limited v Plymouth City Council*, Case BL O/236/13, in which Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use [...] However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

[...]

“28. [...] I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use

there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

37. Moreover, in *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL O/404/13, Mr Geoffrey Hobbs Q.C., as the Appointed Person, stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not ‘show’ (per Section

100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

38. Pursuant to section 6A of the Act, the relevant period for assessing whether there has been genuine use of the earlier mark is the five-year period ending with the filing date of the application at issue, i.e. 15 February 2015 to 14 February 2020.

Form of the mark

39. In *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the Court of Justice of the European Union found that:

“31. It is true that the ‘use’ through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas ‘genuine use’, within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, ‘use’ within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish ‘use’ within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, the ‘use’ of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark

protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35 Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term 'genuine use' within the meaning of Article 15(1)". (emphasis added)

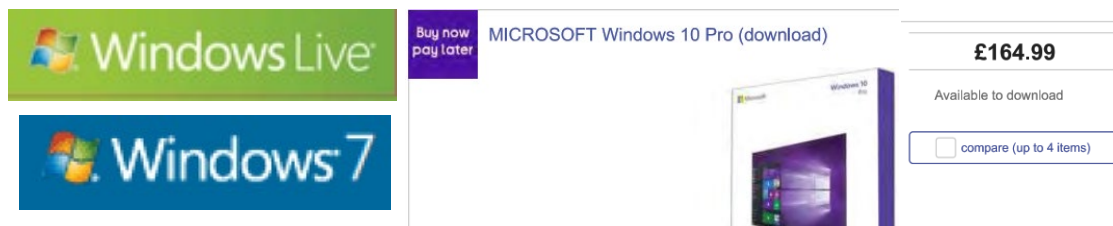
40. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was), as the Appointed Person, summarised the test under section 46(2) of the Act as follows:

"33. [...] The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period [...]

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

41. Although this case was decided before the judgment of the Court of Justice of the European Union ("CJEU") in *Colloiseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, it remains sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered.

42. The opponent's mark comprises a single word; WINDOWS. I acknowledge that, in much of the opponent's evidence, WINDOWS precedes, or appears alongside, an additional component, be it a figurative device or a number or qualifier of some description. Examples of such are shown below:



43. In each of the variations, the word WINDOWS is unobstructed and remains, in my view, the most distinctive element and where its distinctive character predominantly resides. Qualifiers such as numbers or 'Live' or 'Pro', for example, will likely be viewed simply as indicators as to which version of WINDOWS the consumer is confronted by, signified by the series number or descriptive elements it precedes. Additionally, the figurative element often displayed alongside WINDOWS, comprising four somewhat distorted squares of different colours, will likely be seen as a decorative device. For these reasons, I am satisfied that the adaptations of the opponent's WINDOWS mark are entirely acceptable. That being said, there is a significant amount of evidence in which WINDOWS is used in isolation; much of the opponent's use on its social media channels, for example, shows use of simply WINDOWS, or WINDOWS UK, to denote the targeted country. The opponent's annual reports make reference to its 'Windows Division' and, on the sites of online retailers selling OEM products operating using the opponent's software, such products are presented for sale beneath the heading 'Windows Laptops', for example.

Sufficient use and fair specification

44. I must now consider whether the opponent has shown use of the goods which it relies upon for its UKTM; specifically *computer software included in class 9*. An assessment of genuine use is a global assessment, which includes looking at the

evidential picture as a whole; not whether each individual piece of evidence shows use by itself. As indicated in the case law cited above, use does not need to be quantitatively significant to be genuine. The assessment must take into account a number of factors in order to ascertain whether there has been real commercial exploitation of the mark which can be regarded as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark. In that regard I should note that, simply because some of the products offered under the opponent's WINDOWS mark are free of charge (its Windows 10 operating system, for example), does not mean that the use made of the mark in respect of those goods is not sufficient to demonstrate an intention to create or maintain a share in the relevant market⁴.

