

O/325/20

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3365166
IN THE NAME OF SIMUNIX LTD FOR THE TRADE MARK**



(A SERIES OF TWO MARKS)

IN CLASSES 9 AND 35

AND

THE OPPOSITION THERETO UNDER NUMBER 416024

BY

TAKE-TWO INTERACTIVE SOFTWARE, INC.

Background

1. On 7 January 2019, Simunix Ltd (“the applicant”) applied for the series of two trade marks shown on the cover page of this decision, for the following goods and services:

Class 9: *Data processing software; Computer software for the processing of positioning data.*

Class 35: *Data processing; Administrative data processing; Computer data processing.*

2. The trade mark application was published for opposition purposes in the *Trade Marks Journal* on 18 January 2019. It was opposed under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) by Take-Two Interactive Software, Inc. (“the opponent”), relying upon the following two earlier trade mark registrations for its grounds under sections 5(2)(b) and 5(3):

(i) European Trade Mark (“EUTM”) 7364458



Date of filing: 3 November 2008; completion of registration procedure: 11 March 2013.

Class 9: *Computer game programs and software, including programs and software on recorded media for, and delivered digitally to, personal computers, video game consoles, handheld computing devices, mobile computing devices, and other computing devices.*

Class 16: *Printed matter, including booklets, pamphlets, and manuals in the field of video games.*

Class 41: Entertainment; production and distribution of motion pictures; provision of on-line entertainment; providing on-line computer games and/or on-line video games; providing information on entertainment in the field of computer games and video games; entertainment services, namely, providing a website featuring computer games, video games, and gaming via a global computer network and other communication and wireless networks; providing a website featuring news, enhancements, information and other multimedia materials regarding computer games, video games and gaming.

Class 42: Design and development of multimedia applications for entertainment purposes; design and development of computer games, video games and software for entertainment purposes; computer programming services.

(ii) EUTM 3556172



Date of filing: 26 November 2003; completion of registration procedure: 27 April 2005.

Class 9: Computers; computer hardware, computer software, computer games, video games, electronic games, computer programmes; discs; cassettes; coin, card or counter operated arcade game machines and amusement apparatus; parts and fittings for all the aforesaid goods.

Class 16: Printed matter; printed manuals; leaflets; newsletters; pamphlets; posters; brochures; hint books; packaging materials; promotional printed matter.

Class 28: Games and playthings; computer games; electronic games; amusement apparatus, parts and fittings for all the aforesaid goods.

3. The opponent relies upon all the goods and services of its earlier registrations, which it states it has put to genuine use. It claims that there is a likelihood of confusion under section 5(2)(b), also alleging under section 5(3) that the identity or similarity

between the applicant's mark and the reputed earlier marks will cause the relevant public to believe they are used by the same undertaking or an economically linked undertaking. The opponent also claims that use of the applicant's mark will tarnish the reputation of the earlier marks, erode their distinctiveness, and give an unfair advantage to the applicant by virtue of the reputation of the earlier marks.

4. The opponent's section 5(4)(a) ground is based upon its use of the sign T2 in the UK, since 2003. It claims:

"The opponent has goodwill in its mark. The use of the Applicant's mark in relation to the goods and services claimed could constitute a misrepresentation that the Applicant's goods and services are connected with the Opponent's goodwill. This misrepresentation could cause damage to the Opponent by means of tarnishment of reputation, or erosion of the distinctiveness of the Opponent's mark."

5. The opponent claims that the sign relied upon has been used for the following goods and services:

Computer game programs and software, including programs and software on recorded media for, and delivered digitally to, personal computers, video game consoles, handheld computing devices, mobile computing devices, and other computing devices; computers; computer hardware, computer software, computer games, video games, electronic games, computer programmes; discs; cassettes; coin, card or counter operated arcade game machines and amusement apparatus; parts and fittings for all the aforesaid goods

Printed matter, including booklets, pamphlets, and manuals in the field of video games; printed matter; printed manuals; leaflets; newsletters; pamphlets; posters; brochures; hint books; packaging materials; promotional printed matter

Games and playthings; computer games; electronic games; amusement apparatus, parts and fittings for all the aforesaid goods

Retail, advertising and marketing services connected with computer software, entertainment software, computer games, video games, entertainment services

Entertainment; production and distribution of motion pictures; provision of on-line entertainment; providing on-line computer games and/or on-line video games; providing information on entertainment in the field of computer games and video games; entertainment services, namely, providing a website featuring computer games, video games, and gaming via a global computer network and other communication and wireless networks; providing a website featuring news, enhancements, information and other multimedia materials regarding computer games, video games and gaming

Design and development of multimedia applications for entertainment purposes; design and development of computer games, video games and software for entertainment purposes; computer programming services

6. The applicant filed a defence and counterstatement, denying all the grounds.

7. Only the opponent filed evidence. The matter came to be heard by video conference on 27 February 2020. Mr Leighton Cassidy of Fieldfisher LLP represented the opponent. Mr Alan Fiddes of Urquhart-Dykes & Lord LLP represented the applicant.

