

O-267-17

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 3128564
BY KARMA COMMUNICATIONS GROUP LIMITED
TO REGISTER THE FOLLOWING TRADE MARK IN CLASSES 9, 35, 38, 41 & 42:**

KREAM

AND

OPPOSITION THERETO (NO. 405844) BY CREAM HOLDINGS LIMITED

Background and pleadings

1. Trade mark no. 3128564 consists of the word **KREAM** and was filed by Karma Communications Group Limited (“the applicant”) on 24 September 2015. It was published for opposition purposes on 16 October 2015. Registration is sought for the following goods and services:

Class 9: Computer hardware; computer firmware; floppy discs; hard discs; CD ROMs, DVDs; teaching apparatus; computer games for use with televisions; electronic publications; computer software for use in production of digital advertising; interactive data media; broadcasting apparatus and equipment; apparatus for recording, transmission or reproduction of sound and/or images for use in advertising; electronic publications; communications and telecommunications apparatus; mobile applications; electronic scoring instruments for recording the score in games; multi-media recordings and publications; downloadable files including images; all of the aforesaid only for use in, or in relation to, advertising and the production of digital advertising.

Class 35: Advertising agency services; advertising research services; the design of digital advertising and marketing materials; design of marketing and advertising materials; brand and name creation services; design of publicity and advertising materials; marketing agency services; business advice relating to strategic marketing and advertising; strategic business consultancy; strategic business planning; business strategic planning; brand consultancy and brand creation services; marketing and public relations services; production of advertisements; production for advertisements; advisory and information services relating to the aforesaid.

Class 38: Digital communications services; telecommunications and data communication services; communication services for accessing computer networks; sending information and computer programs via telecommunication services, including on-line services; electronic data exchange services; hire and rental of telecommunication apparatus, installations and instruments; remote data access services; transmission and processing of data from remote

locations to mobile telephones; on-line information services relating to all the aforesaid services; computerised on-line services for business professionals namely providing access via global and non-global computer networks to computer software for use in storing, managing, tracking and analysing data in the fields of marketing, promotion, sales, customer information management, customer support and service and employee efficiency, collaborative intra-company and inter-company exchange of such data, maintaining statistics and generating reports concerning such data, providing customised on-line information and resources relevant to the customers business, namely strategies for improving customer relations, marketing strategies, job performance training, credit reports, stock market reports, general business news, sales and marketing news, and providing on-line interactive communications with peer professionals; Transmission of sound and/or pictures; broadcasting services, namely, uploading, posting, showing, displaying, tagging, blogging, sharing or otherwise providing electronic media or information over the Internet or other communications network; electronic mail services; providing of access to on-line chat rooms and bulletin boards; telecommunication of information including web pages, computer programs, text and any other data; transmission of messages, data and content via the Internet and other computer and communications networks; online forums, chat rooms, journals, blogs, and listservers for the transmission of messages, comments and multimedia content among users; providing on-line chat rooms for social networking; chat room services for social networking; Chat room services for social networking; Forums [chat rooms] for social networking; transmission of written and digital communications; operation of chat rooms; provision of on-line forums; advisory and consultancy services relating to the aforesaid; all of the aforesaid services provided by a digital content agency to businesses.


Class 41: Digital studio services, digital production services; sound, video and ancillary production and post production services to the motion picture, video, broadcast, satellite, cable and television industries; sound editing and enhancement; mixing of dialogue, sound effects, dialogue and narration; automated dialogue replacement; recording live sound effects; audio post-

production, audio playback and augmentation; looping/foreign language dubbing and recording; video post-production, audio post-production; fading and visual effects and graphics to video tape, audio tape, digital media and film; mastering, editing of film, digital media and video tape; film, digital media and video tape editing; enhancing quality film, digital media and video tape in post production; CD, DVD and electronic media mastering; production and special effects for films and television; renting of equipment for use in creating film, digital media and video tape, and for use in post-production work; consultation relating to the foregoing; education, instruction, tuition and training; entertainment, education and instruction by means of or relating to radio and television; production, presentation, distribution, syndication, networking and rental of television and radio programmes incorporating advertisements; production and rental of educational and instructional materials; publishing services; provision of online electronic publications, and digital entertainment (non-downloadable); exhibition services; rental of radio and television broadcasting facilities; film and animation exploitation services; including all of the aforesaid services provided online from a computer network or via the internet or extranets; all of the aforesaid services provided by a digital content agency to businesses.

Class 42: Design services; design research; graphic design services; design of products; design of packaging and custom consultancy relating thereto; research and development of packaging; corporate identity development services; brand design services; corporate identity design services; design of web pages and other electronic marketing media; design of corporate material; signage design services; graphic design for the compilation of web pages on the Internet; creating and maintaining websites; hosting the websites of others; provision of websites relating to any of the aforesaid services; design, drawing and commissioned writing, all for the compilation of web pages on the Internet; creation of web content and web pages; design of online media; development of online media; consultancy services in relation to online media content on websites; computer programming; website design services; creation, editing and updating of website content; computer services, namely, designing and implementing banner advertisements; graphic design services.

2. Cream Holdings Limited (“the opponent”) opposes registration of the mark on grounds under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Under the first two grounds, the applicant relies on six earlier marks, as follows:



- i) UK registration 2163518 for the mark:  which was filed on 8 April 1998 and registered on 3 December 1999. The mark is registered for the following goods and services:

Class 9: Sound recordings; video recordings; tapes, audio and video cassettes, compact discs, cassettes, cartridges, discs; computer games; computer software; computer programs; electronic games; apparatus for recording, transmission, reproduction of sound or images; photographic and cinematographic apparatus and instruments; coin-counter operated games; computers; electronic toys and playthings; video recordings and video reproducing apparatus; video game amusement apparatus; electronic amusement apparatus adapted for use with television receivers; coin or counter-feed electronic amusement apparatus; sunglasses; cases for sunglasses; compact disc players; tape recorders, radios, cassette tape recorders; parts and fittings included in class 9 of all the aforesaid goods.

Class 18: Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides, bags; trunks and travelling bags; umbrellas, parasols and walking sticks, whips, harnesses and saddlery; satchels.

Class 25: Clothing, footwear, headgear.

Class 32: Beers; mineral and aerated waters and other non alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.

Class 41: Night-club services; publishing services; arranging and conducting of conferences; distribution of films and video tapes; television programs; recording studio services; agency services for performing artists; amusement arcade services; amusement park services; art gallery services; musical performances; booking agency services; cabaret services; casino services; cinema services; club entertainment services; organising of competitions; concert services; organisation of dancing competitions; fashion show services; management services for performing artists; organisation of festivals.

- ii) UK registration 2262660A for the series of marks **CREAM** and **cream** which were filed on 27 February 2001 and registered on 9 August 2002. The mark is registered for the following goods and services:

Class 32: Water; non-alcoholic beverages; beers; but not including non-alcoholic beers, lagers, shandies, ciders, perries or wines.

Class 35: The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a department store, retail clothing store, retail music store, or from a general merchandise catalogue or general merchandise Internet web site by mail order or by means of telecommunications.

- iii) UK registration 2262660B for the same marks as above, which were filed on 27 February 2001 and registered on 8 March 2002. The mark is registered for the following goods and services:

Class 9: Sound recordings, video recordings, tapes, audio and video cassettes, compact discs, records, cassettes, cartridges, discs, computer games, computer software, computer programs, electronic games; apparatus for recording, transmission, reproduction of sound or images, photographic and cinematographic apparatus and instruments, coin-counter operated games, computers, electronic toys and playthings, video recorders and video reproducing apparatus, video game amusement apparatus,

electronic amusement apparatus adapted for use with television receivers, coin or counter-feed electronic amusement apparatus, sunglasses, cases for sunglasses, compact disc players, tape recorders, radio, cassette tape recorders, computer software, computer software supplied from the Internet, on-line electronic publications, computer software and telecommunications apparatus to enable connection to databases and the Internet, computer software to enable searching of data, digital music provided from the Internet, modems.

Class 16: Printed matter, printed publications, periodicals, magazines, books, catalogues, posters, book markers, instructional and teaching materials, stationery, greeting cards, postcards, graph books, ordinary playing cards, stickers, decalco-manias, cards, pencils, pens, erasers, pencil sharpeners, pencil cases, rulers, boxes for pens, drawing materials, paper napkins, paper handkerchiefs, pads, notepads, labels, wrapping and packaging materials, gift bags, carrier bags, coasters, diaries, calendars, wrapping paper, gift tags, photographs, pictures, prints, table mats, table napkins, tissues, paper and goods made therefrom, tickets, pamphlets, brochures.