45. The timeline provided in the witness statement of Mr Gatta shows that the opponent launched its Windows 10 software in July of 2015, to be followed by updates in October 2016 and October 2017. With regards to its market share of desktop operating systems in the UK, the opponent held a 77.13% share in 2017, a 74.87% share in 2018, a 72.31% share in 2019 and, in 2020, a share of 66.81%. Though the figures appear to be depleting annually, I find them to be highly significant in a market which I imagine is reasonably crowded, and becoming increasingly popular alongside rapid technological advancements. The opponent has made significant investments in its advertising of WINDOWS products within the UK, exceeding \$22million from 2018 to 2020, with over \$6million of that attributable to television advertisements, over \$4million in social media and over \$8.5million in display advertising. Mr Gatta has also confirmed that between 2000 and 2021 the opponent entered into 'thousands' of licensing agreements for manufacturers or distributors of WINDOWS products in the UK, with a number of what I understand to be high-profile organisations. Whilst there is no indication of how many of these agreements were entered into within the relevant period, it seems reasonable to assume that at least some would have been initiated during this time. [REDACTED]

[REDACTED]. Weighing all factors, I am satisfied that the opponent has made use of its UK registration in respect of the goods on which it relies, namely *computer software* (included in class 9).

⁴ *Antartica Srl v OHIM, The Nasdaq Stock Market, Inc.*, Case C-320/07 P

Section 5(2)(b)

Legislation and case law

46. Section 5(2)(b) of the Act reads as follows:

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

[...]

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

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

47. Section 5A reads:

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

48. 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 great degree of similarity between the marks, and vice versa;

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

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

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

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

Comparison of goods and services

49. The goods and services to be compared are shown in the table below:

Opponent's goods and services	Applicant's goods
EUTM 16801235: Class 9: <i>Computer software</i> Class 42: <i>Providing temporary use of non-downloadable computer programs for accessing global communication networks; Providing temporary use of non-downloadable computer programs for accessing global communication networks and displaying content therefrom; Providing temporary use of a full line of non-downloadable business application programs; design and development of computer hardware and software; computer services, namely remote hosting of operating systems and computer applications; providing hosted operating systems and computer applications through the internet; providing, developing and designing non-downloadable software accessible over a global</i>	Class 9: <i>Computer operating system software; Operating system software</i>

<i>computer network for managing computer applications</i> UKTM 1512097: <i>Class 9: Computer software included in Class 9</i>	
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50. Where goods or services are not literally identical, the GC laid out a further provision for identity in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, where it stated:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM-Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

51. In each of its earlier marks, the opponent relies upon *computer software*, at large. Using *Meric* as a foundation, I find the applicant’s goods to be encompassed by those on which the opponent relies and the respective goods are, as a consequence, to be deemed identical.

The average consumer and the nature of the purchasing act

52. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question (see *Lloyd Schuhfabrik Meyer*, Case C-342/97).

53. The average consumer for the goods at issue will likely comprise the general public as well as institutions such as corporations, manufacturers and educational establishments. The goods will likely be self-selected from catalogues, online channels or the shelves of traditional retail outlets. They will typically be promoted using television or display advertisements, suggesting that the marks' visual impressions are likely to be predominant, though I do not discount the opportunity for consumers to seek the recommendations or guidance of sales assistants or professionals within the field, so the marks' aural relevance cannot be ignored. The average consumer will likely consider whether the software is fit-for-purpose or compatible with the intended device, as well as the reputation of its provider. A member of the general public will likely pay at least a medium degree of attention to the purchase. For the professional consumer, the purchase is likely to be made on a wider scale to support, or be pre-installed in, multiple devices and it will need to ensure that the software suits its end consumers or users, and it may also consider cost implications. The level of attention applied is, in my view, likely to be fairly high.

Distinctive character of the earlier mark

54. 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 *WindsurfingChiemsee 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).”

55. Registered trade marks possess varying degrees of inherent distinctive character. These range from the very low, such as those which are suggestive or allusive of the goods or services, to those with high inherent distinctive character, such as invented words. Dictionary words which do not allude to the goods or services will generally fall somewhere in the middle. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion; the more distinctive the earlier mark, the greater the likelihood of confusion. The distinctive character of a mark may be enhanced as a result of it having been used in the market.

56. I begin by considering the earlier mark’s inherent distinctiveness. ‘WINDOWS’ is an ordinary dictionary word with a meaning which will be readily grasped by the average consumer. I do not believe it to have any immediate relationship with the relevant goods, nor does it have any descriptive or allusive qualities in that regard. I find the mark’s inherent distinctiveness to be of a medium degree.