Section 5(2)(b) of the Act

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

“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”.

9. Section 5A of the Act states:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

Proof of use

10. The earlier marks had been registered for five years on the date on which the application was filed. As a result, Section 6A of the Act applies:

“(1) This section applies where

(a) an application for registration of a trade mark has been published,

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

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

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

(3) The use conditions are met if –

- (a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

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

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

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

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

11. The opponent has stated that it has made genuine use of its marks in relation to all the goods and services of its registrations in the relevant 5-year period, which is 8 January 2014 to 7 January 2019. In its defence and counterstatement, the applicant has requested that the opponent provide evidence that proves it has used its earlier marks in relation to all of the goods and services of its registrations.

12. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) (28 June 2018), Arnold J. (as he then was) summarised the case law on genuine use of trade marks, referring to judgments from the Court of Justice of the European Union (“CJEU”):

“114. The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV*

[EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG [EU:C:2013:592], [2014] ETMR, Case C-141/13 P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [EU:C:2014:2089] and Case C-689/15 W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

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

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

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

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

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

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

13. The onus is on the opponent, as the proprietor of the earlier marks, to show use because Section 100 of the Act states:

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

14. The opponent’s evidence comes from Hugh Michaels. His witness statement is dated 21 August 2019. Mr Michaels explains that various corporate entities, including Rockstar Games, Inc., are wholly-owned subsidiaries of the opponent. Mr Michaels is International Marketing Strategy Director of Rockstar Games, Inc. (“Rockstar”). He refers to the opponent and its subsidiaries collectively as “T2”.

15. The majority of Mr Michael’s evidence refers to computer games, notably including Grand Theft Auto. At the hearing, Mr Fiddes submitted that all of the use of the earlier marks has been in relation to video/computer games. Mr Fiddes’ skeleton argument sets out the goods of the earlier marks in relation to which the applicant accepts that there has been genuine use:

EUTM 3556172	Class 9: Computer games, video games, electronic games
EUTM 7364458	Class 9: Computer game programs and software, including programs and software on recorded media for, and delivered digitally to, personal computers, video game consoles, handheld computing devices, mobile computing devices, and other computing devices.

16. There was discussion at the hearing over the interpretation of *computer game programs and software*. Mr Cassidy submitted this covers software at large. Mr Fiddes disagreed; the concession reflects only an acceptance that the opponent has sold games software. The wording is taken directly from the registered specification.

17. I agree with Mr Fiddes that 'software' refers back to 'computer game'; i.e. covers computer game software, and not software at large. In any event, the opponent's evidence shows no use on any other type of computer software. Mr Cassidy took me to the parts of the evidence which he submitted proved use of the earlier marks in relation to software other than games software:

- Exhibit HM1 comprises the opponent's 2018 annual report. Mr Cassidy submitted that the business name is Take Two Interactive Software Incorporated; i.e. software is included in the business name. This does not, of itself, show that the marks have been used in relation to software (of any description) and, in particular, in the UK.
- The annual report refers to the acquisition of the Private Division, which focuses on bringing independent developers' titles to market. There is no indication that any were brought to market or, if they were, that they consisted of software other than games software.
- The annual report refers to creative teams on page 15 of the exhibit. This is of no assistance to the opponent's argument as the relevant paragraph specifically refers to 3,250 employees working in game development, not other types of software.
- The annual report refers to Interactive Marketing and Global Distribution on page 16 of the exhibit, which Mr Cassidy submitted refers to how the goods are used more broadly. There is nothing in that section of the report which refers to any goods other than in the vaguest of terms:

***Innovative marketing and global distribution:** Creating groundbreaking entertainment experiences is only part of our formula for success. Our marketing teams execute well-coordinated global campaigns that leverage nearly every form of media - from traditional to social - to turn our product launches into tent pole events. We also work in lockstep with our key retail partners, both brick-and-mortar and online, to create promotions that drive consumers to the point of sale. Our global distribution network ensures that our products are available to consumers throughout the world, both physically and digitally - wherever and whenever they desire.*

18. Mr Cassidy submitted that some of the online functionality for some of the opponent's games requires additional software, such as that required for multiplayer gaming so that players can interact online. Mr Cassidy confirmed that such software

is part of the gaming hardware, the game and the 'system'. It is not sold separately. He referred me to Exhibit HM7 which comprises invoices (some of which are internal). There are no entries in the invoices which take the opponent any further than the concessions which the applicant has made. The items listed on the invoices all appear to be games (such as "GTA" and "Max Payne").

