

O-027-20

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3322013
BY BEIJING ELEX TECHNOLOGY CO., LTD.
TO REGISTER AS A TRADE MARK:**

LORD OF WAR

IN CLASS 41

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 414028
BY SONY INTERACTIVE ENTERTAINMENT EUROPE LIMITED**

Background and pleadings

1. On 3 July 2018, Beijing ELEX Technology Co., Ltd. (“the applicant”) applied to register the trade mark **LORD OF WAR**, under number 3322013 (“the contested mark”). The application was published for opposition purposes on 13 July 2018 in respect of the following services:

Class 41: Game services provided on-line from a computer network; layout services, other than for advertising purposes; providing on-line electronic publications, not downloadable; on-line publication of electronic books and journals; film production, other than advertising films; games equipment rental; providing amusement arcade services; entertainment information; publication of books; entertainment services; providing recreational areas in the nature of play areas for children; providing online training seminars; providing online videos, not downloadable; providing online courses of instruction; on-line library services, namely, providing electronic library services which feature newspapers, magazines, photographs and pictures via an on-line computer network; radio entertainment production; holiday camp services; parks (amusement-); audio, video and multimedia production, and photography; timing of sports events.

2. On 12 October 2018, Sony Interactive Entertainment Europe Limited (“the opponent”) filed a notice of opposition. The opposition is brought under ss. 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) and is, under each of these grounds, directed against all of the services in the application.

3. Under both ss. 5(2)(b) and 5(3), the opponent relies upon its European Union trade mark (“EUTM”) number 4329785 **GOD OF WAR**. The mark was filed on 9 March 2005 and was entered in the register on 18 April 2006. It is registered for various goods and services in classes 9, 28, and 41.

4. Under s. 5(2)(b), the opponent relies upon the following goods and services:¹

Class 9: Computer and video game apparatus; computer game consoles; computer and video games; computer video game programmes; computer software; compact discs; video discs; DVDs; electronic apparatus and instruments all for use in computer and video gaming; parts and accessories for all the aforesaid goods.

Class 41: Provision of on-line entertainment; provision of computer and video games and computer and video game programmes from a computer database or via the internet.

5. The opponent claims under this ground that the marks are highly similar, including having the same literal meaning, and that the services applied for are identical or highly similar to the goods and services of the earlier mark. The opponent claims that these factors, bearing in mind what it claims is a highly distinctive earlier mark and the principle of imperfect recollection, will result in a likelihood of confusion, including the likelihood of association.

6. Under s. 5(3), the opponent claims that its mark has a reputation in the EU in respect of the following:

Class 9: Computer and video games; computer video game programmes.

7. It claims that its reputation is such that use of the contested mark would cause the relevant public to believe that there is an economic connection between the applicant and the opponent, where no such connection exists. It claims that the applicant would gain an unfair advantage, riding on the coat-tails of the opponent's power of attraction, reputation and prestige to exploit, without any effort of its own, the marketing efforts of the opponent to create and maintain the image of the earlier mark. This, the opponent states, would

¹ A claim to use on magnetic data media was dropped at the hearing.

constitute an unfair advantage. Further, the opponent claims that use of the contested mark in relation to services of a different quality from those provided by the opponent would tarnish the reputation of the earlier mark. Finally under this ground, the opponent claims that use of the contested mark would dilute the distinctive character of the earlier mark, weakening its ability to identify the source of the goods and services.

8. The opponent further claims under s. 5(4)(a) of the Act that the sign **GOD OF WAR** has been used throughout the UK since 2005 and that the opponent has a protectable goodwill in respect of the following goods and services:

Computer and video game apparatus; computer game consoles; computer and video games; computer video game programmes; computer software; computer peripherals; compact discs; video discs; electronic apparatus and instruments all for use in computer and video gaming; parts and accessories for all the aforesaid goods.

9. It claims that use of the contested mark on any of the services applied for would amount to a misrepresentation to the relevant public, leading consumers to believe that the services of the applicant are those of the opponent, or that they are linked to or approved by the opponent. This would give rise to damage by substitution, with consequent loss of custom, and through loss of control of the opponent's reputation.

10. The applicant filed a counterstatement denying the grounds of opposition and putting the opponent to proof of its claims.

11. Given its date of filing, the opponent's trade mark qualifies as an earlier mark in accordance with s. 6 of the Act. In its notice of opposition, the opponent indicates that the mark has been used for all of the goods and services upon which it relies. This statement is made because, as the mark had completed its registration process more than 5 years before the publication date of the application in suit, it is subject to the proof of use provisions contained in s. 6A of the Act. The applicant in its counterstatement indicated

that it would require the opponent to provide evidence of use of its mark. The relevant period for genuine use under ss. 5(2)(b) and 5(3) is 14 July 2013 to 13 July 2018.

12. Only the opponent filed evidence. Both parties filed written submissions during the evidence rounds, which I will bear in mind. A hearing was held before me, by videoconference, on 30 October 2019, at which the opponent was represented by Tony Pluckrose for Boulton Wade Tennant LLP. Mr Pluckrose supplemented his submissions with further case references following the hearing, which I have noted. The applicant did not attend the hearing, nor did it file written submissions in lieu. It has been represented throughout by Sophie Evans.

Evidence

Opponent's evidence

13. The opponent's evidence consists of two witness statements of Alessandro Cimaschi, Trade Mark and Anti-Piracy Manager of the opponent. I will summarise only what I consider to be the most relevant evidence.

14. The opponent is a subsidiary of Sony Interactive Entertainment Inc (SIEI) , which is the manufacturer of and entity responsible for the sale, marketing and distribution of the PlayStation family of products in Europe; sales, marketing and distribution of such products in the Americas are the responsibility of Sony Interactive Entertainment LLC (SIE).² A number of other "Sony Interactive" companies appear in the evidence: Mr Cimaschi confirms that all of these are subsidiaries of the opponent.³ He explains that some of the use regarding which he gives evidence may not have been by the opponent itself but that any use by SIEI, SIE or any of the other companies mentioned in the

² Cimaschi 1, §4.

³ Cimaschi 2, §6.

evidence is with the opponent's consent.⁴ He further confirms that any goodwill inures to the opponent's benefit.⁵

15. The opponent operates a "PlayStation Network" which is a digital service allowing multi-player gaming between account holders, a subscription service for "enhanced gaming" and an online marketplace for the download and streaming of games and other audio and visual content.⁶ It is also said to offer cloud storage for music, films, games and saved content.⁷ Prints from www.playstation.com, not dated save for the printing date in March 2019, show various of these services on offer.⁸

16. The PlayStation Network's cloud gaming service is called "PlayStation Now". It allows subscribers to stream or (from September 2018) download game titles, as an app either to a PlayStation console or to a Windows PC or laptop.⁹ Mr Cimaschi indicates that the service has been available to users in the UK and various other EU countries since 2015. He states that the UK has the most subscribers in the EU countries in which the service is "now" available (the statement is dated 12 March 2018 but as some of the evidence is dated 2019, this appears to be a typographical error). There is a print from YouTube regarding PlayStation Now, with the subheading "100+ PlayStation Exclusives on PlayStation Now Subscription" and a publication date of January 2016, which shows almost 2 million views.¹⁰

17. The following GOD OF WAR titles are said to be available via the PlayStation Now service: GOD OF WAR: Ascension, GOD OF WAR: Ghost of Sparta, GOD OF WAR: HD, GOD OF WAR II HD (all available since October 2015); GOD OF WAR: Chains of Olympus (available since March 2016); and GOD OF WAR III Remastered (available

⁴ Cimaschi 1, §5, Cimaschi 2, §6.

