

O-777-18

TRADEMARKS ACT 1994

IN THE MATTER OF
INTERNATIONAL REGISTRATION NO. WO0000001351571
DESIGNATING THE UNITED KINGDOM
IN THE NAME OF ADP GAUSELMANN GMBH
FOR THE TRADE MARK

World of Circus


IN CLASS 9
AND THE APPLICATION FOR INVALIDATION THEREOF
UNDER NO. CA000501868
BY
CIRCUS BELGIUM S.A.

Background & Pleadings

1. adp Gauselmann GmbH (hereafter 'adp Gauselmann') is the holder of International Registration ('IR') no. WO0000001351571 for the trade mark **World of Circus**. The IR was published on 30 June 2017. Protection in the UK for the IR was granted on 31 August 2017 in respect of the following goods in class 9:

Cash dispensers, juke boxes (monetary operated) and parts for the aforesaid machines; ATMs, money counting and money changing machines; mechanisms for coin operated apparatus; hardware in particular for casino and gambling hall games, for gaming machines, slot machines or video lottery gaming machines; electrical, electronic or optical alarm and monitoring installations, including video cameras and devices for image transmission and image processing; electric wiring harnesses; boards, printed board assemblies (electronic components) and combinations thereof as modules and as parts of equipment, included in this class.

2. Circus Belgium S.A. (hereafter 'Circus Belgium') seeks invalidation of the protected IR under section 5(2)(b) of the Trade Mark Act 1994 ('the Act')¹, based on its earlier EU trade marks (outlined below). Both registrations cover classes 9, 28 and 41 but for varying goods and services. The registered goods and services will be set out later in this decision.

Marks relied on by Circus Belgium	
EU TM011664547  Filing date: 18 March 2013 Registration date: 17 May 2014	EU TM015030927 circus Filing date: 22 January 2016 Registration date: 16 December 2016

¹ Applicable by virtue of section 47(2)(a) of the Act.

3. Circus Belgium claims under section 5(2)(b) that the IR is similar to its earlier marks and is registered for goods for which the earlier marks are protected and there exists a likelihood of confusion.

4. Circus Belgium's above mentioned trade marks have filing dates that are earlier than the date of holder designating the UK and, therefore, they are both earlier marks, in accordance with Section 6 of the Act. Neither mark is subject to proof of use, having not been registered for five years prior to the publication date of the contested designation.

5. adp Gauselmann filed a counterstatement in which it denied that the contested marks were similar but admitted that the goods and services 'appear to overlap, [but] in practice are used in very different ways'.

6. In these proceedings adp Gauselmann is represented by Greaves Brewster LLP and Circus Belgium by Cogitus SPRL.

7. Neither party requested to be heard. Both sides filed evidence and written submissions in lieu of a hearing. The evidence will be summarised as necessary and the submissions kept in mind. I make this decision based on the papers before me.

Preliminary issues

8. In its evidence and submissions Circus Belgium referred me to another of its registered marks EU TM5861018 for **Circus Scene**. This mark was not cited in the application for invalidation and so cannot be considered as part of these proceedings.

Circus Belgium's evidence

9. Circus Belgium initially provided a witness statement and four exhibits at the same time as filing the application for invalidation on 6 November 2017. It then filed a second witness statement and one exhibit on 15 February 2018. Both witness statements stand in the name of Philippe Partoune of Cogitus SPRL, being the legal representative of Circus Belgium.

10. Of the four exhibits attached to his first witness statement, exhibits PHP1 and PHP2 comprise copies of the EUIPO issued registration certificates for the two earlier marks. Exhibit PHP3 consists of screenshots dated 6 November 2017 of adp Gauselmann's website (www.gauselmann.de). Exhibit PHP4 consists of screenshots dated 6 November 2017 of Circus Belgium's website (www.circus.be). Mr Partoune does not explain the relevance of these exhibits either in his witness statement nor in his accompanying submissions.

11. Mr Partoune's second witness statement contained only one exhibit, also labelled as PHP1, which comprise case details taken from the TMView database of Circus Belgium's **Circus Scene** mark. As I have already set out in paragraph 8, this mark does not form part of these proceedings so it is not relevant.

adp Gauselmann's evidence

12. The CEO of adp Gauselmann, Dr Werner Schroer, filed a witness statement although much of the material contained within should be considered as submissions. Three annexes were attached. Annex A comprises an undated screenshot of the online World of Circus game and Annex B comprises a list of Google hits for the word 'circus' and a Wikipedia entry defining the word 'circus'. The date of this search is unclear from the copy that has been provided. As best as I can make it out it appears to be 9 May 2018. In Annex C, the declarant has attached a list of hits from the Google search engine for the search term 'world of circus'. The declarant states that this Annex indicates that Circus Belgium do not appear in the results so there is no confusion in the marketplace.