19. Mr Cassidy's submission does not persuade me that the opponent has made genuine use of its marks in relation to multiplayer software which is an integral part of the games software and is not bought separately. There is no evidence that the opponent has maintained or created a share in the market for software which is not already an integral part of the games software it sells.

20. Evidence in relation to the class 16 goods of the earlier marks is practically non-existent. Mr Cassidy referred me to Exhibit HM13 which comprises two screengrabs from the opponent's website showing a handful of posters and two books for sale. There is no indication of a date, other than the T2 copyright notice at the bottom of the screen. The copyright date is 2019. The contested application was filed on 7 January 2019. Even if I were to accept that the evidence falls within the relevant period, it can only fall within the last seven days of the five year period. There is no information about how many were sold. There is no genuine use of the earlier marks in relation to the goods in class 16 during the relevant period.

21. Similar issues are involved in relation to class 28 goods. There is a single page in Exhibit HM14; again, a screengrab from the opponent's website with a copyright date of 2019. Five toys are shown on the page. There is no evidence about how many were sold. The evidence does not show that the opponent created or maintained a market share for the majority of its class 28 goods. I note that the class 28 specification includes computer games. The applicant concedes that the earlier marks have been used in relation to computer games in class 9. The question is whether the opponent can also rely upon the term in class 28. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows:

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46.”

22. It seems to me that it would be pernicky to find genuine use in relation to the opponent's class 9 computer games but not for its class 28 computer games. Accordingly, the opponent may rely upon computer games in class 28, but not any of the other class 28 goods.

23. Exhibit HM15 is said to show genuine use in relation to the opponent's Class 41 services, and Exhibit HM1 in relation to the opponent's class 42 services. Exhibit HM15, like the exhibits described above, also has a copyright date of 2019. There is no narrative explaining the exhibit beyond Mr Michael's assertion that the exhibit shows evidence of the opponent's "digital download, online platforms, and cloud streaming services". The first page of the two-page Exhibit HM15 is a screengrab showing a range of games which are labelled as "Platform: PC Download-Steam". There is no explanation as to what 'Steam' means. It is not the word 'stream'.

24. The second page of Exhibit HM15 is an undated screengrab, in English, from a German website called mediabiz.de. it appears to contain content written by the opponent, describing its business: "Our products are designed for console systems and PCs, including smartphones and tablets, and offered through physical trading, digital download, online platforms, and cloud streaming services." The mediabiz.de website describes the opponent as a games publisher which develops, markets and distributes entertainment software.

25. Exhibit HM1 comprises extracts from the opponent's annual report from 2018. I note that more than 35% of game units for current-generation games consoles and over 95% of games units for PCs were delivered digitally. The report says that digital distribution gives consumers the option to buy older games that are no longer stocked on shelves in physical retail stores. Although this is not UK-specific, it seems reasonable to assume that digital downloads are prevalent in countries where the opponent sells its games: a million units of Grand Theft Auto were sold in the UK in 2017.

26. In *Abanka D.D. v Abanca Corporación Bancaria S.A.* [2017] EWHC 3242 (Ch), Mr Daniel Alexander QC, sitting as a Deputy Judge of the Chancery Division, observed:

“It is artificial to say that every time a trader in goods or services X provides information about those goods in the course of attempting to sell X, that it is thereby providing a separate service of advertising X or providing business information about X or some similarly described service. While in some cases it may be appropriate to treat the provision of advertising materials and information relating to goods or services as provision of a separate service, that is not invariably the case and depends on the facts relating to use.”

27. Although the opponent develops computer games, this activity is not provided to others: it is so that it can sell the games it develops. Such activity is analogous to the advertising example in the *Abanka* judgment, quoted above. The opponent’s website is to promote its own products. There is no evidence that it provides the following services in order to create or maintain a share in the market place for them:

Providing information on entertainment in the field of computer games and video games; entertainment services, namely, providing a website featuring computer games, video games, and gaming via a global computer network and other communication and wireless networks; providing a website featuring news, enhancements, information and other multimedia materials regarding computer games, video games and gaming.