⁵ Cimaschi 1, §5, Cimaschi 2, §5.

⁶ Cimaschi 1, §§9, 11, 15.

⁷ Cimaschi 1, §15.

⁸ Exhibit 5.

⁹ Cimaschi 1, §12 and exhibit 2 (dated September 2018). On the introduction of game download see exhibit 11, pp. 5-9 and 24-33.

¹⁰ Exhibit 11, p. 35.

since July 2017). Undated prints of the app are provided which show “God of War® III Remastered”; there is a figurative mark shown but it is not particularly clear.¹¹

18. The GOD OF WAR game is said to have been first released in 2005 on the PlayStation 2 console; GOD OF WAR game titles, in both hard copy and digital formats, are said to have been available on all consoles and units from the PlayStation 2 onwards.¹² Mr Cimaschi lists release years of various GOD OF WAR titles (such as GOD OF WAR: Betrayal and GOD OF WAR: Origins Collection) from 2005 to 2018.¹³ I note that these have also included mobile phone, PlayStation Portable and Facebook Messenger (the latter on an unspecified date in 2018) as well as various PlayStation releases. These release dates are said to be EU-wide.

19. Undated screenshots said to be of the PlayStation 4 launch screen are provided, which appear to show GOD OF WAR III: Remastered available on PlayStation Now, above the statement “STREAM 500+ GAMES ON WINDOWS PC”.¹⁴ The same exhibit shows an in-app banner from PlayStation Now which invites users to “PLAY GOD OF WAR® III REMASTERED NOW”, which is said to have run from 20 March to 11 April 2018. There is a further banner said to show the availability of GOD OF WAR titles on PlayStation Now in 2018.

20. Images are provided of GOD OF WAR game disc packaging.¹⁵ Mr Cimaschi states that the GOD OF WAR mark appeared on both the disc and the packaging.¹⁶ Most of these bear the “PEGI” game rating, which is said to indicate a European release.¹⁷ On these, the mark is shown in various forms, as reproduced below:

¹¹ Exhibit 3.

¹² Cimaschi 1, §§6,19.

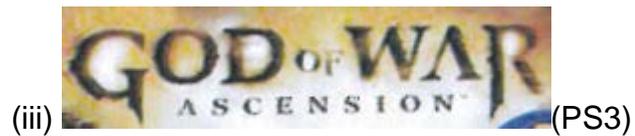
¹³ Cimaschi 1, §23.

¹⁴ Exhibit 11.

¹⁵ Exhibit 7.

¹⁶ Cimaschi 1, §28.

¹⁷ Ibid.



21. Images are also provided of a GOD OF WAR “console bundle”.¹⁸ The last of the marks shown above is visible on the packaging. On the handheld controller itself, the same mark appears in grey on a plain black background.

¹⁸ Exhibit 6.

22. GOD OF WAR: Ascension (2013) is said to feature an online multiplayer mode for playing over the internet.¹⁹ Digital sales in the EU between 2015 and 2018 are given as over 19,900.²⁰

23. Mr Cimaschi's evidence is that "it is common practice for a game's "add on" options (either paid or free) to include game content (either downloadable or accessible online) such as additional characters, costumes and accessories and ancillary items such as music, trailers, demos, background themes and avatars".²¹ There are undated screenshots of such add-ons being sold via the PSN store; the details are not very clear but it can be seen that they are priced in sterling and various forms of the mark, as reproduced above, are visible.²²

24. Unit sales figures from 2015 to 2018 both EU-wide and broken down by EU country are provided.²³ Some show only small national sales figures (in Cyprus, the figures are in the hundreds) but others are far more significant. In Germany, there were sales of over 44,000 in 2015 to 2017, jumping to over 300,000 in 2018. There is a similar picture in Spain, on a smaller scale: over 22,000 sales from 2015 to 2017 and over 180,000 in 2018. The UK figures are more variable: 42,663 in 2015, 31,918 in 2016, 26,324 in 2017 and 415,678 in 2018. The figures are a mixture of both physical and digital sales. All of the titles contain the words "GOD OF WAR", though there are different versions (2, 3, COLLECTION 2) and combinations such as GOD OF WAR: ASCENSION.

25. Further evidence of UK sales of titles bearing "GOD OF WAR" from 2010 is provided, though the quantities are not entirely clear.²⁴ This also includes evidence of sales of console/games bundles from 2015; most are in 2018 but there appear to be sales in April to June of that year. Mr Cimaschi states that EU sales for 2010 onwards were over 3.6 million. A limited number of invoices for various EU countries are in evidence, on which

¹⁹ Cimaschi 1, §35.

²⁰ Ibid.

²¹ Cimaschi 1, §16.

²² Exhibit 12.

²³ Exhibit 13.

²⁴ Exhibit 15 and Cimaschi 1, §§42-43.

“God of War” is included in item descriptions.²⁵ Most are dated in the relevant period. Quantities range from single figures to tens of thousands.

26. Articles dated April to May 2018 are provided, which discuss the successful launch of GOD OF WAR in the UK.²⁶ The chart-topping performance of the game is noted and compared favourably with previous versions. Various articles refer to God of War on PS4 being the “fastest selling title in the franchise’ history” [sic].²⁷ Another ranks God of War as the number 8 best-selling game in the UK in 2018 (physical sales only).²⁸ I note that the positive critical reception of the game is also mentioned.²⁹ Further details of UK reviews of the 2018 release of GOD OF WAR are given, along with evidence of awards in various countries, although all bar one post-date the relevant period.³⁰ Some full reviews, dated in the relevant period and from UK websites including national newspapers, are included and make positive comments about the game: many describe it as the best or one of the best PS4 games ever. Its “finely realised graphics”, “refined air” and complex weaponry are praised, and it is described as a “slick and gorgeous spectacle”.³¹ Its storytelling is also compared favourably with previous games. There is some discussion of the “photo mode” available in the game, a patch for which was apparently released on 9 May 2018, and which allows the player to freeze play and take photographs.³²

27. An article dated 2 May 2018 from uk.pcmag.com reports that God of War 3 Remastered tops the list of the most popular games on the PlayStation Now service, with “God of War Collection” also in the top ten.³³ I note that the service “works by streaming the games from a datacenter”.³⁴ Mr Cimaschi states that GOD OF WAR is the second most popular franchise on PlayStation Now, accounting for 7% of all streaming on the

²⁵ Exhibit 16.