Circus Belgium's evidence in reply

13. Circus Belgium's evidence in reply was a further witness statement appending three exhibits. All three exhibits consist of a list of hits from the Google search engine. Exhibit PHP1 is for the search terms 'world of circus casino' and 'world of circus game' on the google.be platform. Exhibit PHP2 is for the search term 'world of circus game' on the same platform. Exhibit PHP3 is for the search term 'world of circus casino' on the google.com platform. All are dated 24 March 2018. There is no reference to the relevance of these exhibits in the witness statement. However in the

written submissions attached to the evidence it is stated that the Google hits generated under each of the above search terms produces hits from both parties, so leading to confusion.

14. That concludes my summary of the evidence.

Section 5(2)(b)

15. Section 5(2)(b) of the Act is as follows:

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.²

16. The leading authorities which guide me are from the Court of Justice (“CJEU”): *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.

The principles

(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

² Applicable by virtue of section 47(2)(a) of the Act.

chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

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

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

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

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

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

Comparison of the goods

17. The case law relating to the comparison of goods and services is set out below. With regard to the comparison of services, in *Canon*, the CJEU stated at paragraph 23 of its judgment that:

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

18. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services
- c) The respective trade channels through which the goods or services reach the market
- d) 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;
- e) 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.

19. In relation to the assessment of the respective specifications, I note that in *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then

was) stated that:

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

20. In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267, Neuberger J. (as he then was) stated that:

"I should add that I see no reason to give the word "cosmetics" and "toilet preparations"... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context."

21. In *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM Case T-133/05) ('Meric')*, the General Court ('GC') held:

"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 the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution*

(HUBERT) [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 Koubi v OHIM – Flabesa (CONFORFLEX) [2004] ECR II-719, paragraphs 41 and 42).”

22. adp Gauselmann, in its witness statement, contends that,

“The holder uses his mark as the name of an online game, the consumer for which are those gambling online. The Applicant for Cancellation uses his mark as a main trade mark under which they offer a range of different branded games. World of Circus is offered by many online gambling websites in the UK ...whereas Circus is used as the name of the main gambling company who do not have an online game called Circus”.

23. Although adp Gauselmann states that the contested marks are used for different purposes, this is not relevant to this decision as I am required to make an assessment of the goods and services as registered. In *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220, Kitchen L.J. stated that:

“78.the court must.... consider a notional and fair use of that mark in relation to all of the goods or services in respect of which it is registered. Of course it may have become more distinctive as a result of the use which has been made of it. If so, that is a matter to be taken into account for, as the Court of Justice reiterated in *Canon* at paragraph [18], the more distinctive the earlier mark, the greater the risk of confusion. But it may not have been used at all, or it may only have been used in relation to some of the goods or services falling within the specification, and such use may have been on a small scale. In such a case the proprietor is still entitled to protection against the use of a similar sign in relation to similar goods if the use is such as to give rise to a likelihood of confusion.”

24. The goods and services to be compared are:

Circus Belgium EU TM11664547	Circus Belgium EU TM1503097	adp Gauselmann
<p>Class 9: Computer game software (in particular casino games), sports betting and forecasting games; Data processing software for information relating to games and sports information; Computer program; Data recording systems; Apparatus for recording, transmission or reproduction of sound or images; Magnetic recording supports; Phonograph records; Mechanisms for coin-operated apparatus; Discs, cassettes and floppy discs containing programs, in particular for computer games; Magnetically encoded cards, chip cards, electronic cards; CD-ROMs, Cards for electronic games; Interactive games terminals; Electronic apparatus enabling the</p>	<p>Class 9: Computer game software (in particular casino games), sports betting and forecasting games; Data processing software for information relating to games and sports information; Computer programs [downloadable software]; Data recording systems; Apparatus for recording, transmission or reproduction of sound or images; Recording substrates [magnetic]; Recording discs; Mechanisms for coin-operated apparatus; Discs, cassettes and floppy discs containing programs, in particular for computer games; Magnetic cards, chip cards, electronic cards; CD-ROMs, cards for electronic games; Electronic apparatus enabling the consultation, completion and validation</p>	<p>Class 9: Cash dispensers, juke boxes (monetary operated) and parts for the aforesaid machines; ATMs, money counting and money changing machines; mechanisms for coin operated apparatus; hardware in particular for casino and gambling hall games, for gaming machines, slot machines or video lottery gaming machines; electrical, electronic or optical alarm and monitoring installations, including video cameras and devices for image transmission and image processing; electric wiring harnesses; boards, printed board assemblies (electronic components) and combinations thereof as modules and as parts of equipment, included in this class.</p>