57. I must now consider whether the distinctiveness of the earlier mark has been enhanced through the use the opponent has made of it. I have already commented on the opponent’s market share, which stood at 66.81% in 2020, and I have found to be highly significant. With regards to the revenue generated under the WINDOWS mark specifically, I note that I have data only up to 2014 (and that even some of that data is *inclusive* of WINDOWS products, rather than *exclusively* WINDOWS products). Still, in every year from 2011 to 2014, the opponent’s ‘Windows Division’ (albeit under different segment names) generated a revenue of over \$18 billion and, weighing that against the remainder of the evidence demonstrating a continued and consistent popularity in the Windows system, the revenue of more recent years is also likely to have been substantial. The opponent has further made a significant investment in its marketing efforts, spending over \$22million between 2018 and 2020, which is likely to have

reached a wide UK audience, in addition to its collaborations with celebrities, for example, which are likely to have attracted a high level of attention. The opponent gained approximately 17,000 visits to its Windows site each month from UK-based consumers in the six months up to May 2020 and its evidence suggests a public interest in the release(s) of its Windows software, with such events making headlines in various articles from a number of the UK's most well-circulated publications. Reflecting on the evidence as a whole, I find the distinctiveness of the opponent's WINDOWS mark to have been enhanced to a high degree in relation to, at least, *computer software*.

Comparison of trade marks

58. 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.”

59. It would be wrong, therefore, to artificially dissect the trade marks, though it is necessary to take into account the distinctive and dominant components of the marks. Due weight must be given to any other features which are not negligible and hence contribute to the overall impressions created by the marks.

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

Opponent's mark(s)	Applicant's mark
WINDOWS	Windows 12 Lite

61. Both of the opponent's earlier marks comprise a single seven-letter word. The mark's overall impression, and its distinctiveness, resides solely in the word itself.

62. The applicant's mark combines three elements, of seven letters, two digits, and four letters, respectively. When considered in respect of the goods for which registration is sought, it seems likely that '12' will be indicative of a particular software version and 'Lite', in my experience, will often denote a diluted or limited form of an existing product or brand. My understanding seems consistent with what is presented in the opponent's evidence. With that in mind, I find the mark's first word, Windows, to be its most dominant component, though each element makes a contribution to the mark's overall impression.

63. Visually, the marks clearly coincide in the word WINDOWS; the only word in the opponent's mark and the first in the applicant's. There are an additional two components, one number and one word in the applicant's mark, with no counterpart in the opponent's. Keeping in mind that, generally, the beginnings of marks have more of an impact on the consumer than their endings, though I accept it is just a rule of thumb, I find the mark's visual similarity to be of at least a medium degree.

64. Aurally, the earlier marks will likely be articulated in two syllables, specifically WIN-DOWS. The applicant's mark will likely comprise four syllables, namely WIN-DOWS-TWELVE-LITE. Weighing the identity of the marks' first two syllables with the absence

of any further syllables in the opponent's mark (and two in the applicant's), I find the aural similarity to be of a medium degree.

65. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.⁵ In both of the marks, the word WINDOWS will be readily understood as a reference to glass panels, often positioned within a wall of a building. Given what I have already concluded in respect of the words '12' and 'Lite' in the applicant's mark, it follows that they will likely be attributed a lesser degree of conceptual weight, with the words serving to qualify the mark's 'Windows' element. That being so, I find the marks' conceptual similarity to be fairly high.

Likelihood of confusion

66. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. It is also necessary for me to keep in mind the distinctive character of the opponent's trade mark, as the more distinctive it is, the greater the likelihood of confusion.

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

68. I take note of the comments made by Mr Iain Purvis Q.C., as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, where he 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

⁵ *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R 29.

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."

69. To make the assessment, I must adopt the global approach advocated by the case law whilst taking account of my earlier conclusions. I also bear in mind that the average consumer rarely has the chance to make direct comparisons between trade marks and, instead, must rely upon the imperfect picture of them retained in its mind.

70. The opponent's evidence shows use of its WINDOWS mark preceding a number of less distinctive elements, particularly numbers, which denote successive software versions. I have further found the most distinctive element in the application to be WINDOWS and found the distinctiveness of the earlier mark to be elevated to a high degree. Given that the respective goods are identical, and notwithstanding that the average consumer will apply at least a medium degree of attention, it seems foreseeable that the consumer, seeking out the opponent's latest software, for example, having previously purchased its WINDOWS products, may mistakenly select the applicant's goods in the belief that they were purchasing those of the opponent's. If I am incorrect in that regard, and the visual and aural differences are sufficient for consumers to make a distinction between the marks, I will go on to consider the likelihood of indirect confusion.