²⁶ Exhibit 14.

²⁷ Exhibit 14, p. 4; exhibit 31, p. 52.

²⁸ Exhibit 14, p. 6.

²⁹ For example, exhibit 14, pp. 12-13.

³⁰ Exhibits 30 and 31.

³¹ Exhibit 31, pp. 4, 6, 19, 49, 26.

³² pp. 14-15.

³³ Exhibit 11, pp. 16-23.

³⁴ Exhibit 11, p. 17.

service, and that GOD OF WAR 3: Remastered is the third most popular game (these appear to be figures for 2018 as a whole).³⁵

28. Marketing spend is provided, some of which is subject to an order for confidentiality.³⁶ In 2016, spend across eight EU countries, including the UK, was in excess of €300,000. This is said to be relatively low, because no GOD OF WAR titles were launched that year. Spend for the 2018 release was significantly higher: Mr Cimaschi confirms that total spend in the EU was over €10 million, of which the UK spend was between €2.5m and €4.5m.

29. Examples of marketing material are provided.³⁷ Although some of the images are dated in the relevant period, not all are obviously so. Nor are all of the images particularly clear. The mark shown at paragraph 20 (v) above is visible on a marketing communication said to have been sent to 46,000 PSN account holders in Europe on 6 April 2018 (exhibit 19). There is also a photograph of the BFI Imax Cinema outside London's Waterloo station, with the mark shown at paragraph 20 (vi), above, displayed.³⁸ It is said to have been on the building between 23 April 2018 and 6 May 2018.³⁹ Advertising in Germany/Austria/Switzerland, via various means, shows the same mark and indicates a release date of 20 April 2018. Evidence of advertising in Spain, on public transport and in shops, between June 2017 and June 2018 also shows the same mark.⁴⁰

30. Images of a cover wrap used for Shortlist magazine on 19 April 2018 are in evidence.⁴¹ They show the words "GOD OF WAR" in the figurative mark shown at paragraph 20 (vi), above. It appears to be a weekly magazine which issues every Thursday. Mr Cimaschi gives circulation for the period as 505,876.⁴²

³⁵ Cimaschi 1, §34.

³⁶ Cimaschi 1, §§46-47 and confidential exhibit 17.

³⁷ Cimaschi 1, §49 and exhibits 19 to 23 and 26 to 29. Exhibit 23 duplicates the in-app banner shown at exhibit 11.

³⁸ Exhibit 24.

³⁹ Cimaschi 1, §50.

⁴⁰ Exhibit 29.

⁴¹ Exhibit 25.

⁴² Cimaschi 1, §51.

31. There is evidence that a music album entitled “GOD OF WAR: Blood and Metal” was released in the EU in March 2010.⁴³ Mr Cimaschi states that this was on various digital platforms; the supporting Google print indicates that the album is available on YouTube, Spotify, Google Play Music and Deezer, though the print itself is dated 2019. A promotional CD is said to have been distributed in the EU, an image of which is shown bearing the title “GOD OF WAR: BLOOD & METAL”.⁴⁴

32. In April 2018, the soundtrack of the game is said to have been released in various formats.⁴⁵ Prints are provided which show the CD available from Amazon.co.uk, as well as the tracks available for download; the release date is given as 27 April 2018 and the first review is dated May 2018.⁴⁶

33. That concludes my summary of the evidence, to the extent I consider necessary.

Proof of use

34. The relevant statutory provisions are as follows:

“Raising of relative grounds in opposition proceedings in case of non-use

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

⁴³ Cimaschi 1, §29 and exhibit 8.

⁴⁴ Exhibit 9.

⁴⁵ Cimaschi 1, §30.

⁴⁶ Exhibit 10.

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(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 period of five years ending with the date of publication of the application 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 differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, 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 Community 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.

(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”.

35. Section 100 of the Act is also relevant, which reads:

“100. 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”.

36. When considering whether genuine use has been shown, I must apply the same factors as if I were determining an application for revocation based on grounds of non-use. What constitutes genuine use has been subject to a number of judgments. 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 Bunderversammlung 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], [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]”.

37. In *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, [EU:C:2012:816] the Court of Justice of the European Union (“CJEU”) noted that:

“36. It should, however, be observed that..... the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use”,

and

“50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark”,

and

“55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down

(see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77).”

The court held that:

“Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to ‘genuine use in the Community’ within the meaning of that provision.

A Community trade mark is put to ‘genuine use’ within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, 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”.

38. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. reviewed the case law since the *Leno* case and concluded as follows:

“228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issues in London and the Thames Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guildford, and thus a finding which still left open the possibility of conversion of the Community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State". On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule

and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use”.

39. The General Court restated its interpretation of *Leno Merken* in Case T-398/13, EU:T:2015:503, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark). Consequently, in trade mark opposition and cancellation proceedings the registrar continues to entertain the possibility that use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods/services being limited to that area of the Union.

40. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient to create or maintain a market for the goods/services at issue in the Union during the relevant 5-year period. In making the required assessment I am required to consider all relevant factors, including:

- i) The scale and frequency of the use shown
- ii) The nature of the use shown
- iii) The goods and services for which use has been shown
- iv) The nature of those goods/services and the market(s) for them
- iv) The geographical extent of the use shown.

41. The correct approach to assessing the opponent’s evidence is to view the picture as a whole, including whether individual exhibits corroborate each other: *New Yorker SHK Jeans GmbH & Co. KG v Office for Harmonisation of the Internal Market (OHIM)*, Case T-415/09, EU:T:2011:550. I also bear in mind that the burden of proving use is on the opponent. In *Awareness Limited v Plymouth City Council*, Case BL O/236/13, 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”.

He also added, at paragraph 28:

“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.”

42. In its written submissions, the applicant states:

“The Opponent has filed an overwhelming amount of evidence, which serves very little purpose other than to show that extensive sales and marketing of goods bearing the Trade Mark LORD OF WAR [sic] has occurred worldwide, being a fact which is not contended. However, this does not show that there is a likelihood of confusion and we continue to contend that the Opponent [...] does not have a reputation in the earlier Trade Mark. We would also comment that a substantial amount of the evidence relates to use outside the European Union”.

It does raise concerns about the use of other companies within the group and says that:

“[...] it does not necessarily follow (without evidence of a trade mark licence for example) that sales by other companies in the group accrue to the Opponent [...] we find no evidence whatsoever in the entire lengthy submissions that the Opponent themselves have been involved in the sale or marketing of goods/services under the Trade Mark GOD OF WAR”.