Class 38: Provision of telecommunications connections to the Internet, provision of user access to the Internet, Internet service providers, provision of access to digital websites on the Internet, telecommunication access services, radio broadcasting services, television broadcasting services.

Class 41: Information provided on-line from a computer database or from the Internet, provision of on-line electronic publications, provision of digital music from the Internet, entertainment and leisure services, nightclub and discotheque services, dance club services, publishing services, arranging and conducting of conferences, distribution of films and video tapes, production of films and video tapes, production of radio and television programmes, recording studio services, organisation of events and competitions, amusement arcade services, musical performances, booking

agency services, agency services for performing artists, ticket reservation services, disc-jockey services.

Class 42: Information provided on-line from a computer database or from the Internet, creation and maintenance of websites.

Class 43: Restaurants, cafeteria, café, bar, wine bar and catering services.



- iv) European Union Trade Mark (“EUTM”) 647024 for the mark *cream* which was filed on 16 September 1997 and registered on 18 November 2004. The mark is registered for the followings goods and services:

Class 9: Sound recordings; video recordings; tapes, audio and video cassettes, compact discs, records, cartridges, discs; computer software; computer programs; apparatus for recording, transmission, reproduction of sound or images; computers; all such goods relating to music, entertainment and lifestyle, disc jockeys or fashion; computer games; electronic games; photographic and cinematographic apparatus and instruments; coin-counter operated games; electronic toys and playthings; video recorders and video reproducing apparatus; video game amusement apparatus; electronic amusement apparatus adapted for use with television receivers; coin or counter-feed electronic amusement apparatus; sunglasses; cases for sunglasses; compact disc players; tape recorders, radio, cassette tape recorders; parts and fittings included in Class 9 of all the aforesaid goods.


Class 16: Printed matter; printed publications; periodicals, magazines, books, graph books; all such goods relating to music, entertainment and lifestyle, disc jockeys or fashion; catalogues, posters, bookmarkers; stationery; greeting cards; postcards; ordinary playing cards; stickers; decalcomanias; cards; pens, pencils, erasers, pencil sharpeners, pencil cases, rulers, boxes for pens, drawing materials, paper napkins, paper handkerchiefs; pads, notepads; labels; wrapping and packaging materials;

gift bags; carrier bags; coasters; diaries; calendars, wrapping paper; gift tags; photographs, pictures, prints; table mats and table napkins of paper; tissues.

Class 25: Clothing, footwear, headgear; t-shirts, shirts, sweatshirts, jackets, trousers, pants, shorts, socks, visors, caps, belts, gloves, scarves and neckwear.

Class 41: Entertainment and leisure services; nightclub and discotheque services; dance club services; publishing services; distribution of films and video tapes; production of films and video tapes; production of radio and television programmes; recording studio services; organisation of events; amusement arcade services; musical performances; booking agency services, agency services for performing artists; cabaret services; casino services; cinema services; club entertainment services; organisation of dancing competitions; organisation and conducting of competitions; concert services; fashion show services; management services for performing artists; ticket reservation services.

Class 42: Restaurant, cafe, cafeteria, bar, wine bar and catering services.

- v)  EUTM registration 912832 for the mark *creamfields* which was filed on 17 August 1998 and registered on 12 December 2006. The mark is registered for the following goods and services:

Class 9: Apparatus for recording, transmission or reproduction of sound or images; recording discs; compact discs, records, tapes, film; computer software; computer games; spectacles; spectacle cases.

Class 18: Leather and imitations of leather, and goods made of these materials and not included in other classes; bags; umbrellas; trunks, travelling bags; satchels.

Class 25: Articles of clothing; footwear; headgear.

Class 32: Water; non-alcoholic beverages; beers.

Class 38: Radio broadcasting services, television broadcasting services.

Class 41: Entertainment services; nightclub services; publishing services; arranging and conducting of conferences; distribution of films and video tapes; production of films and video tapes; production of radio and television programs; recording studio services; agency services for performing artists; amusement arcade services; amusement park services; art gallery services; musical performances; booking agency services; cabaret services; casino services; cinema services; club entertainment services, organising of competitions; concert services; organisation of dancing competitions; fashion show services; management services for performing artists.

Class 42: Restaurant, cafe, cafeteria, bar, wine bar and catering services.

- vi) EUTM 9311895 for the mark **CREAM** which was filed on 12 August 2010 and registered on 22 May 2011. The mark is registered for the following goods and services:

Class 9: Sound recordings, video recordings, tapes, audio and video cassettes, compact discs, records, cassettes, cartridges, discs, computer games, computer software, computer programs, electronic games; apparatus for recording, transmission, reproduction of sound or images, photographic and cinematographic apparatus and instruments, coin-counter operated games, computers, video recorders and video reproducing apparatus, video game amusement apparatus, electronic amusement apparatus adapted for use with television receivers, coin or counter-feed electronic amusement apparatus, sunglasses, cases for sunglasses, compact disc players, tape recorders, radio, cassette tape recorders, computer software, computer software supplied from the Internet, on-line electronic publications, computer software and telecommunications

apparatus to enable connection to databases and the Internet, computer software to enable searching of data, digital music provided from the Internet, modems.

Class 41: Information relating to music, entertainment, disc-jockeys, provided on-line from a computer database or from the Internet, provision of on-line electronic publications, provision of digital music from the Internet, entertainment and leisure services, nightclub and discotheque services, dance club services, publishing services, arranging and conducting of conferences, distribution of films and video tapes, production of films and video tapes, production of radio and television programmes, recording studio services, organisation of events and competitions, amusement arcade services, musical performances, booking agency services, ticket reservation services, disc-jockey services; organisation of music festivals.

3. Given their dates of registration, marks i) – v) are subject to the use conditions set out in section 6A of the Act. In relation to these marks the opponent made a statement of use corresponding to the goods/services for which the marks are registered. However, mark vi) is not so subject and may, therefore, be relied upon for all of its goods and services without having to meet the use conditions. The opponent also claims a reputation in respect of all of the marks in relation to all of the goods/services for which they are respectively registered. The essence of the section 5(2)/5(3) claims are that:

- The marks are all visually, phonetically and aurally highly similar.
- The goods/services are similar.
- There exists a likelihood of confusion.
- The applicant's mark will take unfair advantage of the opponent's reputation as the public will believe that there is some form of economic connection between them.

- There may be tarnishing because the opponent is not able to control the quality of the applicant's goods/services.
- There may be dilution because, due to the use of the applicant's mark, the opponent's mark(s) will have less capacity to distinguish which could have an economic effect on the business of the opponent.

4. Under section 5(4)(a), the opponent relies on the use of the signs CREAM and CREAMFIELDS in the UK since 2002 in relation to a range of goods and services (which I will come back to, to the extent necessary, later in this decision). The opponent contends that the applicant's mark is liable to be prevented under the law of passing-off on account of such use.

5. The applicant filed a counterstatement denying the claims. It put the opponent to proof of use in respect of the five marks which are subject to the use conditions. It puts the opponent to proof in relation to the various claims it has made.

6. Both sides are professionally represented, the applicant by Lewis Silkin LLP, the opponent by Mewburn Ellis LLP. Only the opponent filed evidence. The applicant filed written submissions in response. Neither side requested a hearing, although the opponent did file written submissions in lieu.

The opponent's evidence

7. This comes from Mr Scott Barton, a director of the opponent. Despite the evidence being voluminous in nature, I intend to summarise it in a relatively swift manner; I will return to aspects of it when making the determinations required in these proceedings.

8. Put at its simplest, CREAM is the name of a club night (for dance music) which has been operated by the opponent (or under license from them) at a number of nightclub venues in the EU. It started life in 1992 at a venue in Liverpool called Merseyside Academy (the venue later changed its name to NATION). The evidence shows that the club nights were very popular, attracting thousands of people for each event, resulting in the capacity of the venue itself increasing over time. It is also clear that

popular and well-known DJs took part in the club nights. The regular club nights at the venue in Liverpool appear to have ceased at some point, but Mr Barton explains that sell-out events in the original venue still take place throughout the year, typically at Easter, May bank holiday, October and Boxing day.

9. Cream club nights have also regularly taken place in Ibiza. This started in 1994. In 1996 the opponent “moved its CREAM club nights to Ibiza’s “Amnesia” nightclub....hosting a weekly summer residency, as it has done every year since”.