71. Indirect confusion, as laid out by Mr Purvis, requires a thought process on the part of the average consumer, in which it recognises the differences between the parties' respective marks but ultimately concludes that the similarities between them are such that the marks must originate from the same, or a related, entity. I have found the goods to be identical and that the average consumer is likely to apply at least a medium degree of attention to the purchase. The marks clearly share an element in the word WINDOWS. The remaining elements in the applicant's mark possess, for reasons I have

already laid out, a lesser degree of distinctiveness which will likely be seen as a nod towards the specific version of software. For the reasons outlined above, and particularly keeping in mind the high distinctiveness of the earlier mark, I find it highly likely that the average consumer, having identified the marks' differences, will nevertheless view them simply as multiple WINDOWS marks and erroneously conclude that they originate from a single origin. In other words, indirect confusion will occur.

Section 5(3)

Legislation and case law

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

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a 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 the repute of the earlier trade mark.”

73. 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'Oréal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and 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'Oréal 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 proprietor 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'Oréal v Bellure*).

74. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that its earlier mark has achieved a level of knowledge, or reputation, amongst a significant part of the public. Secondly, the opponent must establish that the public will make a link between the marks, in the sense of the earlier mark being brought to mind by the later mark. Thirdly, assuming the first and second conditions have been met, section 5(3) requires that one or more of three types of damage claimed by the opponent will occur. It is unnecessary for the purposes of section 5(3) that the goods or services are 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.

75. The relevant date for the assessment under section 5(3) is the date the application was filed, namely, 14 February 2020.

Reputation

76. 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.”

77. As outlined above, in *General Motors* the CJEU provided guidance on assessing the existence of a reputation. That judgement requires that I 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.

78. The opponent’s first Windows operating system was launched in 1985 with ‘WINDOWS 1.0’ and, in the years since, the opponent has periodically released additional ‘Windows’ operating systems, using an ascending numbering convention to denote successive versions. In the financial quarter inclusive of the application date, the opponent announced that there are over 1.3 billion monthly devices worldwide running Windows 10. In the UK market for desktop operating systems, the opponent maintained an impressive market share, repeatedly exceeding that of its competitors, achieving a 77.13%, 74.87%, 72.31% and 66.81% share in consecutive years from 2017 to 2020. In terms of the geographical extent, Mr Gatta describes the opponent as a ‘global market leader’ and the world’s largest manufacturer of software. The worldwide revenue generated under its Windows mark, under which the opponent offers operating systems and software products, in the years 2009 to 2014 (\$18,803,000,000 in the latter), is significant and provides a helpful context. Its Windows products are available to purchase, both in isolation and as pre-installed software on existing devices both online and at popular UK retailers. The opponent has engaged in a wide number of licensing and distribution agreements with large organisations and reputable commercial entities. It invested over \$22 million in the marketing of its Windows product in the UK from 2018 to 2020, using tools including

live television adverts, on-demand platforms, social media advertising and display advertising (such as traditional billboards). It also utilizes mainstream and traditional print media, placing advertisements in a wide range of newspaper and magazine publications. Its Windows products have been endorsed by a number of high profile celebrities likely to have a large following, or certainly an interest amongst the relevant UK public. Weighing all considerations, I am satisfied that the opponent has accrued a strong reputation amongst the general public and commercial consumers in respect of *computer software*.

Link

79. As 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

I have found the marks to be visually similar to at least a medium degree, aurally similar to a medium degree and conceptually similar to a fairly high degree.

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

I have found the applied-for goods, namely *computer operating system software* and *operating system software* identical to the opponent's *computer software*, all proper to class 9.

The strength of the earlier mark's reputation

I have found that the earlier mark has a qualifying reputation in the goods it relies upon, which I consider to be strong.

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

I have found that the earlier mark has a medium degree of inherent distinctiveness, but that its distinctiveness has been enhanced to a high degree as a result of the use made of it.

Whether there is a likelihood of confusion

I have found a likelihood of both direct and indirect confusion.

80. As above, I have already found that consumers are likely to directly or indirectly confuse the respective marks, insofar as they believe that they originate from the same or a related undertaking. In my view, weighing the similarities between the competing marks and the enhanced distinctiveness of the earlier mark, combined with my findings on the identity between the respective goods, I consider that a significant part of the relevant public will make the requisite link between the parties' marks.

Damage

81. I must now assess whether any of the pleaded types of damage will arise. The opponent submits that the use of the application would take unfair advantage of the reputation of its earlier mark, would tarnish the earlier mark and dilute its distinctive character, ultimately affecting consumers' economic behaviour and potentially diminishing the opponent's revenue.

82. In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. concluded that:

"80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of

unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.”