43. Given these comments, the applicant appears to accept that there has been genuine use on or in relation to the goods relied upon. I note in particular that the applicant accepts that the goods “bear the trade mark”: no point appears to be taken concerning whether the use is trade mark use. Given that the goods in class 9 include computer software at large, the applicant’s concession is somewhat surprising. However, as the opponent has focused its case on computer/video games, apparatus and the services upon which it relies, in the analysis below I will do likewise. It seems to me that, for reasons which will become apparent, this will not affect the overall outcome.

44. As to whether there has been sufficient use in the EU, I conclude that there has. It is clear from the evidence that the opponent is responsible for a very successful computer/video game franchise: the UK figures show tens of thousands of unit sales from 2015, increasing to hundreds of thousands in 2018. Even though only a portion of the

2018 sales are likely to be attributable to the relevant period, the evidence shows that the launch of the new game in the week ending 21 April 2018 resulted in enough sales to top the relevant UK chart. Whilst the figures for other EU countries are somewhat lower, they are far from trivial and support the claim to genuine use throughout the EU.⁴⁷

45. The applicant's remaining objection appears to be whether the use was by the proprietor or with its consent. Mr Cimaschi's evidence is clear that the use which has been demonstrated is use by the opponent or with its consent. I see no reason why licence agreements or other formal documentation would be required to show that there is express consent. The fact that the opponent has provided invoice evidence from the subsidiary companies suggests that the nature of the relationship is such that the opponent can call upon the companies using the mark to assist it in providing evidence of use. That indicates at least the implied consent of the opponent. No other attempt has been made to undermine the evidence of Mr Cimaschi on this point and, the evidence being on its face credible, it would be inappropriate for me to disbelieve his account. I reject the applicant's contention that the use has not been by the opponent or with its consent.

46. There is no concession regarding the services relied upon. There is documentary evidence which shows that various GOD OF WAR titles have been available via the PlayStation Now service since 2015. At least the 2013 title GOD OF WAR: Ascension is said to have offered an online multiplayer mode for play over the internet. Mr Cimaschi's narrative evidence is also that the GOD OF WAR franchise is (at the date of his statement) the second most popular franchise on the streaming service.

47. Despite much of the evidence being dated after the relevant period, the evidence that PlayStation Now has been available to users in the UK and other EU countries since 2015 is unchallenged and I note that an article dated May 2018 discusses the addition of PS2 games to the 650 games available on the service, which previously only offered PS3 and

⁴⁷ Exhibit 14, p. 4 lists the title as a new entry in the chart for this week.

PS4 titles.⁴⁸ The PlayStation Now service was, during the relevant period, a streaming service rather than a service offering game downloads. Whilst the GOD OF WAR titles may have been available via the PlayStation Now service, there is no evidence that GOD OF WAR was used as a trade mark to provide consumers with computer/video games or their programmes online: another service (PlayStation Now) was required for that function. There is some evidence that the 2013 title GOD OF WAR: Ascension had an online multiplayer mode. This, Mr Cimaschi says, allowed up to eight players to take part over the internet. However, the evidence does not go into any particular detail and the slim evidence suggests that the game software allows players to connect over the internet, not that the opponent is offering a service which provides such a facility under the GOD OF WAR mark. Similarly, there is no evidence which shows me how add-ons for the games are purchased or the extent to which, if at all, the GOD OF WAR mark is used in connection with a service allowing such purchases. Taking all of the above into account, and bearing in mind that the onus is on the opponent to show use, I am not satisfied that the mark has been used on or in relation to the services relied upon in class 41.

48. The applicant has conceded use in relation to the goods relied upon. Given that I have also determined that there has been no use in respect of class 41, there is no need for me to address the issue of a fair specification. The opponent may rely upon all of its goods in class 9.

49. I should make one point in respect of the class 9 goods. I note that the opponent's computer and video game apparatus and consoles are in class 9 rather than class 28, where such goods would usually be found. However, I do not consider that the terms are imprecise. On the contrary, the terms appear to indicate clearly the goods, particularly "computer game consoles", which is neither particularly broad nor in any way vague. Nor does this appear to be a case in which the goods may be found in different classes, depending on their particular function (unlike, for example, valves, whose nature is different in different classes). With that and the provisional conclusions of Carr J. in *Pathway IP Sarl (formerly Regus No. 2 Sarl) v Easygroup Ltd (formerly Easygroup IP*

⁴⁸ Exhibit 11, pp. 16-17.

Licensing Limited), [2018] EWHC 3608 (Ch), particularly paragraph 103, in mind, it appears that there is no need for me to take the class number into account in determining the scope of protection relating to these goods.

Section 5(2)(b)

50. 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”.

51. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, EU:C:1997:528, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, EU:C:1998:442, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, EU:C:1999:323, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, EU:C:2000:339, *Matratzen Concord GmbH v OHIM*, Case C-3/03, EU:C:2004:233, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, EU:C:2005:594, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P, EU:C:2007:333, and *Bimbo SA v OHIM*, Case C-591/12P, EU:C:2016:591:

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

Comparison of goods and services

52. When making the comparison, all relevant factors relating to the goods and services in the specification should be taken into account. In *Canon*, the CJEU stated at paragraph 23 of its judgment:

“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”.

53. Guidance on this issue has also come from Jacob J. (as he then was) *British Sugar Plc v James Robertson & Sons Ltd* (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.

54. In *Kurt Hesse v OHIM*, Case C-50/15 P, EU:C:2016:34, 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 Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, EU:T:2009:428, the 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”.

55. I also bear in mind the comments of Daniel Alexander Q.C., sitting as the Appointed Person, in *Sandra Amelia Mary Elliot v LRC Holdings Limited*, BL O/255/13, where he warned against applying too rigid a test when considering complementarity:

“20. In my judgment, the reference to “legal definition” suggests almost that the guidance in *Boston* is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that

responsibility for the goods lies with the same undertaking. However, 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. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to Boston”.

56. I also bear in mind the comments in *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch) and *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), in which the importance of giving the terms in specifications their ordinary and natural meaning was stressed. In addition, in *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

57. The applicant simply submits that there is neither similarity nor identity between any of the goods and services. Mr Pluckrose submitted detailed submissions in his skeleton argument, upon which he relied at the hearing as representing the full details of the opponent’s position on similarity. As it appears that these submissions represent what the opponent considers its best case, and it not being appropriate for me to improve upon the position as put by the opponent, it is on the basis of those submissions that I proceed.

Game services provided on-line from a computer network; entertainment services

58. The opponent submits that online game services are highly similar to the earlier mark’s “computer and video games” and “computer video game programmes” because “the only difference [...] is the method of access, i.e. via an online service rather than the purchase of a physical copy in the store”.⁴⁹ The purpose of a video/computer game is to

⁴⁹ Skeleton argument, §19.

be played for entertainment; the purpose of an online game service is to provide the game. There is a difference in nature between physical goods and online services. Their methods of use also differ. Users will overlap and there may be competition. Channels of trade may well coincide, with the same platform being used to offer both online services and purchase of physical copies of the product. Computer and video games are plainly important for the operation of a game service and the consumer may well consider both a game and a game service to be the responsibility of the same undertaking. Indeed, the opponent's evidence shows that it offers both. As entertainment services encompasses online game services, all of these goods and services are similar to a medium degree.