<p>consultation, completion and validation of forms and grids for forecasts, bets, games and competitions; Electronic purse systems; Data communication servers; Games programs for controlling games and bets; Computer programs for paying players online; Website development software; Computer software for creating dynamic websites; Terminals for gaming (in particular for casino games), sports betting and forecasting games; Telecommunications terminals and multimedia terminals relating to games (in particular casino games), sports betting and sports news.</p>	<p>of forms and grids for forecasts, bets, games and competitions; Electronic purse systems; Data communication servers; Games programs for controlling games and bets; Computer programs for paying players online; Website development software; Computer software for creating dynamic websites; Telecommunications terminals and multimedia terminals relating to games (in particular casino games), sports betting and sports news; All the aforesaid goods solely relating to online games (including betting).</p>	
<p>Class 28: Games; Playing cards; Counters [discs] for games; Playing cards; Board games; Dice for games; Layout cloths; Casino fittings namely roulette tables, roulette wheels; Betting terminals;</p>	<p>Class 28: Betting terminals; Electronic game apparatus for use online; Electronic table game apparatus with optical display screens; Console gaming devices; Terminals for gaming (in</p>	

<p>Games machines, prepaid and token-operated games machines; Electronic game apparatus for use online or offline; Electronic table game apparatus with optical display screens; Console gaming devices.</p>	<p>particular for casino games), betting and forecasting; All the aforesaid goods solely relating to online games (including betting).</p>	
<p>Class 41: Casino facilities; Betting and sporting forecast services; Providing amusement arcade services; Gambling; Gambling services; Games offered on-line on a computer network; Organization of competitions (education or entertainment); Organisation of games via the Internet, television, radio, mobile telephone and telecommunications systems; Publication of books, newspapers and periodicals; Publication of books, newspapers, periodicals and electronic media on the Internet or telecommunications systems, relating in</p>	<p>Class 41: Casino facilities; Betting and sporting forecast services; Providing amusement arcade services; Gambling; Gambling services; Games offered online on a computer network; Organization of competitions education or entertainment; Organisation of games via the Internet, television, radio, mobile telephone and telecommunications systems; Publication of books, newspapers and periodicals; Publication of books, newspapers, periodicals and electronic media on the Internet or telecommunications systems, relating in</p>	

<p>particular to games, competitions, sports betting and pools, and sports information; Production of films, television programmes and reports (entertainment), in particular in the field of sports, games, competitions, lotteries, sports betting and sports forecasting; Consultancy and information relating to games, casino game competitions, sports, sports competitions and entertainment, competitions, lotteries, sports betting and sports forecasting; Providing of assistance to players in the field of games, lotteries, sports betting and sports forecasting (providing of training); Providing of facilities for casinos and bookmakers for sports betting and sports forecasting, namely rental of gaming tables, slot machines and gaming accessories</p>	<p>particular to games, competitions, sports betting and pools, and sports information; Production of films, television programmes and reports (entertainment), in particular in the field of sports, games, competitions, lotteries, sports betting and sports forecasting; Consultancy and information relating to games, casino game competitions, sports, sports competitions and entertainment, competitions, lotteries, sports betting and sports forecasting; Providing of assistance to players in the field of games, lotteries, sports betting and sports forecasting (providing of training); Providing of facilities for casinos and bookmakers for sports betting and sports forecasting, namely rental of gaming tables, slot machines and gaming accessories</p>	
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including cards and tokens	including cards and tokens; All the aforesaid services solely relating to online games (including betting), casinos and/or games of chance or betting games.	
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25. For ease of comparison, it is permissible for me to group the goods together for the purpose of assessment as per the guidance given in *Separode Trade Mark* BL O-399-10.

26. *juke boxes (monetary operated); parts for the aforesaid machines; electrical, electronic or optical alarm and monitoring installations, including video cameras and devices for image transmission and image processing*

These goods are considered identical to *Apparatus for recording, transmission or reproduction of sound or images* in Circus Belgium’s specification under the *Meric* principle outlined above.

27. *Mechanisms for coin operated apparatus; electric wiring harnesses; boards, printed board assemblies (electronic components) and combinations thereof as modules and as parts of equipment, included in this class.*

The first of these goods are self-evidently identical to *Mechanisms for coin operated apparatus* which appear in each of Circus Belgium’s earlier specifications. The remainder of the goods set out above are considered to be at least highly similar to ‘mechanisms’ as they are component parts of an overall larger apparatus which allow coin operated equipment to function.