10. Mr Barton also refers to other CREAM events both in the UK and the EU beyond those which have taken place in Liverpool and Ibiza. These include events in London, Cardiff and Liverpool to mark the coming of the millennium in 1999, events which appear to have featured bands as opposed to being purely a dance club night. In 2002 there were events in Blackpool and Newcastle. There are other events referred to in 2007, 2010 and 2012 in which it hosted or co-hosted music events. Reference is made to the joining of forces with BBC Radio 1 for an event called Radio 1’s Ibiza Weekend, where an event at an Ibiza nightclub called Privilege (with a capacity of 10k) streamed live a Cream club night. Other global events are mentioned by Mr Barton including in Belgium, Ukraine, Spain, Eire, Austria and Cyprus – little additional information is provided about these events, but Mr Barton does focus more specifically on a relationship with BCM who own a nightclub in Magaluf, Majorca which has a capacity of 7k.

11. The word CREAM appears throughout the exhibited material (on, for example, flyers, posters, press articles etc.) The word is also used in conjunction with a logo as per the figurative earlier marks.

12. The opponent also relies on a number of marks which consist of, or incorporate, the word CREAMFIELDS. Mr Barton explains that the opponent expanded in 1998 to hold a festival, the name of which was CREAMFIELDS. The first event in 1998 was held in Winchester. The following year it moved to Liverpool, with over 40k tickets being sold for it. It has been held annually ever since, and similar festivals have been held in other EU countries. The festival has won a number of awards including the 2010 Festival of the Year award.

13. Mr Barton next discusses the launch of a lounge/bar called BabyCream. It was launched in 2003 in Liverpool and has a capacity of 500 people. A further lounge was launched in Leeds but this was closed in 2009.

14. Due to the success of the CREAM brand, and in order to reach people who could not attend live events (and beyond its clubbing audience), the opponent started to release compilation CDs, the first being in 1995. A large number have been produced over the years that feature either the word CREAM or CREAMFIELDS, a number of which reached Platinum, Gold or Silver status. The music is still available today on platforms such as iTunes. A CREAM workout DVD was also released in 2010.

15. Mr Barton then moves on to discuss “other CREAM merchandise and licensing activities”. He states that in 1993 a shop was opened next to the club which allowed the opponent to diversify its activities. The specific examples mentioned by Mr Barton are:

- i) An MP3 player called CREAMSELECTOR which was launched in 2005. It came loaded with dance and electronic music and was sold originally by Comet.
- ii) Clothing has been produced in conjunction with a merchandising company called Firebrand and in conjunction with fashion brands GioGio, You Own and Religion. Mr Barton states that a wide range of CREAM branded/licensed clothing has been sold, but the examples he provides, which are said to be from 2012 and 2013, are just of t-shirts and vest tops.
- iii) A book entitled Cream X 10 was published in 2002 to mark the 10th anniversary of the brand. Contemporaneous prints are provided from amazon.co.uk showing the availability of the book and details of the book are provided on a print from AbeBooks.co.uk.

16. Other examples of merchandising are said to include bags and tents.

17. The opponent maintains a social media presence. CREAM has accounts on Twitter (22k followers), Facebook (56k likes) and YouTube (2k subscribers). CREAM IBIZA has accounts on Twitter (60k followers) and Facebook (78k likes). CREAM Mallorca has accounts on Twitter (2k followers) and Facebook (4.7k likes). Historic prints from April 2014 are provided. Various examples of press coverage are provided and a list of awards won by the opponent. They are all noted, but I do not think it necessary to summarise them in detail.

18. In terms of financial information, Mr Barton provides a number of tables. To summarise, in the most recent five year period prior to the relevant date, turnover for the bar, club and nightclub service in Ibiza has been £2.4 million at its highest and £1.6million at its lowest; in the UK £1.1 million at its highest and 350k at its lowest; and what appears to be combined marketing was £118k at its highest and £71k at its lowest. Turnover relating to clothing sold under license by Religion Clothing was £99k at its highest (in 2012) and £30k at its lowest (in 2009). Licensing activity in the club sector was £148k at its highest and £35k at its lowest. Various pieces of information about companies related to the opponent and extracts from their annual reports is also provided, again, I do not consider it necessary to summarise this information further, but it is noted.

My approach

19. I will first consider the grounds of opposition based upon the earlier marks set out in the opponent's statement of case. Six earlier marks are pleaded, five of which are subject to the use conditions. The earlier mark not subject to the use conditions (EUTM 9311895) covers a range of goods and services and relates to the mark CREAM, a mark which, it seems to me, represents the closest mark to that of the applicant in terms of similarity (the figurative CREAM and figurative CREAMFIELDS marks have further visual differences); I will focus on this earlier mark in the main. In its written submissions the opponent provided a table in its Annex A setting out where use had been evidenced. Some of those goods/services are covered by EUTM 9311895 so it is not, in my view, worthwhile considering whether such goods can be relied upon under the other earlier marks. Where the goods/services are not covered by EUTM

9311895, there may be some benefit in considering the position. The goods/services in Annex A can be summarised as:

- i) Sound recordings, CDs etc
- ii) Video recordings
- iii) Apparatus for reproduction of sound
- iv) Computer programs/software
- v) Printed matter/publications/books/pamphlets etc.
- vi) Bags
- vii) Clothing
- viii) Nightclub services etc.
- ix) Organisation of festivals
- x) Publishing services
- xi) Booking agency services/ticket reservation
- xii) Restaurants, bars, catering services

20. Of the above, only categories v), vi), vii) and xii) are not covered by EUTM 9311895. I will, therefore, begin by assessing the use conditions in so far as they relate to the type of goods and services covered by these categories.

The use conditions

21. The use conditions set out in section 6A of the Act read:

“(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 [.....]”

(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 [.....]

(5) “In relation to a Community trade mark [.....], any reference in subsection (3) [.....] to the United Kingdom shall be construed as a reference to the European Community”.

22. Section 100 is also relevant, which reads:

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

23. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Anor*, [2016] EWHC 52, Arnold J. summarised the case-law on genuine use of trade marks:

“217. In *Stichting BDO v BDO Unibank Inc* [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I added references to Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237). I also referred at [52] to the judgment of the CJEU in Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has issued a reasoned Order in 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 that Order has been persuasively analysed by Professor Ruth Annand sitting as the Appointed Person in *SdS InvestCorp AG v Memory Opticians Ltd* (O/528/15).

[218] ...

219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows: (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

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

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

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

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet

for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

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

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

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

24. Two of the relevant marks are EUTMs, meaning that the reference to use is a reference to use in the EU. The CJEU has provided guidance on this matter in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, the 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.”

25. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, 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."

26. The General Court restated its interpretation of *Leno Marken* in Case T-398/13, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned national (rather than local) use of an EUTM. 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 EU 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 EU. 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 EU 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

27. I also note the decision In *Jumpman* BL O/222/16, where Mr Daniel Alexander QC, as the Appointed Person, upheld the registrar's decision to reject the sale of 55k pairs of training shoes through one shop in Bulgaria over 16 months as insufficient to show genuine use of the EU trade mark in the EU within the relevant 5 year period.

28. In *Reber Holding GmbH & Co. KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM), Case T-355/09, the General Court found that the sale of 40-60Kg per annum of specialist chocolate under a mark was insufficient to constitute genuine use of a national trade mark, which was registered in Germany. On further appeal in Case C-141/13 P, the CJEU stated, at paragraph 32 of its judgment, that:

“not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question”.

29. The CJEU went on to find that:

“the General Court conducted an overall assessment of that trade mark, taking into account the volume of sales of the goods protected by the trade mark, the nature and characteristics of those goods, the geographical coverage of the use of the trade mark, the advertising on the website of Paul Reber GmbH & Co. KG and the continuity of the trade mark's use. It thus established a certain

degree of interdependence between the factors capable of proving genuine use. The General Court therefore correctly applied the concept of ‘genuine use’ and did not err in law in its assessment of that use” (paragraph 34 of the judgment CJEU).

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

31. As per section 6A(3)(a) of the Act, the relevant period in which genuine use must be established is the five year period ending on the date of publication of the applied for mark. Consequently, in these proceedings the relevant period in which genuine use must be shown is 17 October 2010 to 16 October 2015.

Use in relation to printed matter/publications/books/pamphlets etc.

32. From the opponent’s table in Annex A, the use relied upon can be characterised as use in relation to books (the CREAM X10 book specifically) and the various flyers and other promotional materials which are provided in various exhibits to Mr Barton’s witness statement.