Games equipment rental

59. The opponent submits that these services are similar to “computer and video games” as well as “computer and video game apparatus; computer game consoles”. Taking games apparatus and consoles first, although the consumer will ultimately obtain games equipment in both cases, the purpose of the service is the provision of the equipment whilst the purpose of the apparatus itself is to be used in the playing of games. Their nature is also different. There may, however, be a competitive relationship as rental of game apparatus may be preferred to its outright purchase. Users will be the same and I see no reason why there would not be some overlap in channels of trade. There is, however, no complementarity: whilst the goods are doubtless important for the services, there is no evidence that the goods are manufactured by the same entity which provides the services, or that the consumer would think that that were the case. These goods and services are similar to a medium degree.

60. In terms of computer/video games themselves, the nature, purpose and method of use all differ from the services. There will be an overlap in users but there is neither competition nor complementarity. There may be an overlap in channels of trade. These goods and services have only a low degree of similarity.

Providing amusement arcade services

61. The opponent submits that these services are also similar to “computer and video games” and “computer and video game apparatus; computer game consoles”, on the basis that the contested services could include the provision of such games and apparatus in an amusement arcade. Whilst I accept that computer games may feature in arcades, the provision of arcade services will differ from computer/video games in nature, purpose and method of use. These goods and services are not complementary: whilst the goods may be used in arcade services, there seems little likelihood that the user would consider the same party responsible for both the manufacture of the game/apparatus and running the amusement arcade. However, users will be identical

and there is competition as users may make a positive choice between using an arcade's services and purchasing the opponent's goods. These goods and services are similar to a low degree.

Holiday camp services; parks (amusement -)

62. The opponent submits that these services often include the provision of amusement arcades where video and computer games are made available for play. I accept that amusement parks frequently include arcades. It also seems reasonable that holiday camps, if not routinely including arcades per se, would include entertainment facilities which offer computer games. My comments in relation to arcade services, above, are therefore applicable. Whilst I bear in mind that some amusement parks have a wide variety of activities on offer and may have a primary focus on activities such as rollercoasters, there is nothing restrictive in the term "amusement" and arcades and computer games could well have prominent roles. These goods and services are similar to a low degree.

Audio, video and multimedia production; layout services, other than for advertising purposes

63. The opponent claims that these services are an integral part of producing a computer or video game and are provided by games studios. I do not doubt that this is the case, as these production services will include services such as audio/visual effects and editing. However, the nature, purpose, method of use and channels of trade are all different. There is no competition but users may intersect. Production and layout services (insofar as they relate to the visual display/organisation of the game) are important to the game and its ultimate ability to function properly, though I accept that they are something of an ingredient in the process rather than services which are employed in order to use the final product. Nevertheless, the closeness of the connection is such that the consumer would think that the same undertaking is responsible for both the finished article and for the

above services, which are a vital part of its creation. These services are similar to a low degree.

Film production, other than advertising films

64. These services are said to include services relating to publications which concern video and computer games, and they are said to be similar and complementary to those goods. I do not accept that the potential for a film to have computer games as its subject matter would give rise to similarity between the goods and services. "Film production" is likely to be construed as concerning the production of motion pictures/movies. The nature, purpose and method of use are different from computer games. Given that films are a specific type of work, there is little likelihood that the goods and services will reach the market through the same channels. However, services such as visual effects and editing, which form part of film production services, may be employed in the development of computer games. Whilst these services are, as I indicated above, a step in the process, it seems to me that the overlap in services which would ordinarily be considered part of the creation of a computer game may result in the consumer believing that the goods and services are the responsibility of the same undertaking, particularly as films may be animated. These services are similar to a low degree.

Providing recreational areas in the nature of play areas for children

65. The opponent submits that play areas may include computer and video games and that there is complementarity between the goods and services. There is no evidence to support such an assertion. An ordinary reading of "play areas" suggests an activity area for younger children. My own experience is that such play areas would not, even indoors, include computer/video games but activities such as soft play, ball pools and slides. The goods and services are not complementary: even if computer games were available in play areas, that does not mean that there would be a complementary relationship between these goods and services, and there is nothing which leads me to conclude that

the consumer would think the same body is responsible for both. Overall, there is no similarity between these goods and services.

Providing on-line electronic publications, not downloadable; on-line publication of electronic books and journals; entertainment information; publication of books; on-line library services, namely providing electronic library services which feature newspapers, magazines, photographs and pictures via an on-line computer network

66. The opponent submits that these services encompass services relating to publications concerning video and computer games. It claims that such publications are similar to and complementary to the earlier mark's "computer and video games". The purpose of a publication service is to disseminate works. The purpose of library services is to make publications available to the public, usually via a lending service. I bear in mind that libraries, particularly online, may have specific subject areas. However, neither has the same purpose as a video or computer game, whose purpose is entertainment. The nature of the goods and services will differ, as will their channels of trade. There is no competition and whilst the users of both will include members of the general public, this is a superficial point of similarity. As to whether the goods and services are complementary, my finding is that they are not. Whilst I accept that the content of published works, or indeed entertainment information, might relate to computer or video games, computer and video games are neither important nor necessary for providing such matter, nor do I think that the consumer would expect such goods and services to be provided by the same undertaking. These goods and services are not similar.

Providing online training seminars; Providing online videos, not downloadable; Providing online courses of instruction

67. The opponent submits that these services are similar to the goods of the earlier mark because they could include the sort of training, instructions and courses used by video game players or for use by those in the video game industry. There is clearly no overlap in nature or purpose between computer/video games and the above services. Their

methods of use and channels of trade will not intersect. There may be an overlap in users but this is a tenuous connection. I accept that it is possible that computer games could, in theory, be the subject of online videos and courses. However, there is no evidence that the providers of games offer videos and training and that, as a consequence, the consumer would think that the goods and services were provided by the same undertaking. These goods and services are not similar.

Radio entertainment production

68. These services are not similar to the earlier goods. They differ in all material respects. I note the submission that radio shows might be concerned with video games but that does not make them similar goods and services. Whilst there may be some aspects of audio production in the creation of video/computer games, it is likely to be a minor part and there is no obvious crossover in the production of radio entertainment and audio aspects of computer games which would lead the consumer to think that the goods and services are from connected entities. The goods and services are not important or essential for one another in such a way that there might be complementarity.

Photography

69. Computer games clearly use various visual effects and images but I have no evidence which would lead me to conclude that photography, a distinct field, has any material similarity with the opponent's computer/video games. The only basis on which the case is advanced is that it is an integral part of computer games. I do not see how that is the case: computer/video games are, to the best of my knowledge, computer generated images rather than photographic representations. Further, although the opponent's game is said to have a photo mode, from the limited information available this appears to allow players to take stills within the game. That is not, in my judgement, a sufficient basis for a finding of similarity. These goods and services are not similar.