28. *Hardware in particular for casino and gambling hall games, for gaming machines, slot machines or video lottery gaming machines*

These goods are considered identical to the following goods in Circus Belgium's class 9 specification for the mark ending '547, namely *interactive games terminals; Terminals for gaming (in particular for casino games), sports betting and forecasting games; Telecommunications terminals and multimedia terminals relating to games (in particular casino games), sports betting and sports news*. The goods set out above are also identical to *Telecommunications terminals and multimedia terminals relating to games (in particular casino games), sports betting and sports news* in the class 9 specification for Circus Belgium's mark ending '097.

29. The class 9 goods set out above are also highly similar to *Betting terminals; Games machines, prepaid and token-operated games machines; Electronic game apparatus for use online or offline; Electronic table game apparatus with optical display screens; Console gaming devices; Betting terminals; Electronic game apparatus for use online; Electronic table game apparatus with optical display screens; Console gaming devices; Terminals for gaming (in particular for casino games), betting and forecasting* in class 28 of Circus Belgium's marks.

30. *Cash dispensers; ATMs, money counting and money changing machines*

I can see no similarity between these goods and any of Circus Belgium's goods and services, nor has Circus Belgium made any submissions to that effect. In my view the users, the physical nature and the respective trade channels of such goods are different to gaming machines in general. Where there is no similarity, there is no likelihood of confusion to be considered. Therefore, the opposition fails in respect of the following goods and the rest of this decision shall not take these goods into consideration, namely *Cash dispensers; ATMs, money counting and money changing machines*.

Average consumer and the purchasing process

31. I now consider who the average consumer is for the contested goods and how they are purchased. According to settled case law, 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.

32. 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.”

33. The average consumers for the contested goods are likely to be members of the general public and businesses. The goods at issue are not inexpensive so will likely be a considered purchase with an average consumer paying a reasonable degree of attention probably depending on the technical specifications of the goods. The goods are likely to be purchased visually either in a traditional bricks and mortar retail establishment or from perusal of images online. I also do not rule out an aural aspect to a purchase if for example technical advice is sought from sales staff.

Comparison of the marks

34. I now compare the marks. Case law makes 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.”

35. 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.

36. The marks to be compared are:

Circus Belgium’s marks	adp Gauselmann’s mark
<p data-bbox="204 913 451 947"><u>EU TM11664547</u></p> <p data-bbox="212 976 443 1048">Circus</p> <p data-bbox="204 1146 451 1180"><u>EU TM15030927</u></p> <p data-bbox="204 1205 292 1238">circus</p>	<p data-bbox="815 967 1369 1039">World of Circus</p>

37. Circus Belgium’s mark ending ‘547 consists of a stylised single word ‘Circus’ in title case. The dot above the letter ‘i’ appears in a different shade to the word below it. The overall impression is contained in the combination of the word ‘circus’ itself and the presentation as described.

38. Circus Belgium’s mark ending ‘927 consists of a single word ‘circus’ in lower case with no additional elements. The overall impression rests solely on this word.

39. adp Gauselmann’s mark consists of the words ‘World of Circus’. Neither word is given greater emphasis over the other. In terms of the first and second word elements, namely ‘World of’, I find that these words are lower in distinctiveness as they are used as hyperbole to describe an exaggerated abundance of something.

For example, in 'World of Circus', the 'Circus' becomes the significant element as that indicates what the abundance relates to. Therefore, the overall impression lies in the totality of the mark, although 'World of' plays a somewhat subordinate role given the nature of these words, as described.

40. In a visual comparison, the point of similarity is evidently the word 'circus'. Circus Belgium's mark ending '927 has no other aspect to it whereas the mark ending '547 has a slight visual difference in the shading of the dot above the letter 'i'. adp Gauselmann's mark has the two additional words 'world of', but I have already found these words to be lower in distinctiveness. Taking these factors into account, I find there is a medium degree of visual similarity.

41. In an aural comparison, the point of similarity is again the shared word 'circus' which will be pronounced identically in each mark. Circus Belgium's marks have no other aural aspect to them whereas adp Gauselmann's mark will have all three of its words elements verbalised but I have already found the first and second words to be lower in distinctiveness. Taking these factors into account, I find there is a medium degree of aural similarity.