33. As referred to in the case-law set out above, to constitute genuine use, the use put forward in support of the earlier mark(s) must represent real commercial exploitation of the mark on the market for the relevant goods or services. The difficulty the opponent faces with regard to its reliance on flyers and other items of promotional material is that such use is not intended, nor will be taken as, use on the market for the specified goods. The goods are merely a vehicle to promote the opponent’s core service of club nights etc., nothing more, nothing less. This is not commercial use on the market for flyers etc. Whilst I do not rule out the possibility that some items of printed matter (such as posters) could be sold as merchandised goods, there is no evidence that this has taken place. There is no genuine use in relation to this category of printed matter.

34. The other category of printed matter/publications relates to the publication of a book. The book itself, entitled, Cream X 10 was published in 2002, around 8 years before the start of the relevant period. There is no evidence to show how many copies of the book have been sold, let alone how many copies have been sold during the relevant period. Contemporaneous prints are provided from amazon.co.uk and AbeBooks.co.uk. Whilst the former apparently shows the book for sale, the latter does not clearly do so. Further, it is not clear whether even on the former the book was available for sale throughout the relevant period. There is only one review for the book on amazon, this was placed before the relevant period. I come to the view that any use of the mark is limited in the extreme, with availability and sales in the relevant period not clear. As was stated earlier, not every proven commercial use constitutes genuine use. Even if there was commercial use in the relevant period (which I do not necessarily accept there was), it is so low and unspecified that I cannot find that it represents genuine use.

Use in relation to bags

35. The opponent relies on Exhibit SAB18 which, along with t-shirts, also depicts a few bags. However, from what I can see none of the bags carry or otherwise refer to CREAM or CREAMFIELDS. From what I can see they depict the logo that is often used in conjunction with those words. Whilst I accept that it is not necessary for the item to physically carry the mark(s) relied upon, there is nothing to show how these goods were presented to the public and how, otherwise, the mark was used in relation to bags. The Exhibit itself is a collection of photographs, it is not clear if this constituted some form of brochure and, even if it did, where this brochure was circulated. There is no evidence showing if any bags have been sold in the relevant period. The evidence is wholly inconclusive, I cannot find that genuine use has been made in relation to bags.

Use in relation to clothing

36. The difference in the assessment with regard to clothing (compared to bags) is that although the opponent relies upon the same exhibit, there is some evidence regarding sales in the relevant period. Whilst not overwhelming, the sales figures are

not insignificant. Further, many of the clothing items carry the word CREAM either on the front of the garment or in the neck label. I conclude that there has been genuine use in the relevant period. In terms of a fair specification to reflect such use, it is noteworthy that the only items of clothing depicted are t-shirts and vests (sleeveless t-shirts). These terms themselves are appropriate sub-categories and should be used for the basis of the assessment. To go any wider would be unduly broad compared to the nature of use shown.

Use in relation to restaurants, bars, catering services

37. In this respect the opponent relies on the use made through the BabyCream restaurants and, also, that it is common knowledge that food and drink is served at night-clubs and festivals. In relation to the BabyCream evidence, the Leeds outlet does not assist because Mr Barton states that it closed in 2009, before the relevant period. However, there is no evidence showing whether the Liverpool outlet itself remained open during the relevant period. There is no evidence as to its turnover or customer numbers. The supporting evidence is said to be in Exhibit SAB12. This contains a number of flyers for events at BabyCream, however, all are dated before the relevant period. There are some listings for the outlet, but nothing positively proves that it was operating during the relevant period. I do not consider the evidence to be sufficient to establish that genuine use has been made. The problem is compounded by the fact that the name of the restaurant is BabyCream not CREAM or CREAMFIELD, and such use would not constitute use as an acceptable variant of the registered marks.

38. The second point is that nightclubs and festivals sell food and drink. Whilst I accept that this may be so, there is no evidence showing what has actually been done by the opponent so it is not possible to ascertain whether what the opponent may or may not have done constitutes genuine use. The opponent should not benefit from saying nothing in its evidence. There are two further problems: 1) the evidence shows that the CREAM club nights largely operate in a specific venue (the Liverpool Academy/NATION in Liverpool and Amnesia in Ibiza). Thus, any food and drink provided may be the responsibility of the venue not the undertaking performing the club night. The same can be said of the other events that have been run. 2) In relation to festivals, it is also common that unrelated third parties are brought in to provide food

and drink in catering vans etc., and such provision may be under the name of that third party. Genuine use is not established.

39. The net effect of my findings in relation to genuine use, combined with the approach I have already indicated, means that I will proceed to make the assessments under sections 5(2)(b) and 5(3) on the basis of:

A) EUTM 9311895 for the mark CREAM in relation to all of the goods and services for which it is registered, and,



B) EUTM 647024 for the mark *cream* in relation to t-shirts and vests (sleeveless t-shirts).

Section 5(2)(b)

40. Section 5(2)(b) of the Act states that:

“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.”

41. The following principles are gleaned from the judgments of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;

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

(i) mere association, in the strict sense that the later mark brings 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/services

42. Goods can be considered identical if one term falls within the ambit of the other (and vice versa), as per the decision in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05 (“*Meric*”):

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

43. When making a comparison of goods/services, all relevant factors relating to the goods/services in issue should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* 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.”

44. Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

“(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.”

45. In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v OHIM* Case T- 325/06 it was stated:

“It is true that goods are complementary if 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 (see, to that effect, Case T-169/03 Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI) [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P Rossi v OHIM [2006] ECR I-7057; Case T-364/05 Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL) [2007] ECR II-

757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri* (PiraÑAM diseño original Juan Bolaños) [2007] ECR I-0000, paragraph 48).”

46. In relation to complementarity, I also bear in mind the guidance given by Mr Daniel Alexander QC, sitting as the Appointed Person, in case B/L O/255/13 *LOVE* where he warned against applying too rigid a test:

“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.”

47. In relation to understanding what terms used in specifications mean/cover, the case-law informs me that “in construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of the trade”¹ and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning². I also note the judgment of Mr Justice Floyd (as he then was) in *YouView TV Limited v Total Limited* where he stated:

“..... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IPTRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the

¹ See *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281

² See *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

way it was because the ordinary and natural, or core, meaning of "dessert sauce" did not include jam, or because the ordinary and natural description of jam was not "a dessert sauce". Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

48. This case involves numerous goods and services in both the application and the earlier marks. I will make the assessment with reference to the applied for goods and services, albeit grouping them together when it is reasonable to do so. I will then compare those goods and services to those of the earlier marks, albeit focusing on those which appear to have the greatest prospect for a finding of similarity, particularly bearing in mind what the opponent identified as identical/similar in its written submissions.

Class 9

49. Before coming to the actual goods themselves, I should consider the potential effect of the limitation which the applicant has added to the end of its specification which reads:

"all of the aforesaid only for use in, or in relation to, advertising and the production of digital advertising"

50. There are two points to make. First, the limitation merely limits the purpose to which the goods are to be put (essentially for use in advertising) which means that there is little impact on the inherent nature of the goods themselves. Second, the opponent's terms are not limited in any way which means that they could be used in all fields including advertising (unless it would be nonsensical to suggest that they could have such an application).

Computer hardware; computer firmware; computer software for use in production of digital advertising

51. I note, as the opponent does, that the earlier CREAM mark covers goods such as “computer software, computer programs” and “computers”. I consider the terms to be one and the same, or at least they fall within the ambit of each other. The goods are considered identical.

Floppy discs; hard discs; CD ROMs, DVDs

52. The earlier mark covers “tapes, audio and video cassettes, compact discs, records, cassettes, cartridges, discs”. Taken as media carriers the goods are identical other than in relation to DVDs. However, DVDs are most often sold with media upon them so the applied for DVDs would be identical to the opponent’s “video recordings” which could be provided in DVD format. The goods are identical.

Teaching apparatus

53. The opponent does not include the above in its list of what it considers to be identical. In relation to similarity, no specific example of similarity has been given by the opponent. In the absence of any specific example being brought to my attention, and in the absence of anything obvious that stands out to me after going through the competing specifications in detail, I conclude that there is no similarity here.

Computer games for use with televisions

54. The earlier mark covers “computer games”. The goods are identical.

Electronic publications [listed twice]

55. The earlier mark covers “on-line electronic publications”. I consider the terms to be identical.

Broadcasting apparatus and equipment

56. The opponent relies on “apparatus for recording, transmission, reproduction of sound or images”. I agree that the applied for goods are used for the transmission of sound/images and, as such, the goods are identical.