Timing of sports events

70. The opponent submits that video and computer games are integral to ESports events. I do not doubt that competitive computer gaming has burgeoned. However, the timing of sports events and the computer games which may be used at or be the subject of such events are wholly dissimilar. I see no reason why a consumer would consider that a computer game company would be responsible for timing services. There is no similarity.

71. Where there is no similarity between the goods and services, there can be no confusion.⁵⁰ The opposition under s. 5(2)(b), insofar as it is directed against services which I have found to be dissimilar to the opponent's goods, is hereby dismissed.

The average consumer and the nature of the purchasing act

72. It is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then decide the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purposes 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 services in question: *Lloyd Schuhfabrik*.

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

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively

⁵⁰ See, for example, *Waterford Wedgwood plc v OHIM* – C-398/07 P, EU:C:2009:288.

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”.

74. The opponent submits that the average consumer is a member of the general public. I agree that members of the general public are likely to purchase the opponent’s goods and use many of the applicant’s similar services. However, it seems to me that professional or business users are also relevant. Production and layout services, for example, are unlikely to be commissioned by the general public. Further, some of the goods and services, computer games and entertainment services at large, for example, may be purchased by both the public and business users: computer games/software may be purchased by business users, such as manufacturers of arcade game terminals for installation on the hardware of such machines. The professional group of consumers is likely to pay a reasonably high degree of care in the purchase, as there may be significant sums involved and attention will be paid to, for example, the previous work and reputation of the service provider and the potential working relationship between the parties.

75. Mr Pluckrose referred me to a decision of the GC in which it upheld a finding that the level of attention paid by the general public purchasing, among other things, games and computer games, was average.⁵¹ I see no reason why that finding would not be equally applicable here: the goods are ordinary consumer items which, whilst not perhaps everyday purchases, may be bought with some frequency. The consumer will, though, be careful to select the correct title and may be attentive to factors such as age restrictions and compatibility with his/her particular game system. This consumer is also likely to select the services with a medium degree of care, paying attention to factors such as the range of goods/options offered under the services.

76. For all of the goods and services, visual considerations are likely to dominate. Goods are likely to be selected after a visual inspection of the product on shelves in retail premises or their online equivalents. Consideration of websites, brochures and

⁵¹ *Kalypso Media Group GmbH v EUIPO*, Case T-700/18, EU:T:2019:739.

catalogues is likely to play a major part in the selection of the services at issue. There may be an aural element to the purchase of any of the goods and services, which may be the subject of discussion with sales representatives or recommendations.

Distinctive character of the earlier trade mark

77. The distinctive character of a trade mark can be appraised only, first, by reference to the goods and/or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public: *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In *Lloyd Schuhfabrik*, 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-2779, 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)”.

78. Mr Pluckrose submitted that the earlier mark is inherently highly distinctive, not descriptive of the goods and services and also that the mark has enhanced distinctiveness. The applicant has made no specific submissions in this regard.

79. I agree with Mr Pluckrose that the mark is not descriptive of the goods upon which the opponent may rely but it does not follow that that results in a highly distinctive trade mark. I do not consider that the mark is allusive of the goods. However, the mark consists of three ordinary English words combined in an ordinary way. The mark is, in my view, inherently distinctive to a medium degree.

80. As for enhanced distinctiveness, evidence has been filed of significant sales in the UK over a sustained period. In addition, the marketing spend in the UK for the most recent game's release was substantial. The most recent release topped the relevant UK chart and there is evidence of both reviews and press reporting of the record-breaking sales. My view is that the evidence shows a level of use sufficient to establish enhanced distinctive character in relation to computer/video games, resulting in an enhancement to a reasonably high level of distinctive character.

81. The evidence in relation to games apparatus, specifically consoles, is less persuasive. Although there is some evidence of sales, there is no overall figure provided and the evidence is not presented in a particularly helpful way. It is not for this tribunal to comb through the evidence and tally up each month/year's sales which are scattered through spreadsheet evidence. The sales figures do not appear particularly large. There are only four "PS4" sales (which Mr Cimaschi indicates are the console bundles) prior to 2018 in exhibit 15: two from 2015 and two from 2016. They are in single figures. Even the 2018 sales prior to July do not appear to exceed a few hundred per month. In the absence of any other evidence which would suggest that the opponent's use of the mark has increased its distinctiveness for these goods, I do not consider that enhanced distinctiveness has been established for the remaining goods in the specification.

Comparison of trade marks

82. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details: *Sabel* (particularly paragraph 23). *Sabel* 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 *Bimbo*, 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”.

83. It would be wrong, therefore, artificially to dissect the trade marks, although 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 therefore contribute to the overall impressions created by the marks. The marks to be compared are:

Earlier mark	Contested mark
GOD OF WAR	LORD OF WAR

84. The opponent submits that “LORD” is a synonym for and can be used interchangeably with “GOD”, and that the marks are conceptually identical. It argues that the marks are visually and aurally highly similar. The applicant claims that the marks are different in each material respect. It submits that a “LORD” is a master or ruler whereas a “GOD” is

a being or spirit that is worshipped. It submits that a “GOD” can be a “LORD” but not vice versa.

85. The earlier mark consists of the words “GOD OF WAR”, which make a grammatically correct phrase and will be perceived as a unit. None of the words dominates the others.

86. The later mark consists of the words “LORD OF WAR”, which also form a coherent unit with no single word dominating the others.

87. The marks differ visually and aurally because of the presence of the different words “GOD” and “LORD” at the beginning of each. The remaining two words of the marks are identical. Taking this into account, along with the position of the different word in the marks, I consider that there is a medium degree of both visual and aural similarity.

88. Turning to the conceptual position, whilst I accept that in Christianity the words “GOD” and “LORD” are used interchangeably, I do not consider that either mark will be understood by the average consumer as a reference to the Christian God. The words both have multiple meanings and the combination of the words “GOD” and “LORD” with “OF WAR” is unlikely to suggest that either mark should be construed as a reference to the Christian God (or any other specific god of a monotheistic religion). Rather, it seems to me that “GOD OF WAR” will be seen as a reference to a powerful man or supernatural being whose particular forte is waging war. I do not think it likely that the average consumer would perceive it as a reference to any particular deity (e.g. Mars, Ares), given the absence of any other indication in the mark that a specific god is intended, the probable lack of such knowledge among the general public, the general nature of the term and its possible application to more than one god of various polytheistic regimes.

89. “LORD” is most likely to be perceived, in the context of the contested mark, as meaning a powerful man whose particular strength is warfare. It is possible that some consumers may construe “LORD” as referring to a supernatural being, though the word is more commonly used to designate a powerful human and I think this is the more likely

construction.⁵² It is clear that both “GOD” and “LORD” may be perceived by the average consumer as meaning either men or supernatural beings. Where both marks are seen to convey the message of a human warmonger, the marks are conceptually identical. The same would apply where both marks convey the idea of a divinity waging war. Where the earlier mark is perceived as a deity and the later mark as a human belligerent, the marks are conceptually similar to a high degree.