Class 42: Design and development of multimedia applications for entertainment purposes; design and development of computer games, video games and software for entertainment purposes; computer programming services.

28. The opponent has made a statement of use in relation to *entertainment*. The evidence which I have described above in paragraph 24 shows use in relation to *providing on-line computer games and/or on-line video games*, but no other types of entertainment services. This is a very broad term which the evidence does not support. In *Awareness Limited v Plymouth City Council*, BL O/236/13, Mr Daniel Alexander QC, sitting as the Appointed Person, observed:

“28. I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

29. *Provision of on-line entertainment* is also a wide term, unsupported by the evidence, except in relation to *providing on-line computer games and/or on-line video games*, for which there is use. There is no use in relation to *production and distribution of motion pictures*.

30. In summary, the opponent may reply upon the following goods and services:

EUTM 3556172	<p>Class 9: Computer games, video games, electronic games.</p> <p>Class 28: Computer games.</p>
EUTM 7364458	<p>Class 9: Computer game programs and computer game software, including programs and software on recorded media for, and delivered digitally to, personal computers, video game consoles, handheld computing devices, mobile computing devices, and other computing devices.</p>

	Class 41: Providing on-line computer games and/or on-line video games.
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31. The following principles are gleaned from the decisions of the CJEU 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.

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

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

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

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

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

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

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

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

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

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

Comparison of goods and services

32. The parties' goods and services are shown in the table below:

Opponent's goods and services		Applicant's goods and services
EUTM 3556172	<p>Class 9: Computer games, video games, electronic games.</p> <p>Class 28: Computer games.</p>	<p>Class 9: <i>Data processing software; Computer software for the processing of positioning data.</i></p> <p>Class 35: <i>Data processing; Administrative data processing; Computer data processing.</i></p>
EUTM 7364458	<p>Class 9: Computer game programs and computer game software, including programs and software on recorded media for, and delivered digitally to, personal computers, video game consoles, handheld computing devices, mobile computing devices, and other computing devices.</p> <p>Class 41: Providing on-line computer games</p>	

	and/or on-line video games.	
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33. In comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where 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.”

34. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-325/06, the General Court of the EU (“GC”) stated that “complementary” means:

“82 ... there is a close connection between [the goods], 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...”.

35. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited (“Treat”)* [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

36. 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."

37. In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated that:

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

38. Computer programmes are used in every part of modern life. In *Galileo International Technology, LLC v European Union (formerly European Community)* [2011] EWHC 35 (Ch) Floyd J stated:

"39. The unrestricted specification is of enormously wide scope. The Hearing Officer wisely reminded himself of what Laddie J had said about wide specifications for computer software in *Mercury Communications Ltd v Mercury Interactive (UK) Ltd* [1995] FSR 850. Laddie J considered that:

"... there is a strong argument that a registration of a mark simply for "computer software " will normally be too wide. In my view the defining characteristic of a piece of computer software is not the medium on

which it is recorded, nor the fact that it controls the computer, nor the trade channels through which it passes but the function it performs. A piece of software which enables a computer to behave like a flight simulator is an entirely different product to software which, say, enables a computer to optically character read text or design a chemical factory. In my view it is thoroughly undesirable that a trader who is interested in one limited area of computer software should, by registration, obtain a statutory monopoly of indefinite duration covering all types of software, including those which are far removed from his own area of trading interest. If he does he runs the risk of his registration being attacked on the ground of non-use and being forced to amend down the specification of goods. I should make it clear that this criticism applies to other wide specifications of goods obtained under the 1938 Act. I understand that similar wide specifications of goods may not be possible under the 1994 Act."

40. That was a case decided under the Trade Marks Act 1938, but, like Laddie J, I see no reason why the views there stated should not apply under the [1994] Act."¹

39. There is no similarity between any of the opponent's goods and the applicant's goods (*data processing software; computer software for the processing of positioning data*). Database software may share a similar nature to games software in as much as they are both computer software, but this is at the most general of levels: the purpose for the consumer would be that one is for entertainment and the other is for organisation and data access purposes. There is no shared purpose, no competition, and no complementary relationship. Computer games are often sold on the high street in discrete stores and supermarkets, although online retailers such as Amazon sells software for all manner of applications, so there may be some element of shared trade channel, but the same could be said of the multitude of goods sold in supermarkets. This alone does not make them similar. There is no similarity between the opponent's

¹ See also *Sky Plc and others v. Skykick UK Limited and anor* [2018] EWHC 155 (Ch), paragraph 171.

goods and the applicant's goods. The opponent's services are even further removed from the applicant's goods.