Apparatus for recording, transmission or reproduction of sound and/or images for use in advertising

57. The earlier mark covers “apparatus for recording, transmission, reproduction of sound or images” and, as such, the goods are identical.

Communications and telecommunications apparatus

58. The earlier mark covers “telecommunications apparatus to enable connection to databases and the Internet” which I consider to be identical, or else highly similar, to the applied for term.

Mobile applications

59. As already observed, the earlier mark covers both computer software and games, the applied for goods are examples of both. The goods are identical.

Electronic scoring instruments for recording the score in games

60. The earlier mark covers “video game amusement apparatus, electronic amusement apparatus adapted for use with television receivers” which would encompass the applied for goods. The goods are identical or else highly similar.

Multi-media recordings and publications; Interactive data media

61. The earlier mark covers “sound recordings” and “video recordings” and “on-line electronic publications” which I consider to constitute identical (or if not highly similar) terms.

Downloadable files including images

62. The opponent relies on its term “digital music provided from the Internet” which it states is commonly accompanied by an image of the artwork. I accept that “downloadable files” could be downloadable files which contain digital music, as such the goods are identical. However, I should also consider the position in relation to the type of downloadable file specified by the applicant (images). If this is meant to indicate simply a downloadable image file (which is within its scope) then I do not consider that the goods are identical to digital music. One is music, the other an image. However, I must also consider similarity. The opponent’s specification contains digital music and, also, video recordings. As observed already, there is no limitation in respect of the opponent’s goods with the consequence that they could be used in the exact same field as the applicant (in advertising). Thus, all of the goods could be classed as a form of media content for use in advertising, which could be provided to the same users, through the same channels of trade, for a similar purpose and, there could well be a complementary relationship. I consider there to be a medium level of similarity for the more specific form of this term.

Class 35

Advertising agency services; advertising research services

63. The primary argument put forward by the opponent in its written submissions is that such services are similar to computer games, digital music and the provision of digital music because “it is commonplace for the providers of such games (including mobile game “apps”) and digital music to incorporate advertising within their products and services.” The difficulty with this submission is that there is no evidence to support the point, evidence which would have assisted me to understand the nature of the relationship with the media and the claimed advertising that takes place within it. In any event, the purpose, nature and methods of use of the services/goods are extremely different, neither do they compete. The only argument could be on the basis of complementarity, however, the basis of the argument put forward does not strike me as being indicative of the type of complementary relationship set out in the case-law (as summarised earlier). I cannot find that these services/goods are similar. I

acknowledge that the opponent stressed in its submissions that it had only given examples of similarity and there may be other aspects of similarity, however I can see nothing obvious myself.

Brand and name creation services; brand consultancy and brand creation services; marketing agency services; marketing and public relations services; Business advice relating to strategic marketing and advertising; strategic business consultancy; strategic business planning; business strategic planning

64. No specific examples of similarity have been given by the opponent. I see no better prospect here than in relation to the advertising agency services assessed above. In the absence of any specific examples being brought to my attention, and in the absence of anything obvious that stands out to me after going through the competing specifications in detail, I conclude that there is no similarity here.

Production of advertisements; production for advertisements

65. The opponent's submissions focus on the following terms in its earlier CREAM mark: "production of films and video tapes, production of radio and television programmes". It argues that the same experience, skills and equipment are needed to produce television and film advertisements as they are for film and television programmes and, therefore, have a similar nature, and may have the same commercial origin and distribution channels - it is argued that they will be expected to be rendered by the same undertakings or economically linked undertakings.

66. The term "production of/for advertisements" covers both television/radio advertisements and, also, more traditional forms of advertising such as print media. I accept that in terms of the physical production of the former, there is a reasonably clear overlap with the terms highlighted by the opponent. The nature of the service is similar and it is not unreasonable to conclude that a film/radio/TV production company may also offer a service of production for the purpose of creating a film/TV/radio advertisement. I consider there to be a medium level of similarity. However, this applies only to production of film/radio/TV advertisements, with other types of production not having any overlap with the service highlighted by the opponent. Thus,

subject to the outcome of the proceedings, a revised specification may need to be considered.

The design of digital advertising and marketing materials; design of marketing and advertising materials; design of publicity and advertising materials

67. No specific examples of similarity have been given by the opponent. In the absence of any specific examples being brought to my attention, and in the absence of anything obvious that stands out to me after going through the competing specifications in detail, I conclude that there is no similarity here.

Applied for terms generally

68. I additionally note that the opponent submits that all the class 35 services are similar to its online electronic publications, provision of online electronic publications and information relating to music, entertainment and disc jockeys, because the applicant's services are likely to make extensive use of the opponent goods/services and are therefore complementary. Put simply, given the nature of the services concerned, I see no reason at all why any form of complementary relationship will be in play.

Advisory and information services relating to the aforesaid.

69. The above term stands or falls with the "aforesaid" terms as it is logical to conclude that where a term is found to be similar to something in the earlier mark, the same finding will apply in relation to advisory/information services in relation to that term.

Class 38

70. I begin, again, by commenting on the applicant's limitation to its specification in this class, which this time reads:

"all of the aforesaid services provided by a digital content agency to businesses."

71. All the limitation succeeds in doing is specifying who provides the service (a digital content agency) and to whom (businesses). This, again, has no impact on the inherent nature of the services. Also, and as already observed, there is nothing in any of the opponent's specification which limits its field of activity and, thus, its goods and services could also be provided to businesses and they could also act, potentially, as a digital content agency.

Remote data access services; telecommunication of information including web pages, computer programs, text and any other data; transmission of messages, data and content via the Internet and other computer and communications networks

72. The opponent submits that the above services are similar to its computer software to enable the searching of data "since the opponent's goods facilitate the performance of the applicant's services". The submission appears to be based (although it is not explicitly stated) upon complementarity. However, there is no evidence to demonstrate the inter-relationship between the goods and services. It is not in my view obvious to suggest that the public will perceive the undertaking responsible for a software product (even if it is for data access) to be the same as an undertaking responsible for providing what are, essentially, telecommunications services. The nature and purpose of the services are not really similar. I reject similarity on the basis put forward.

Transmission of sound and/or pictures

73. The opponent submits that the above term is similar to "apparatus for recording, transmission, reproduction of sound or images", relying, again, on a complementary relationship. Whilst there is, again, no evidence on the point, I think it is clear and more obvious that the link the opponent suggests will be in play. It is in my view common knowledge that providers of certain transmission services will provide their own devices to access the services and, as the opponent submits, one is dependent on the other for their operation. I consider there to be a medium degree of similarity between the goods and the service.

74. I think the same finding can be applied to a number of the other services as they cover transmission or telecommunication services. Similarly, it is also noteworthy that

the opponent's specification covers apparatus for accessing networks and the Internet, and a similar complementary relationship will exist there. I consider the following goods to be similar to a medium degree:

Digital communications services; telecommunications and data communication services; communication services for accessing computer networks; sending information and computer programs via telecommunication services, including on-line services; transmission and processing of data from remote locations to mobile telephones; on-line information services relating to all the aforesaid services; broadcasting services, namely, uploading, posting, showing, displaying, tagging, blogging, sharing or otherwise providing electronic media or information over the Internet or other communications network; electronic mail services; transmission of written and digital communications; electronic data exchange services

Hire and rental of telecommunication apparatus, installations and instruments

75. The opponent's specification includes telecommunications apparatus, thus, whilst the nature of any goods and service will differ, the purpose is similar, and one may make a competitive choice about either buying telecommunication apparatus or renting them instead. I consider there to be a medium degree of similarity.

Computerised on-line services for business professionals namely providing access via global and non-global computer networks to computer software for use in storing, managing, tracking and analysing data in the fields of marketing, promotion, sales, customer information management, customer support and service and employee efficiency, collaborative intra-company and inter-company exchange of such data, maintaining statistics and generating reports concerning such data, providing customised on-line information and resources relevant to the customers business, namely strategies for improving customer relations, marketing strategies, job performance training, credit reports, stock market reports, general business news, sales and marketing news, and providing on-line interactive communications with peer professionals

76. This seems to be a very specific service which is unlikely to have corresponding specialist equipment to provide the service itself, certainly not one where the consumer would understand the service and goods supplier to be the same. The services are not similar.

Providing of access to on-line chat rooms and bulletin boards; online forums, chat rooms, journals, blogs, and listservers for the transmission of messages, comments and multimedia content among users; providing on-line chat rooms for social networking; chat room services for social networking; Chat room services for social networking; Forums [chat rooms] for social networking; operation of chat rooms; provision of on-line forums

77. As with the terms assessed in the previous paragraph, services of this nature are unlikely to have any specific goods to facilitate their use likely to be provided by the service provider. The services are not similar.