Likelihood of confusion

90. There is no simple formula for determining whether there is a likelihood of confusion. The factors considered above have a degree of interdependency (*Canon* at [17]). I must make a global assessment of the competing factors (*Sabel* at [22]), considering the various factors from the perspective of the average consumer and deciding whether the average consumer is likely to be confused. In making my assessment, I must keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind (*Lloyd Schuhfabrik* at [26]). Confusion can be direct or indirect. In *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, Mr Iain Purvis Q.C., 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

⁵² See, for example, the definition at <https://www.oed.com/view/Entry/110299?rskey=IH16lg&result=1&isAdvanced=false#eid> [accessed 9 January 2020].

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”.

91. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

92. I am satisfied that, for the member of the public paying a medium degree of attention, there is a likelihood of confusion where there is any degree of similarity between the goods and services. My view is that a significant proportion of consumers will perceive the marks as conceptually identical and that, in the absence of any conceptual hook with which to distinguish the marks, one mark will be misremembered for the other. This will apply regardless of lower levels of similarity between the goods and services and even where the earlier mark enjoys only a medium degree of distinctiveness. There will be direct confusion.

93. In case of appeal, I will briefly give my views regarding the member of the public who perceives only a high level of conceptual similarity. In the case of the contested games equipment rental, there is greater similarity with the earlier mark’s computer and video games apparatus than with its computer games. The earlier mark enjoys medium distinctiveness in relation to these goods. However, the high degree of conceptual similarity, coupled with the medium levels of visual and aural similarity, is likely to result in the consumer misremembering one mark for the other and resulting in direct confusion. Where the difference is recalled with any accuracy, the consumer is likely to consider the marks to be different (sub-)brands being used by the same or an economically linked undertaking, resulting in indirect confusion. For the remaining goods and services, the similarity concerns the earlier mark’s computer/video games, for which it enjoys a

reasonably high degree of distinctive character. Even without this enhanced distinctiveness, my view is that the marks are there is a likelihood of confusion: even in the best case scenario for the applicant, despite only low levels of similarity between certain of the goods and services, any conceptual distinction is too nuanced to prevent one mark being mistaken for the other. As with the goods and services already considered, should the differences between the marks be remembered, there is still a clear likelihood of indirect confusion.

94. As regards the professional user of production and layout services, my view is that s/he will also be confused. Direct confusion is likely where the consumer perceives the marks as conceptually identical: despite a higher level of attention, the absence of a conceptual distinction will result in the marks being misremembered for one another, even where there is only a low degree of similarity between the goods and services. I acknowledge that the higher level of attention may result in the differences between the trade marks being remembered with more accuracy, which also makes it more likely that the marks' conceptual nuances will be noticed. Even if that is the case, however, the low degree of similarity between the goods and services is offset by the enhanced distinctive character of the earlier mark in relation to its video/computer games and indirect confusion will result. Where the difference between the marks is noted, the consumer is still likely to consider the marks to be different sub-brands being used by the same or economically connected undertakings and there is a likelihood of indirect confusion.

Conclusions under s. 5(2)(b)

95. The opposition succeeds under this ground for the following services:

Class 41: Game services provided on-line from a computer network; layout services, other than for advertising purposes; film production, other than advertising films; games equipment rental; providing amusement arcade services; entertainment services; holiday camp services; parks (amusement-); audio, video and multimedia production.

Section 5(3)

96. Section 5(3) 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”.

97. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, EU:C:1999:408, *General Motors* [1999] ETMR 950; Case 252/07, EU:C:2008:655 *Intel*, [2009] ETMR 13; Case C-408/01, EU:C:2003:582, *Adidas-Salomon*, [2004] ETMR 10; and C-487/07, EU:C:2009:378, *L’Oreal v Bellure* [2009] ETMR 55; and Case C-323/09, EU:C:2011:604, *Marks and Spencer v Interflora*. 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 Saloman*, 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.

(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 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'Oreal v Bellure*).

Reputation

98. In *General Motors*, 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".

99. As the earlier mark is an EUTM, I also keep in mind the guidance of the CJEU in *Pago International GmbH v Tirolmilch registrierte GmbH*, Case C-301/07, EU:C:2009:611, at [20] to [30] and *Burgerista Operations GmbH v Burgista Bros Limited* [2018] EWHC 35 (IPEC) at [69].

100. The opponent relies upon "computer and video games; computer video game programmes" only under this ground. The factors considered above in relation to enhanced distinctiveness also apply to the assessment of reputation. In addition to that evidence in respect of the UK, there is evidence of sustained sales over a number of years in various EU countries, although the level of sales is somewhat variable. There is also evidence of marketing spend in the EU as a whole. Taking all of the evidence into account, I am satisfied that at the relevant date the earlier mark was known by a significant part of the public concerned. The best evidence of the scale of the reputation is in respect of the UK but, taking the longstanding use of the mark together with the sales figures and their significant increase because of the new release, it seems to me that the reputation

in respect of computer/video games (and game software, which is essentially the same thing) was reasonably strong at the relevant date.

Link

101. 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* for determining whether there would be the relevant link are:

(i) the degree of similarity between the marks

I have assessed the similarity between the marks at paragraphs 87 to 89, above. I adopt those findings here.

(ii) 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

My comments regarding the similarity between the goods and services at issue are at paragraphs 58 to 70, above, and apply equally here. Regarding the average consumer for the dissimilar services, for most of the services both members of the general public and professionals will be relevant. I note, though, that some of the services, such as entertainment information services, are more likely to be accessed by the public than professionals. The general public and professionals are likely to pay a medium degree and a reasonably high level of attention, respectively, for essentially the same reasons as given at paragraphs 74 and 75, above.

(iii) the strength of the earlier mark's reputation

The earlier mark has a reasonably strong reputation.

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

As I have already intimated, the distinctive character of the earlier mark has been enhanced through use, to a reasonably high level.

(vi) whether there is a likelihood of confusion

There is a likelihood of confusion for those services specified at paragraph 95, above. I do not see that there would be any confusion for the remaining services: the goods and services are too different, despite the other factors such as similarity between the marks and the enhanced distinctiveness of the earlier mark, for confusion to arise.

102. Taking all these factors together, I find that there would be the required link where there is some similarity between the services. In respect of the dissimilar services, bearing in mind all of the above, I find that the average consumer will make a link between the marks if the later mark is used on the following services:

Providing on-line electronic publications, not downloadable; on-line publication of electronic books and journals; entertainment information; publication of books; providing online training seminars; providing online videos, not downloadable; providing online courses of instruction; on-line library services, namely, providing electronic library services which feature newspapers, magazines, photographs and pictures via an on-line computer network; radio entertainment production; timing of sports events.