83. I have already found that there is a likelihood confusion between the competing marks, whereby a consumer may select the applicant's goods in the mistaken belief that they originate from the opponent, or at least a party related to the opponent. That being so, even if there is no intention on the part of the applicant, it is clearly foreseeable that it would secure an unfair commercial advantage, benefitting from the opponent's existing reputation and investment and potentially diverting consumers to the applicant. As a finding of unfair advantage is sufficient to satisfy a claim under section 5(3), I need not consider the remaining heads of damage.

84. The opposition based upon section 5(3) succeeds.

Section 5(4)(a)

Legislation and case law

85. 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.”

86. Subsection (4A) of Section 5 of the Act 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.”

87. 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).”

Goodwill

88. The first hurdle for the opponent is to show that it had the necessary goodwill in the sign WINDOWS at the relevant date. For the purpose of these proceedings, in the

absence of evidence showing the use made of the applicant's mark, the relevant date for assessing goodwill is the date of the application for registration; that is, 14 February 2020. Goodwill was described in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), in the following terms:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start."

89. Goodwill arises as a result of trading activities. The opponent has claimed that the sign WINDOWS has been used in relation to *computer software* and *computer software for operating systems* throughout the UK since 1985. Much of the opponent's evidence goes, understandably, to at least the 21st century. The opponent's advertising and marketing spend has been highly significant, investing over \$22 million in the advertising of its Windows products specifically between 2018 and 2020, with its modes of advertising including billboards, social media and television advertisements, including on-demand platforms, likely to have resulted in a substantial number of impressions amongst the relevant public. It has also collaborated with a number of celebrities and renowned 'YouTubers' to further advertise its products. Its marketing efforts and high-profile licensing agreements have resulted in a wide number of active devices running Windows software being utilised by UK consumers and its market share in desktop operating systems is substantial and indicative of extensive trading activities. Its revenue (accountable at least in part to its WINDOWS products) in the years up to 2014 is highly significant. Reflecting on the evidence as a whole, and particularly those factors to which I have referred above, I am satisfied that the opponent's business holds a substantial goodwill in the UK in relation to the goods it has identified, and that the sign relied upon was distinctive of that goodwill at the relevant date.

Misrepresentation

90. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc. [1990] R.P.C. 341 at page 407* the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148 . The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd. (1941) 58 R.P.C. 147 at page 175* ; and *Re Smith Hayden's Application (1945) 63 R.P.C. 97 at page 101.*”

91. Later in the same judgment, Morritt L.J. stated that:

“.... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993) . It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

92. I recognise that the test for misrepresentation is different from that for likelihood of confusion in that it entails *deception of a substantial number of members of the public* rather than *confusion of the average consumer*. However, it is doubtful whether the difference between the legal tests will produce different outcomes⁶.

93. On the matter of misrepresentation, I consider that a substantial number of members of the relevant public would be misled into purchasing the applicant's goods in

⁶ *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501

the mistaken belief that they were the goods of the opponent, particularly given my earlier conclusions regarding the respective marks' similarities and distinctive elements.

Damage

94. In *Harrods Limited*, Millett L.J. described the requirements for damage in passing off cases in the following terms:

“In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff's business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their custom to the defendant in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff's goodwill by the deception of the public. Where the parties are not in competition with each other, the plaintiff's reputation and goodwill may be damaged without any corresponding gain to the defendant. In the *Lego* case, for example, a customer who was dissatisfied with the defendant's plastic irrigation equipment might be dissuaded from buying one of the plaintiff's plastic toy construction kits for his children if he believed that it was made by the defendant. The danger in such a case is that the plaintiff loses control over his own reputation.”

95. In the present case, I consider that damage through diversion of custom is entirely foreseeable.

96. The opposition based upon section 5(4)(a) succeeds.

CONCLUSION

97. The opposition has succeeded and, subject to any successful appeal against my decision, the application will be refused in its entirety.

COSTS

98. The opponent has succeeded and is entitled to a contribution toward its costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (“TPN”) 2/2016. In accordance with that TPN, I award costs as follows:

Filing a form TM7 (official fee):	£200
Preparing the Notice of Opposition and considering the counterstatement:	£200
Preparing evidence	£600
Preparing for and attending a case management conference:	£300
Preparing written submissions:	£300
Total:	£1600

99. I order Mr Keith Scholefield to pay Microsoft Corporation the sum of £1600. This sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an unsuccessful appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 9th day of March 2022

Laura Stephens
For the Registrar,
The Comptroller General