Advisory and consultancy services relating to the aforesaid

78. The above term stands or falls with the “aforesaid” terms as it is logical to conclude that where a term is found to be similar to something in the earlier mark, the same finding will apply in relation to advisory/information services in relation to that term.

Class 41

79. The services in class 41 have the same limitation as the services in class 38. The comments I have already made apply in equal measure.

Digital studio services, recording live sound effects

80. The opponent relies on its term “recording studio services” and submits that there service are identical. I agree. If they are not identical then they are highly similar.

Digital production services; sound, video and ancillary production and post production services to the motion picture, video, broadcast, satellite, cable and television industries; sound editing and enhancement; mixing of dialogue, sound effects, dialogue and narration; automated dialogue replacement; audio post-production, audio playback and augmentation; looping/foreign language dubbing and recording; video post-production, audio post-production; fading and visual effects and graphics to video tape, audio tape, digital media and film; mastering, editing of film, digital media and video tape; film, digital media and video tape editing; enhancing quality film, digital media and video tape in post production; CD, DVD and electronic media mastering; production and special effects for films and television;

81. The opponent relies on “production of films and video tapes, production of radio and television programmes” in its earlier mark. The applied for services are all, essentially, part of the production process for film and television output. I agree that the services are to be considered identical.

Renting of equipment for use in creating film, digital media and video tape, and for use in post-production work; rental of radio and television broadcasting facilities

82. As already observed, the opponent’s specification covers various production services, services which would make use of the items the subject of the rental agreement. Whilst this would not always result in a complementary relationship, the likely expense and very specialist nature of the goods being used means that it is probable that a production business would rent its equipment to others, which also introduces a competitive aspect because a business may choose to either rent equipment to use themselves or alternatively hire the company to produce something using the equipment in their possession. I consider there to be a medium degree of similarity here.

Consultation relating to the foregoing

83. The above term stands or falls with the “foregoing” terms as it is logical to conclude that where a term is found to be similar to something in the earlier mark, the same finding will apply in relation to consultation in relation to that term.

Entertainment... by means of or relating to radio and television; provision of... and digital entertainment (non-downloadable)

84. The opponent's earlier mark covers "entertainment" *per se*. I consider this to be identical to the applied for terms.

Education, instruction, tuition and training;education and instruction by means of or relating to radio and television; production and rental of educational and instructional materials

85. None of the applicant's services in class 41 or goods in class 9 specify any form of educational aspect. Nothing in the opponent's submissions bring forward any specific examples of similarity. In the absence of any specific examples being brought to my attention, and in the absence of anything obvious that stands out to me after going through the competing specifications in detail, I conclude that there is no similarity here.

Production, presentation, distribution, syndication, networking and rental of television and radio programmes incorporating advertisements; film and animation exploitation services

86. In terms of "production", I have already commented on the opponent's production type services; the services are identical. The other applied for services constitute activities with finished film/television/animation such as distribution, syndication, rental and exploitation. Such services are, in and of themselves, similar to the opponent's production services. This is because there exists a complementary relationship with the consumer expecting such activities to be performed by the production company responsible for the product. There is a medium degree of similarity. Furthermore, I note that the opponent's specification also contains "distribution of films.." which I consider to be highly similar to the applied for terms as this is a form of onward activity of the finished film.

Publishing services; provision of online electronic publications

87. The opponent's specification covers "publishing services" and "provision of on-line electronic publications", as such, I consider these services to be identical.

Exhibition services

88. The opponent's specification covers "arranging and conducting of conferences". Whilst an exhibition and conference are not quite the same thing, they are highly similar. Therefore, the nature and purposes overlap strongly. The services may also compete. I consider them to be highly similar.

Class 42

89. Only two submissions are made regarding the services in class 42. First, that design services could include the design of software-based digital content which would be similar to the opponent's computer software (the point therefore is that software design is similar to software). Second, that the various website services (I assume by this the opponent means the creation/maintenance of webpages) the opponent relies on, and various goods and services of the earlier mark, may be provided via a website which, therefore, "serve as the conduit and so are complementary". In terms of the first submission. I agree that the term design would include software design and that there is some degree of similarity as a business could buy something off the shelf, or, alternately, go to a software designer. The nature of the service is, though, different and the purpose superficially similar. I consider the degree of similarity to be low. Further, design services could be amended by excluding software design to avoid the finding of similarity. For similar reasons, I consider this finding to apply to computer programming. In terms of the second submission, I do not agree that simply because a website can act as the conduit for certain of the opponent's goods/services that this means that a complementary relationship exists. The relationship is not one where people would assume that there is an economic connection between the providers of the goods/services. These services/goods are not similar.

90. The residue of the class 42 specification reads:

Design research; graphic design services; design of products; design of packaging and custom consultancy relating thereto; research and development of packaging; corporate identity development services; brand design services; corporate identity design services; design of web pages and other electronic marketing media; design of corporate material; signage design services; graphic design for the compilation of web pages on the Internet; creating and maintaining websites; hosting the websites of others; provision of websites relating to any of the aforesaid services; design, drawing and commissioned writing, all for the compilation of web pages on the Internet; creation of web content and web pages; design of online media; development of online media; consultancy services in relation to online media content on websites; website design services; creation, editing and updating of website content; computer services, namely, designing and implementing banner advertisements; graphic design services.

In the absence of anything further being brought to my attention, and in the absence of anything obvious that stands out to me after going through the competing specifications in detail, I conclude that there is no further similarity here.

91. Before moving on, I should say that in its submissions the opponent stresses that the examples of similarity it identified in its submissions were non-exhaustive and there may be many other examples of similarity. I accept this submission, but as I have already said a number of times, I have taken into account the specific examples brought to my attention and have also looked for any other obvious examples of similarity. The tribunal cannot be expected to do no more than this, the onus being on the opponent to establish its case.

Summary of findings on identity/similarity of goods/services

92. All of the goods in class 9 are identical (or else highly similar) to goods in the earlier CREAM mark, save for teaching apparatus, which is not similar to anything. In relation to “downloadable files including images”, if this term were limited only to images then there would be a medium degree of similarity as opposed to identity.

93. In class 35, there is a medium degree of similarity between “production of/for [film/radio/TV] advertisements” and the opponent’s production services. The same applies to advisory and information services relating to that term.

94. In class 38, the following goods have a medium degree of similarity with the opponent’s various transmission and networking devices in class 9:

Transmission of sound and/or picture; Digital communications services; telecommunications and data communication services; communication services for accessing computer networks; sending information and computer programs via telecommunication services, including on-line services; transmission and processing of data from remote locations to mobile telephones; on-line information services relating to all the aforesaid services; broadcasting services, namely, uploading, posting, showing, displaying, tagging, blogging, sharing or otherwise providing electronic media or information over the Internet or other communications network; electronic mail services; transmission of written and digital communications; electronic data exchange services

The same finding applies to advisory and consultancy services relating to those terms.

95. In class 38 there is a medium degree of similarity between “hire and rental of telecommunication apparatus, installations and instruments” and the opponent’s telecommunications apparatus. The same applies to advisory and consultancy services relating to that term

96. In class 41 the following services are identical or highly similar to the opponent’s production services:

Digital studio services, recording live sound effects; Digital production services; sound, video and ancillary production and post production services to the motion picture, video, broadcast, satellite, cable and television industries; sound editing and enhancement; mixing of dialogue, sound effects, dialogue and narration; automated dialogue replacement; audio post-

production, audio playback and augmentation; looping/foreign language dubbing and recording; video post-production, audio post-production; fading and visual effects and graphics to video tape, audio tape, digital media and film; mastering, editing of film, digital media and video tape; film, digital media and video tape editing; enhancing quality film, digital media and video tape in post production; CD, DVD and electronic media mastering; production and special effects for films and television; Entertainment... by means of or relating to radio and television; provision of... and digital entertainment (non-downloadable); Publishing services; provision of online electronic publications are identical to the opponent's services in class 41.

The consultation services relating to these terms will be highly similar.

97. In class 41 there is a medium degree of similarity between “Renting of equipment for use in creating film, digital media and video tape, and for use in post-production work; rental of radio and television broadcasting facilities” and the opponent’s production services. The consultation services relating to these terms will be similar to the same degree.

98. In class 41 there is a high degree of similarity between the opponent’s distribution of films with the following class 41 services:

Production, presentation, distribution, syndication, networking and rental of television and radio programmes incorporating advertisements; film and animation exploitation services,

save that production is identical to the opponent’s production services.