40. The applicant's services are *data processing; administrative data processing; computer data processing*. The applicant's submissions on the level of similarity have all been predicated on comparing the opponent's registered specifications in their broadest forms with the application. There have been no alternative submissions based upon the actual use made of the earlier marks. I cannot see any similarity between the applicant's services and the goods and services which the opponent may rely upon and, in the absence of any submission or evidence going to the point, I find that they are not similar.

41. In *Canon*, the CJEU also said, at paragraph 22, that:

"It is, however, important to stress that, for the purposes of applying Article 4(1)(b) [equivalent to section 5(2)(b) of the Act], even where a mark is identical to another with a highly distinctive character, it is still necessary to adduce evidence of similarity between the goods or services covered. In contrast to Article 4(4)(a), which expressly refers to the situation in which the goods or services are not similar, Article 4(1)(b) provides that the likelihood of confusion presupposes that the goods or services covered are identical or similar."²

42. As I have found no similarity between the goods and services upon which the opponent may rely and the applicant's goods and services, it follows that there is no likelihood of confusion. However, in case of appeal and because there are other grounds running, I will go on to look at the other main factors of the global assessment as to a likelihood of confusion, as set out in the authorities quoted at paragraph 30 of this decision.

² See also the CJEU's judgment in *Waterford Wedgwood plc v OHIM* Case C-398/07.

The average consumer and the purchasing process

43. 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.

44. Mr Cassidy submitted that the average consumer for the opponent's goods and services would display a slightly above average degree of care and attention to their purchase; chiefly because there is a build-up prior to their release and therefore an increased expectation. I note that the GC, in *Kalypso Media Group GmbH v EUIPO*, Case T-700/18, stated:

“35 First, in the context of opposition proceedings, the wording of the goods covered by the marks at issue must be taken into account, and not the goods actually marketed under those marks (see, to that effect, judgment of 7 April 2016, *Industrias Tomás Morcillo v EUIPO — Aucar Trailer (Polycart A Whole Cart Full of Benefits)*, T-613/14, not published, EU:T:2016:198, paragraph 27 and the case-law cited). Since the specific arrangements for marketing the goods or services in question may vary over time and according to the applicant's wishes, they cannot be taken into account for the purposes of the prospective analysis of the likelihood of confusion. That examination must therefore, as regards the goods or services for which registration of a trade mark is applied for, be performed in the light of the wording of the list of goods or services for which registration is sought, as it appears in the registration application or, where appropriate, as delimited in the course of the proceedings (see order of 14 April 2016, *KS Sports v EUIPO*, C-480/15 P, not published, EU:C:2016:266, paragraph 57 and the case-law cited).

36 Secondly, it is important to note, as the Board of Appeal (see paragraphs 27 to 29 of the contested decision) and EUIPO have done, that the categories 'games' and 'computer games' cover a fairly large number of different goods, which are not luxury or niche products reserved for a limited number of

people. On the contrary, those goods are available both online and on a self-service basis, they are widely promoted on different television channels, depending on the target age group, their price is relatively low and special skills or knowledge are not essential or required for their purchase. In other words, games and computer games are easily accessible to all, including those without special knowledge, and may therefore be assimilated to everyday consumer items, on the grounds that, as the Board of Appeal rightly held, they are no longer sold merely on 'focused markets' but have gone 'mainstream'. The applicant's argument that they are not purchased 'like coffee, a pack of peppermint or a magazine' does not call into question the finding that those goods are everyday consumer items.

37 Thirdly, it must be acknowledged that, as the applicant claims, certain consumers of games and computer games do not 'tend' to buy those goods spontaneously and rely on recommendations or information received prior to their purchase, and may thus display a high degree of attentiveness. However, in view of the availability and distribution of those goods and services on the market and of the fact that special skills or knowledge are not indispensable or required in order to purchase them, it cannot be excluded that consumers who do not have such knowledge or skills may purchase such goods. This may, for example, be the case for those who buy the games or computer games in question in order to make a gift to someone else, or for those who proceed with a purchase to find out more about the product. Such consumers are also part of the relevant public, as are the most discerning consumers.

38 Fourthly, with regard to the applicant's argument that the relevant public is used to being careful in order to identify a specific product out of the mass of similar games, on the grounds that the names of different developers' games differ only slightly, given that some 'subjects', 'topics' or 'styles' of games are very popular, and therefore frequently included in the names of the games, it must be noted that the applicant does not demonstrate that those games are sold on the market of the European Union or that the relevant public is able not to confuse games from different companies.