42. In relation to a conceptual comparison, the shared word element 'circus' will call to mind its usual dictionary definition, as provided in adp Gauselmann's evidence, so the concept for all three marks will be the same. As I have previous set out above, I find the words 'World of' to be lower in distinctiveness and in conceptual terms they merely serve as the connection to the more distinctive element, namely 'circus', by telling the average consumer what the 'World of' relates to. Overall, I find there to be a high degree of conceptual similarity.

Distinctiveness of earlier marks

43. The distinctive character of the earlier marks must now be considered. The more distinctive it is, either inherently or through use, the greater the likelihood of confusion (*Sabel BV v Puma AG*). 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).”

44. Some evidence was filed in this case by Circus Belgium. However it was insufficient to establish enhanced distinctive character through use, as there were no details such as turnover figures, advertising expenditure, market share, i.e. all the usual factors which go to determining enhanced distinctiveness. Absent such evidence, I have only the inherent distinctiveness of the earlier marks to consider.

45. Both earlier marks consist (essentially) of the word ‘circus’, being an ordinary dictionary defined word which is not descriptive of the goods or services for which the marks are registered. I find both marks have an average degree of inherent distinctiveness.

Likelihood of Confusion

46. I now draw together my earlier findings into the global assessment of the likelihood of confusion, keeping in mind the following factors:

- a) The interdependency principle, whereby a lesser degree of similarity between the goods may be offset by a greater similarity between the marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc*).
- b) The principle that the more distinctive the earlier mark is, the greater the likelihood of confusion (*Sabel BV v Puma AG*).
- c) The factor of imperfect recollection i.e. that consumers rarely have the opportunity to compare marks side by side but must rather rely on the imperfect picture that they have kept in their mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*).

47. Confusion can be direct (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 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”.

48. I am also guided by the comments in *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, where Mr Iain Purvis Q.C. again sitting as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of

confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.”

49. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive character of the earlier mark lie?’. Only after that has been done can a proper assessment of the likelihood of confusion be carried out.

50. So far in this decision, I have found that some of the goods and services at issue are identical and the rest are similar to varying degrees. However I have also found some goods, set out in paragraph 30, which are not similar. Furthermore I found that the average consumers are businesses or the general public who will select the goods in a primarily visual purchasing process whilst paying a reasonable degree of attention and that the earlier marks have an average level of distinctiveness.

51. With regard to the comparison of the marks, I have found there to be visual and aural similarity to a medium degree and conceptual similarity to a high degree.

52. Based on the marks and the goods before me and taking into account the assessments I have made, in addition to the comments made by Mr Purvis outlined above in *Kurt Geiger*, I have found that the words ‘World of’ play a subordinate role in adp Gauselmann’s mark leaving ‘circus’ as the stronger element. Obviously, it is

the 'circus' element which is identical to the earlier marks. Given this identical element in all marks and the lesser distinctiveness of the words 'world of', I believe that in the case of an average consumer paying a reasonable level of attention during the purchasing process, the effect of imperfect recollection will be such that a significant proportion of the relevant public will directly confuse the marks.

53. Even if I am wrong in this consideration, I also find there is a likelihood of indirect confusion as the average consumer on seeing the 'World of Circus' mark may note the two additional word elements but just assume that these are a merely a brand extension of the 'Circus' marks.

Conclusion

54. The invalidation succeeds under section 5(2)(b) of the Act for the following goods, namely *juke boxes (monetary operated) and parts for the aforesaid machines; mechanisms for coin operated apparatus; hardware in particular for casino and gambling hall games, for gaming machines, slot machines or video lottery gaming machines; electrical, electronic or optical alarm and monitoring installations, including video cameras and devices for image transmission and image processing; electric wiring harnesses; boards, printed board assemblies (electronic components) and combinations thereof as modules and as parts of equipment, included in this class.*

55. The invalidation does not succeed under section 5(2)(b) of the Act for the following goods, namely *Cash dispensers, ATMs, money counting and money changing machines.*

Costs

56. As Circus Belgium has had the greater degree of success, it is entitled to a contribution of towards its costs incurred in these proceedings. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 2/2016. Bearing in mind the guidance given in TPN 2/2016, I award costs as follows:

£200 official fees for filing the application for invalidity

£500 considering the defence, counterstatement and written submissions of the other party and preparing own written submissions

£700 total

57. I decline to award any costs for the submission of evidence in these proceedings as it did not assist in reaching my decision.

58. I order adp Gauselmann GmbH to pay Circus Belgium S.A. the sum of £700. This sum is to be paid within 14 days of the expiry of the appeal period or within 14 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 4th day of December 2018

June Ralph

For the Registrar,

The Comptroller General