99. In class 41 there is a high degree of similarity between “exhibition services” and the opponent’s “arranging of conferences”.

100. In class 42 there is a low degree of similarity between “[computer software] design services; computer programming” and the opponent’s computer software.

Average consumer and the purchasing act

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

102. Where the goods/services conflict, some may be used by both businesses and members of the general public (e.g. the opponent's class 9 goods and certain of the class 41 services such as entertainment) whereas others are aimed more specifically at businesses (such as both sides production services and the applicant's advertising services which are limited to business). For none of the conflicting goods/services do I consider that the purchasing process is a highly considered one, although I accept that for some (advertising, production etc) the costs involved and their importance leads to a level of care and attention which is slightly higher than the norm. Most of the goods and services will be selected mainly after visual inspection, although some (various advertising and production services etc) may require consultation with providers and word of mouth recommendations may be relevant, so the aural impact is important also.

Distinctiveness of the earlier mark(s)

103. The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, based either on inherent qualities or because of use made, the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

104. From an inherent perspective, the earlier mark CREAM has no real allusive qualities when the goods and services covered by the registration are considered. It has a reasonable degree of inherent distinctive character. The earlier figurative mark has more distinctiveness on account of its unusual device element, however, such added distinctiveness does not increase the likelihood of confusion because this is not the common element between the marks.

105. The use of the marks must also be considered. Whilst the use made may be broader, it seems to me that the key area where the opponent's use will have enhanced distinctiveness would be in relation to its core service of the provision of entertainment in the form of providing club nights. The use demonstrates, in my view, a well-known brand for the provision of such services, even though the use now appears to primarily (although not exclusively) be taking place in Ibiza. In terms of other goods/services, the only area where the use will have resulted, in my view, in enhancing the distinctive character of the mark is in relation to music CDs. There are numerous releases over the years with some success in terms of sales. Thus, for the goods/services I have identified, I consider the distinctiveness of the earlier mark(s) to be high.

Comparison of marks

106. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

107. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are:

KREAM

v



CREAM & *cream*

108. In terms of overall impression, and considering first the applicant's mark, it is made up of the single word KREAM which, consequently, is the only thing that contributes to its overall impression. The same can be said of the earlier mark CREAM. In terms of the earlier figurative mark, there is a strong and quite striking device element, which whilst slightly narrower than the words placed beneath it, is much taller. The most likely perception is that the word element and the device element make a roughly equal contribution to the overall impression of the mark.

109. Visually, KREAM and CREAM are of a similar length, each comprising five letters. The first letters differ, but the remaining four are the same, in the same order. I consider that whilst the difference in the initial letter has some impact, there is still a reasonably high degree of visual similarity. The visual similarity is reduced with the figurative mark due to the additional difference of the visually striking device element. I consider there to be only a moderate (between low and medium) degree of visual similarity here.

110. Aurally, there can be little doubt that the marks will all be articulated in the same way. This applies even to the earlier figurative mark as the device element will not be articulated.

111. Conceptually, the point of recall will be based upon the meaning behind the word CREAM. This is so even in respect of KREAM because the average consumer is likely to approximate such a meaning to it. The marks are conceptual similar to a high degree.

Likelihood of confusion

112. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused. Confusion can be direct (which effectively occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same, but puts the similarity that exists between the marks/goods and services down to the responsible undertakings being the same or related). In terms of indirect confusion, this was dealt with by Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10 where he noted that:

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

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

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even

where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

113. I will break my findings down class by class. I will only make reference to the goods/services in that class which I have found to be identical or similar to something in the earlier marks as there must be some similarity between the goods/services to engage the ground of opposition under section 5(2)(b). For this reason, the earlier figurative mark does not assist under this ground and I will focus on the earlier CREAM word mark.

Class 9

114. As already observed, all of the goods in class 9 are identical (or else highly similar) to goods in the earlier CREAM mark, save for teaching apparatus. In relation to “downloadable files including images”, if this term were limited only to images then there would be a medium degree of similarity as opposed to identity.

115. Where the goods conflict, this is an example of where there is just an average level of care and attention, even if they were being supplied to businesses. Whilst the marks are not identical, there is a high degree of visual and conceptual similarity and aural identity. In relation to the identical goods, I consider that there is a likelihood of confusion. The difference between the marks (the K for C) may be something which is misrecalled or misremembered due to the effects of imperfect recollection. I extend this finding to the image files (even if the goods were to be limited) as the nature of the relationship, combined with the similarity between the marks, will still indicate to the consumer that the same or related undertaking is responsible for them.

Class 35

116. I identified earlier a medium degree of similarity between “production of/for [film/radio/TV] advertisements” and the opponent’s production services. The same applies to advisory and information services relating to that term. I have already commented upon the marks. Whilst I accept that this conflict represents an area where there may be a slightly higher level of care and consideration than the norm, the combination of the similarity in the marks/services is still enough to result in a likelihood of confusion. The effects of imperfect recollection are still relevant.

Class 38

117. I identified earlier the following goods which have a medium degree of similarity with the opponent’s various transmission and networking devices in class 9:

Transmission of sound and/or picture; Digital communications services; telecommunications and data communication services; communication services for accessing computer networks; sending information and computer programs via telecommunication services, including on-line services; transmission and processing of data from remote locations to mobile telephones; on-line information services relating to all the aforesaid services; transmission of sound and/or pictures; broadcasting services, namely, uploading, posting, showing, displaying, tagging, blogging, sharing or otherwise providing electronic media or information over the Internet or other communications network; electronic mail services; transmission of written and digital communications; electronic data exchange services

118. Whilst, again, there may be a slightly higher degree of care and consideration, I still feel the combination of the similarity in the marks/goods is still enough to result in a likelihood of confusion. I extend this finding to the advisory and information services relating to the above. For similar reasons, I make the same finding in relation to: “hire and rental of telecommunication apparatus, installations and instruments”.

Class 41

119. I identified earlier that the following services are identical to the opponent's production services:

Digital studio services, recording live sound effects; Digital production services; sound, video and ancillary production and post production services to the motion picture, video, broadcast, satellite, cable and television industries; sound editing and enhancement; mixing of dialogue, sound effects, dialogue and narration; automated dialogue replacement; audio post-production, audio playback and augmentation; looping/foreign language dubbing and recording; video post-production, audio post-production; fading and visual effects and graphics to video tape, audio tape, digital media and film; mastering, editing of film, digital media and video tape; film, digital media and video tape editing; enhancing quality film, digital media and video tape in post production; CD, DVD and electronic media mastering; production and special effects for films and television; Entertainment... by means of or relating to radio and television; provision of... and digital entertainment (non-downloadable); Publishing services; provision of online electronic publications are identical to the opponent's services in class 41.

120. I accept, again, that most of these services are selected with a slightly higher than the norm level of care and consideration, but, by parity of reasoning with my earlier findings, I still consider that there is a likelihood of confusion, a finding I extend to the consultation services relating to these terms.

121. In class 41 there is a medium degree of similarity between "Renting of equipment for use in creating film, digital media and video tape, and for use in post-production work; rental of radio and television broadcasting facilities" and the opponent's production services. The consultation services relating to these terms are similar to the same degree. Consistent with what I have already held, I consider that there is a likelihood of confusion, a finding I also extend to the consultation services and to the following services which I found to be highly similar:

Production, presentation, distribution, syndication, networking and rental of television and radio programmes incorporating advertisements; film and animation exploitation services; and “exhibition services”.

Class 42

122. That leaves “[computer software design services; computer programming” which I found to have a low degree of similarity to the opponent’s computer software. Despite there only being a low degree of similarity in the goods/services, I still consider the effect of imperfect recollection, combined with the similarity between the marks will result in a likelihood of confusion. The consumer will believe that the services are an alternative to the provision of the goods under the guise of the same or related undertaking.

Section 5(4)(a) of the Act – passing off

123. Section 5(4)(a) of the Act reads:

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

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

(b)...

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

124. Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 provides the following analysis of the law of passing-off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products*

Ltd v. Borden Inc. [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.”

125. Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

126. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), the Court stated:

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

127. In *Hart v Relentless Records* [2003] FSR 36, Jacob J. (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in *BALI Trade Mark* [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used ‘but had not acquired any significant reputation’ (the trial judge's finding). Again that shows one is looking for more than a minimal reputation.”