39 Fifthly, contrary to what the applicant submits, it should be noted that the Board of Appeal did take into account the specific characteristics of the market for games and computer games. It held correctly, in paragraph 29 of the contested decision, that the computer and video game industry has grown ‘from focused markets to mainstream’, on the ground that the rules relating to game product development have changed, and that the relevant customer circle extends to all age groups, regardless of gender and specific knowledge about the gaming industry. In addition, it should be noted that games are ‘disposable’ products, whose value may be low and whose turnover rate is high, in the sense that the continuous evolution, specific to the gaming and computer games industry, entails that consumers frequently replace their goods and ancillary services with new goods and services offered on the market. This is also explained by the fact that some games and computer games may be intended to be finished, involving moving on to the next step and, for example, to a new game.

40 In the light of the foregoing, it must be held that, if, as the applicant claims, part of the relevant public shows a high level of attention, this does not exclude that, in view of the development of the market, games and computer games are also intended for consumers who show a level of attention that is ‘average at best’.

41 It follows that in so far as the likelihood of confusion must be assessed in respect of the public which displays the lowest level of attention (see paragraph 34 above), the Board of Appeal did not err in not basing its assessment of the likelihood of confusion, with respect to games and computer games, on consumers with a high level of attention (see judgment of 30 May 2013, *Buzil-Werk Wagner v OHIM — Roca Sanitario (Roca)*, T-115/12, not published, EU:T:2013:285, paragraph 46 and the case-law cited).”

45. The level of attention in respect of the opponent’s average consumers, the general public, is, therefore, ‘average at best’. The average consumer for the applicant’s goods and services will be members of the general public and businesses. There is likely to be a reasonable level of attention to such purchases because they are

required to fulfil a business need. The consequences of such a purchase could be far-reaching.

46. The purchasing process for the parties' goods and services is likely to be primarily visual, after looking at information on websites, in magazines and promotional literature, as well as on physical retail shelves. I do not discount that there may be an aural aspect to the process; for example, if goods or services are orally recommended.





Comparison of marks

47. 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 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.”

48. 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.

49. The marks to be compared are:

Opponent's marks	Applicant's marks
<p data-bbox="204 365 432 394">EUTM 3556172</p> 	 
<p data-bbox="204 768 432 797">EUTM 7364458</p> 	

50. In both of the earlier marks, the T2 element is the most dominant, with the words proportionately much smaller. None of the elements are negligible and all contribute to the overall impression, but it is T2 which will be noticed first and foremost.

51. The applicant's series of two marks both consist of a stylised orange and white cup or bowl device with steam emanating from the top, and the letters and numeral combination T2A. The device strikes the eye first and so is more dominant than T2A. However, they both contribute to the overall impression, albeit the device more so.

52. The marks have T2 in common. There is no device in the earlier marks, which also contain the words TAKE TWO/TAKE TWO INTERACTIVE. There are no words in the applicant's marks. T2 is somewhat subsumed within T2A in the applicant's mark and the device will be seen first in either of the series of marks because it is either at the front of the mark or on top of T2A, and larger in both cases. The parties' marks are visually similar to a medium to low degree.

53. There is more than one outcome of an aural comparison. The applicant's device will not be articulated, so its marks will be referred to as T2A. If the earlier marks are referred to as T2, without the additional words, there is a medium to high degree of aural similarity. If the words are also articulated, there is a medium to low degree of aural similarity.

54. The marks are conceptually different. T2 and T2A have no meaning. There is a concept of a steaming bowl or cup in the applicant's marks, but this is absent from the earlier marks. 'Take two' is most likely to evoke a second attempt at something. The words and the concept are absent from the applicant's marks, as is the word interactive.

Distinctive character of the earlier marks

55. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*³ 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

³ Case C-342/97

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).”

56. Apart from the word INTERACTIVE, the earlier marks do not contain any element which describes or alludes to the goods and services or any characteristics thereof. T2 is overwhelmingly the dominant, distinctive element. They are not comprised of totally invented elements. Although T2 has no meaning, a simple single letter and single numeral combination is not highly distinctive; such a combination could be a model number or a catalogue reference, for example. The earlier marks have a medium degree of inherent distinctive character.

57. One of the principles which must be taken into account in deciding whether there is a likelihood of confusion is that 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 must also bear in mind that it is the distinctiveness of the common element which affects the likelihood of confusion. In *Kurt Geiger v A-List Corporate Limited*, BL O/075/13, Mr Iain Purvis Q.C., 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.”