103. This is because all of these services, except timing of sports events, could be concerned with publications, programmes or training material relating to computer games (games strategy guides are but one example). Given the strength of the reputation, the enhanced distinctiveness of the earlier mark, and the similarities between the marks, use of the later mark on these services is liable to bring the earlier mark to mind despite the

dissimilarity between the goods and services. As regards “timing of sports events”, I agree with the opponent that sports events could include Esports events, at which computer games play a central role. I consider this sufficient for a link to be made.

104. In contrast, I do not think that the earlier mark would be brought to mind for either “providing recreational areas in the nature of play areas for children” or “photography”. The fields of activity here are, in my judgement, too remote for the reputation and distinctiveness of the earlier mark to bridge the gap, despite the similarities between the marks. The opposition against these services under s. 5(3) is dismissed.

Unfair advantage

105. In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. considered the earlier case law and 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.”

106. Where there is a likelihood of confusion (i.e. the public believe that the contested mark is connected to the owner of the earlier mark with a reputation), this is bound to give the contested mark an unfair advantage. The ground is made out for these services.

107. The evidence shows that the opponent has a reasonably strong reputation for slick computer games featuring impressive graphics and compelling storytelling. It strikes me as the sort of reputation which would attract computer games fans to services which are perceived as being related to the GOD OF WAR franchise. The similarity of the contested mark to the earlier mark, when used on the remaining services, all of which could concern computer games and be perceived as related to the opponent's GOD OF WAR franchise, is sufficient to result in an unfair advantage being taken of the reputation of the earlier mark. Even where consumers did not think that the user of the later mark did so under licence or via a consent agreement with the earlier mark's owners, the use of the later mark would still attract consumers to the applicant's services on the back of the opponent's reputation in the GOD OF WAR trade mark. This is likely to benefit the applicant economically without any financial compensation being paid to the opponent.

Detriment to distinctive character

108. The opponent claims that the earlier mark will be diluted by use of the contested mark. In *Environmental Manufacturing LLP v OHIM*, Case C-383/12P, the CJEU stated that:

“34. According to the Court's case-law, proof that the use of the later mark is, or would be, detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered, consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future (*Intel Corporation*, paragraphs 77 and 81, and also paragraph 6 of the operative part of the judgment)”.

It went on:

“42. Admittedly, Regulation No 207/2009 and the Court’s case-law do not require evidence to be adduced of actual detriment, but also admit the serious risk of such detriment, allowing the use of logical deductions.

43. None the less, such deductions must not be the result of mere suppositions but, as the General Court itself noted at paragraph 52 of the judgment under appeal, in citing an earlier judgment of the General Court, must be founded on ‘an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case’.⁵³

109. There is no evidence that there has been a change in the economic behaviour of the opponent’s customers or that there is a serious likelihood of such a change. There is also not, in my view, an obvious reason why in this case the presence of another mark, albeit similar to a degree to the earlier mark, would result in a change in the economic behaviour of the opponent’s customers. The goods and services are too far removed for there to be an adverse effect on the earlier mark’s ability to designate the goods in which it has a reputation. Nor has the opponent provided persuasive reasons why its customers would switch allegiance if the contested mark were used on the dissimilar services. The s. 5(3) ground based on damage to distinctive character is rejected.

Detriment to reputation

110. In *Unite The Union v The Unite Group Plc*, BL O/219/13, Anna Carboni, sitting as the Appointed Person, considered whether a link between an earlier mark with a reputation and a later mark with the mere potential to create a negative association because of the identity of the applicant or the potential quality of its goods/services was sufficient to found an opposition based on detriment to reputation. She said:

⁵³ See also *32Red Plc v WHG (International) Limited and others* [2011] EWHC 665 (Ch) at [133], in which the judge held that a change in consumers’ economic behaviour could be inferred from the inherent probabilities of the situation and para. 137 of - *Ziff Management Europe Ltd v Och Capital LLP* [2011] F.S.R. 11 (HC).

“46. Indeed, having reviewed these and other opposition cases, I have not found any in which the identity or activities of the trade mark applicant have been considered in coming to a conclusion on the existence of detriment to repute of an earlier trade mark. I can understand how these matters would form part of the relevant context in an infringement case, but I have difficulty with the notion that it should do so in an opposition. After all, many, if not most, trade mark applications are for trade marks which have not yet been used by the proprietor; some are applied for by a person or entity that intends to license them to a third party rather than use them him/itself; and others are applied for by an entity that has only just come into existence.

47. I do not exclude the possibility that, where an established trading entity applies to register a mark that it has already been using for the goods or services to be covered by the mark, in such a way that the mark and thus the trader have already acquired some associated negative reputation, perhaps for poor quality goods or services, this fact might be taken into account as relevant “context” in assessing the risk of detriment to repute of an earlier trade mark. Another scenario might be if, for example, a trade mark applicant who was a known Fascist had advertised the fact prior to the application that he was launching a new line of Nazi memorabilia under his name: I can see how that might be relevant context on which the opponent could rely if the goods and services covered by the application appeared to match the advertised activities. But I would hesitate to decide an opposition on that basis without having had confirmation from a higher tribunal that it would be correct to take such matters into account”.

111. I reject the tarnishing pleading for the following reasons:

- i) There is nothing in the provision of the services at issue which would cause any form of negative reaction;
- ii) The claim of tarnishing is no more than hypothetical;
- iii) There is no evidence that the applicant already has a negative reputation.

Conclusions under s. 5(3)

112. The opposition under this ground succeeds on the basis of unfair advantage, save in respect of “providing recreational areas in the nature of play areas for children” and “photography”, for which the opposition is dismissed.

Section 5(4)(a)

113. Mr Pluckrose accepted at the hearing that the claim under s. 5(4)(a) would stand or fall with s. 5(2)(b). As it is the opponent’s own position that s. 5(4)(a) offers it no better case, there is no need for me to consider this ground.

Conclusion

114. The opposition has succeeded in part. The application will be refused except in relation to “providing recreational areas in the nature of play areas for children” and “photography”, for which it will proceed to registration.

Costs

115. The opponent has been by far the most successful party and is entitled to an award of costs. Although the opponent’s success is only partial, given that it has successfully opposed all but two terms, I do not consider it appropriate to reduce the award. The relevant scale is contained in Tribunal Practice Notice (2/2016). With that TPN in mind, and taking into account that no evidence was filed by the applicant, I award costs to the opponent as follows:

Official fee: £200

Preparing the notice of opposition and considering the counterstatement: £300

Filing evidence:	£500
Preparing for and attending a hearing:	£800
Total:	£1,800

116. I order Beijing ELEX Technology Co., Ltd to pay Sony Interactive Entertainment Europe Limited the sum of **£1,800**. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 16th day of January 2020

**Heather Harrison
For the Registrar
The Comptroller-General**