128. However, a small business which has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing-off even though its reputation may be small. In *Stacey v 2020 Communications* [1991] FSR 49, Millett J. stated that:

“There is also evidence that Mr. Stacey has an established reputation, although it may be on a small scale, in the name, and that that reputation preceded that of the defendant. There is, therefore, a serious question to be tried, and I have to dispose of this motion on the basis of the balance of convenience.”

See also: *Stannard v Reay* [1967] FSR 140 (HC); *Teleworks v Telework Group* [2002] RPC 27 (HC); *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590 (COA)

129. In terms of misrepresentation, in *Neutrogena Corporation and Another v Golden Limited and Another*, [1996] RPC 473, Morritt L.J. stated that:

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

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

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

And later in the same judgment:

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

concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

130. A common field of activity is not a prerequisite to found a passing-off claim (see *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA)). However, a presence of a common field is clearly a highly important factor.

131. Whether there has been passing-off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC, sitting as the Appointed Person, discussed the matter of the relevant date in a passing-off case:

“43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’

132. The subject mark was filed on 24 September 2015. No use prior to this has been provided (or even claimed), so, consequently, this is the only date at which I need consider the position.

133. Having considered the matter at the relevant date based upon the evidence filed, I come to the view that the opponent’s case is not advanced under this ground, in comparison to the ground(s) under section 5(2)(b). This is because I have already considered the earlier CREAM mark and found, partially, in the opponent’s favour. Any goodwill the opponent can realistically be found to have is covered, in the main, by this earlier CREAM mark. There may be one or two exceptions to this, such as clothing

(which are, in event, covered by other of the earlier marks) but in my view, the type of goods and services covered by the application (particularly focusing, for the sake of procedural economy, on where the opponent has not succeeded) are not ones which a substantial number of people would believe emanate from the opponent's business. In view of this, I do not consider it necessary to consider this ground further.

Section 5(3)

134. Section 5(3) of the Act reads:

“5-(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 Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

135. The leading cases are the following CJEU judgments: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L'Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *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 later mark would cause an average consumer to bring 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 likelihood 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

136. The earlier marks must have a reputation³. In *General Motors* the CJEU stated:

“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.”

137. Earlier in this decision I touched on the use made of the earlier mark when considering enhanced distinctiveness. Whilst the test is not exactly the same, I come to the view that the only areas in which any of the earlier marks have a reputation would be in relation to: entertainment in the form of providing club nights and music CDs.

The link

138. Whilst I accept that a link is merely a bringing to mind and requires no form of confusion or deception, the link is where the opponent's case falls down, particularly when focusing, again, on the goods and services for which the opponent has so far failed. Put simply, when services such as advertising, marketing, education and goods

³ As the mark is an EUTM, the reputation must be in the EU – see *Pago*

such as training apparatus are encountered under the applied for mark, despite the similarity between the marks, the nature of the opponent's reputation will not result in the earlier mark(s) being brought to mind. For this reason, I do not consider it necessary to consider this ground of opposition further.

Conclusion

139. The opposition succeeds in relation to:

Class 9: Computer hardware; computer firmware; floppy discs; hard discs; CD ROMs, DVDs; computer games for use with televisions; electronic publications; computer software for use in production of digital advertising; interactive data media; broadcasting apparatus and equipment; apparatus for recording, transmission or reproduction of sound and/or images for use in advertising; electronic publications; communications and telecommunications apparatus; mobile applications; electronic scoring instruments for recording the score in games; multi-media recordings and publications; downloadable files including images; all of the aforesaid only for use in, or in relation to, advertising and the production of digital advertising.

Class 35: Production of [film/radio/TV] advertisements; production for [film/radio/TV] advertisements; advisory and information services relating to the aforesaid.

Class 38: Digital communications services; telecommunications and data communication services; communication services for accessing computer networks; sending information and computer programs via telecommunication services, including on-line services; electronic data exchange services; hire and rental of telecommunication apparatus, installations and instruments; remote data access services; transmission and processing of data from remote locations to mobile telephones; on-line information services relating to all the aforesaid services; Transmission of sound and/or pictures; broadcasting services, namely, uploading, posting, showing, displaying, tagging, blogging, sharing or otherwise providing electronic media or information over the Internet

or other communications network; electronic mail services; transmission of written and digital communications; advisory and consultancy services relating to the aforesaid; all of the aforesaid services provided by a digital content agency to businesses.

Class 41: Digital studio services, digital production services; sound, video and ancillary production and post production services to the motion picture, video, broadcast, satellite, cable and television industries; sound editing and enhancement; mixing of dialogue, sound effects, dialogue and narration; automated dialogue replacement; recording live sound effects; audio post-production, audio playback and augmentation; looping/foreign language dubbing and recording; video post-production, audio post-production; fading and visual effects and graphics to video tape, audio tape, digital media and film; mastering, editing of film, digital media and video tape; film, digital media and video tape editing; enhancing quality film, digital media and video tape in post production; CD, DVD and electronic media mastering; production and special effects for films and television; renting of equipment for use in creating film, digital media and video tape, and for use in post-production work; consultation relating to the foregoing; entertainment by means of or relating to radio and television; production, presentation, distribution, syndication, networking and rental of television and radio programmes incorporating advertisements; publishing services; provision of online electronic publications, and digital entertainment (non-downloadable); exhibition services; rental of radio and television broadcasting facilities; film and animation exploitation services; including all of the aforesaid services provided online from a computer network or via the internet or extranets; all of the aforesaid services provided by a digital content agency to businesses.

Class 42: [Computer software design services] computer programming;

140. But fails, and may be registered for:

Class 9: Teaching apparatus; all of the aforesaid only for use in, or in relation to, advertising and the production of digital advertising.

Class 35: Advertising agency services; advertising research services; the design of digital advertising and marketing materials; design of marketing and advertising materials; brand and name creation services; design of publicity and advertising materials; marketing agency services; business advice relating to strategic marketing and advertising; strategic business consultancy; strategic business planning; business strategic planning; brand consultancy and brand creation services; marketing and public relations services; production of advertisements [but not including the production of film/radio and television advertisements]; production for advertisements [but not including the production for film/radio and television advertisements]; advisory and information services relating to the aforesaid.

Class 38: Computerised on-line services for business professionals namely providing access via global and non-global computer networks to computer software for use in storing, managing, tracking and analysing data in the fields of marketing, promotion, sales, customer information management, customer support and service and employee efficiency, collaborative intra-company and inter-company exchange of such data, maintaining statistics and generating reports concerning such data, providing customised on-line information and resources relevant to the customers business, namely strategies for improving customer relations, marketing strategies, job performance training, credit reports, stock market reports, general business news, sales and marketing news, and providing on-line interactive communications with peer professionals; providing of access to on-line chat rooms and bulletin boards; telecommunication of information including web pages, computer programs, text and any other data; transmission of messages, data and content via the Internet and other computer and communications networks; online forums, chat rooms, journals, blogs, and listservers for the transmission of messages, comments and multimedia content among users; providing on-line chat rooms for social networking; chat room services for social networking; Chat room services for social networking; Forums [chat rooms] for social networking; operation of chat rooms; provision of on-line forums; advisory and consultancy services relating to the aforesaid; all of the aforesaid services provided by a digital content agency to businesses.

Class 41: Education, instruction, tuition and training; education and instruction by means of or relating to radio and television; production and rental of educational and instructional materials; including all of the aforesaid services provided online from a computer network or via the internet or extranets; all of the aforesaid services provided by a digital content agency to businesses.

Class 42: Design services, but not including computer software design services; design research; graphic design services; design of products; design of packaging and custom consultancy relating thereto; research and development of packaging; corporate identity development services; brand design services; corporate identity design services; design of web pages and other electronic marketing media; design of corporate material; signage design services; graphic design for the compilation of web pages on the Internet; creating and maintaining websites; hosting the websites of others; provision of websites relating to any of the aforesaid services; design, drawing and commissioned writing, all for the compilation of web pages on the Internet; creation of web content and web pages; design of online media; development of online media; consultancy services in relation to online media content on websites; website design services; creation, editing and updating of website content; computer services, namely, designing and implementing banner advertisements; graphic design services.

141. In relation to the terms underlined above, these are changes suggested by me and will need to be agreed by the applicant by confirming in writing that it wishes to proceed as suggested (or with something very similar). Fourteen days from the date of this decision is allowed for it to do so. If no change is requested then the term as a whole will be removed. The appeal period will, consequently, only run when a final specification is set forth by me in a supplementary decision.

Costs

142. Both sides have had a measure a success. Each shall bear its own costs.

Dated this 5TH day of June 2017

Oliver Morris

For the Registrar,

The Comptroller-General