58. The only element which the earlier marks have in common with the application is T2.

59. The opponent's game, Grand Theft Auto V, sold 4.3 million copies in the UK in 2013, 1.5 million in 2014, 1.4 million in 2015 and 1 million in 2017. It was the biggest selling game of 2013 and number one in the UK games charts in February 2017. There is no dispute between the parties as to the fame of this game and another, Red Dead Redemption. However, as Mr Fiddes pointed out, there is little evidence in relation to the earlier marks. An article in the online version of *The Guardian*, dated 8 February 2017 about the popularity of Grand Theft Auto refers to "Take Two" and "Rockstar", but not T2. An article in the online version of *The Independent*, dated 4 February 2014, refers to "Take-Two Interactive" and "Take-Two", but not T2. The Amazon prints in Exhibit HM5 are not from the UK Amazon site so do not assist in proving that the earlier marks have become more distinctive to the average UK consumer. In any event, they do not show the earlier marks. Exhibit HM11 refers to Rockstar.

60. Exhibit HM6, which comprises prints from the opponent's website, also refers only to Take Two and to Rockstar. Exhibit HM8 comprises photographs of the opponent's stand or booth at a gaming expo which took place in Los Angeles. There is no information as to how many UK average consumers would be aware of the event or what the opponent's stand looked like. Articles and references to the opponent in third-party media (Exhibits HM10) refer to Take-Two and Take-Two Interactive.

61. There are some instances of use of the earlier marks in the evidence. Exhibit HM9 contains screen prints from the opponent's website regarding press releases about new games. The marks are at the top, superimposed over a line of tabs such as HOME. The tab called CORPORATE is highlighted. It is unclear whether T2 appears without clicking on CORPORATE. Exhibit HM10 contains an 8-page article which shows T2 on page 6. The publication in which the article appears is musicbusinessworldwide.com and the date is in US format. Revenue is referred to in US dollars. The indications are that this is not a UK publication and there is no evidence to show that it would have been seen by average consumers in the UK.

62. Exhibit HM12 consists of a copy of the packaging for a game for the XBOX ONE console. The back of the game packaging is shown below, with a small T2 (which is only part of the earlier marks) and is not prominent:



63. Exhibit HM7 comprises copies of invoices which bear EUTM 7364458. The addresses have been redacted, but it is possible to see that some were sent to Spain, Germany and France. A substantial number of the items sold all begin with GTA (presumably, Grand Theft Auto). Four invoices were sent to UK addresses, but Mr Fiddes submitted that they appear to be internal invoices from Take-Two GB Ltd.

64. Whether or not Mr Fiddes is right about that does not alter my view that the evidence is far too thin to support a claim that the earlier marks benefit from an enhanced distinctive character in the UK. Four invoices showing the marks and a single, undated, example of packaging (which shows only part of the earlier marks) fall far short of demonstrating an increased level of distinctiveness in the eyes of UK average consumers.

65. I find that the evidence is insufficient to prove that the opponent is entitled to claim that the inherent distinctive character of its earlier marks has been enhanced through use.

Likelihood of confusion

66. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa. I have found that there is no similarity between the parties' goods and services. There can, therefore, be no likelihood of confusion. This would also be the case even if the earlier marks were entitled to claim an enhanced degree of distinctive character in the UK, as per the judgment of the CJEU in *Waterford Wedgwood plc v OHIM* Case C-398/0735:

“It must be noted that the Court of First Instance, in paragraphs 30 to 35 of the judgment under appeal, carried out a detailed assessment of the similarity of the goods in question on the basis of the factors mentioned in paragraph 23 of the judgment in *Canon*. However, it cannot be alleged that the Court of First Instance did not take into account the distinctiveness of the earlier trade mark when carrying out that assessment, since the strong reputation of that trade mark relied on by Waterford Wedgwood can only offset a low degree of similarity of goods for the purpose of assessing the likelihood of confusion, and cannot make up for the total absence of similarity. Since the Court of First Instance found, in paragraph 35 of the judgment under appeal, that the goods in question were not similar, one of the conditions necessary in order to establish a likelihood of confusion was lacking (see, to that effect, *Canon*, paragraph 22) and therefore, the Court of First Instance was right to hold that there was no such likelihood.”

67. In case I am wrong about that and there is some, albeit very low, degree of similarity between the parties' goods and services, I nevertheless find that there is no likelihood of confusion. There is no conceptual similarity and no more than a medium degree of visual and aural similarity between the marks. The dominant element in the applicant's mark is the device and it is unlikely that T2 will be picked out from T2A to the extent that the average consumer believes that the two parties are economically related (indirect confusion). It is even less likely, given the number of differences

between the marks, that they would be imperfectly recalled to the extent that they are mistaken for one another (direct confusion). There is no likelihood of confusion.

Section 5(2)(b) outcome

68. The ground of opposition under section 5(2)(b) fails.

Section 5(3) of the Act

69. Section 5(3) states:

“(3) A trade mark which-

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

70. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-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 public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

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

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

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

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

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

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

72. The first condition is satisfied, although the marks are visually and aurally similar to a medium level, at best, and are not conceptually similar.

73. The next condition is reputation. The earlier marks are EUTMs. The evidence includes invoices which have been sent to Spain, Germany and France, as well as the four UK invoices referred to earlier. Whilst the turnover figures for Grant Theft Auto are undoubtedly impressive, Grand Theft Auto is not the earlier mark. There is little evidence to show that the opponent is entitled to the enhanced level of protection afforded under section 5(3) of the Act in relation to the marks relied upon. Reliance

upon this ground requires evidence of a reputation amongst a significant part the relevant public. In *General Motors*, the CJEU held that:

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

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

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

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

74. Even if it could be said that there is a reputation in Spain, France and Germany, there is little to nothing to show that the earlier marks are known to a significant part of the UK public. Unless this is shown, there can be no link and therefore no damage in the UK.⁴ Furthermore, even if I were to find that the opponent had demonstrated a reputation in the UK in its earlier marks, which would be far from overwhelmingly so, it must still satisfy the condition of a link. I have already found that the goods and services are not similar. Although similarity of goods and services is not a requirement for section 5(3), the similarity or lack of similarity between goods and services is a factor in the assessment as to whether there is a link. The further the distance

⁴ See *Groupement des Cartes Bancaires v. China Construction Bank Corporation*, BL O/281/14, Mr Iain Purvis QC, sitting as the Appointed Person, at paragraph 41.

between them, the less likely a link and the greater and more convincingly demonstrated the reputation would have to be. In the present case, no qualifying reputation in the UK has been demonstrated, the goods and services are far apart and the marks are similar to no more than a medium degree visually and aurally, and conceptually dissimilar.

75. I find that there is no qualifying reputation in the UK that would create a link. Without a link there can be no damage. Even if there was a link, it would be too fleeting to cause any of the pleaded types of damage. The applicant's goods and services are for data processing. There is no basis for a claim that the behaviour of the opponent's customers would change when the opponent's goods and services are purely in the field of gaming, which is far removed from data processing. There is no substance to the detriment to reputation claim as there is nothing inherently negative about either the applicant's mark or its goods and services. Finally, it is far from evident how a reputation in the earlier marks in gaming (if there was one) could give the applicant an advantage in selling data processing goods and services. This claim also has no substance. The section 5(3) claim fails.

Section 5(3) outcome

76. The ground of opposition under section 5(3) fails.

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

77. Section 5(4)(a) states:

"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.”

78. The sign relied upon is T2. The three elements which the opponent must show are well known. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 (IPEC), Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

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

79. Even if I were to assume that the opponent has demonstrated goodwill, the evidence does not support a substantial goodwill in the UK in the sign relied upon. Further, even assuming goodwill in its gaming software, since that is all the evidence could be said to support, the opponent faces the issue that there is a distinct lack of similarity between the parties' goods and services. Its position here is no better than under its section 5(2) ground; in fact, it is worse because the applicant conceded use of the earlier EUTMs. Here, the lack of evidence of trade in the UK, in relation to a sign, T2, which hardly ever appears without the words Take Two, leads me to conclude without any doubt that the section 5(4)(a) ground is not made out.

Section 5(4)a) outcome

80. The ground of opposition under section 5(4)(a) fails.

Overall outcome

81. The opposition fails under all three grounds. The application may proceed to registration.

Costs

82. The applicant has been successful and is entitled to a contribution towards the costs of the proceedings, based upon the scale of costs published in Tribunal Practice Notice 2/2016. The breakdown of the cost award is as follows:

Considering the opposition and filing the counterstatement	£300
Considering the opponent's evidence	£700
Attendance at a hearing	£600
Total	£1600

83. I order Take-Two Interactive Software, Inc. to pay Simunix Ltd the sum of **£1600**. This sum is to be paid within two months of the expiry of the appeal period or within 21 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 16th day of June 2020

Judi Pike
For the Registrar,
the Comptroller-General