

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2110514
BY GAMESTER MULTIMEDIA LTD TO REGISTER
A SERIES OF MARKS IN CLASSES 38 AND 42**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER
No 46712 BY LEDA MEDIA PRODUCTS LIMITED**

TRADE MARKS ACT 1994

5 **IN THE MATTER OF Application No 2110514
by Gamester Multimedia Ltd to register a series
of Marks in Classes 38 and 42**

and

10 **IN THE MATTER OF Opposition thereto under
No 46712 by Leda Media Products Limited**

15 **DECISION**

On 19 September 1996 Gamester Multimedia Ltd applied to register the following marks as a series:

20

GAMESTERNET

25

A stylized, cursive logo for 'Gamesternet'. The letters are thick and interconnected, with a prominent 'G' at the start and a long, sweeping tail on the 't'. The logo is rendered in black ink on a white background.

30

for specifications of services which read:

35 Class 38 - Telecommunication services relating to the Internet including E-mail.

Class 42 - Provision of access to the Internet; provision of Internet services.

40 The application is numbered 2110514.

On 16 April 1997 Leda Media Products Limited filed notice of opposition to this application. The grounds of opposition initially identify the basis of objection in the following terms:

45 “(a) the application was made in bad faith and/or is of such a nature as to be likely to deceive the public; or

- (b) the use of the mark applied for is liable to be prevented by virtue of the law of passing off and/or by virtue of the earlier rights of the opponent.”

5 In providing further particulars in relation to (a) it seems to me that the opponents broaden the basis of their claim to include an objection based on descriptiveness. For ease of reference I reproduce the passages concerned as follows:-

10 “To the best of the opponents’ knowledge and belief, the services intended to be offered by the applicant under the mark are a computer software system for the rental of games for use on interactive electronic entertainment systems and access to the Internet for purposes connected therewith.

15 If such is indeed the scope of the applicant’s intended use of the mark applied for, then the specification of the services sought to be covered by the application is excessively wide and registration should not be permitted.

20 Alternatively, if the scope of the applicant’s intended use of the mark applied for is wider than as set out in paragraph 6 above, then the use of the mark applied for will be likely to deceive the public. The said descriptive nature of the mark will lead to the belief that the services offered under the mark will relate to games for use on interactive electronic entertainment systems and access to the Internet for purposes connected therewith, and the offering or supply of other services under such a mark would be deceptive or cause confusion.

25 Further or alternatively, in the premises, the mark applied for is partially descriptive and partially deceptive, and registration thereof should not be permitted.

30 Further or alternatively, the application was made by the applicant in bad faith by reason of the applicant’s knowledge of the earlier rights of the opponent, details of which are set out below, and in the knowledge that the applicant was not entitled to claim proprietorship of the mark for which application is made.”

35 The opponents also refer in their statement of grounds to Court proceedings launched against the applicants claiming relief for passing off. A copy of the Statement of Claim relating thereto is attached to the grounds themselves. No further information has been filed in relation to these separate proceedings.

40 The applicants filed a counterstatement denying the grounds advanced by the opponents. Only the opponents filed evidence.

Neither side has requested a hearing. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

45 Opponents’ evidence

The opponents filed a statutory declaration (undated) by Neil Doughty, the Sales Director of Leda Media Products Ltd (LMP). The substance of his evidence is as follows:-

“LMP has since July 1992 used the trade name or mark GAMESTER in relation to a range of products in the interactive electronic media market.

5 LMP products sold since July 1992 under the GAMESTER mark have included controllers, storage systems, power products and support items for interactive electronic entertainment systems and their users and in particular joypads, powerpacks, mice and peripherals for the following console and personal computers and the following video game entertainment systems:

10 Nintendo “Gameboy”, “Super Nintendo” and “Nintendo 64”
Sega “Game Gear”, “Mega Drive”, “Mega CD” and “Saturn”
Sony “Playstation”
Panasonic “3DO”
15 Philips “Cdi”.

LMP’s turnover in the years since 1992 arising from sales of products bearing or sold under the opponent’s mark was as follows:-

20	to 31st August 1993:	£3.5m
	to 31st August 1994:	£4.7m
	to 31st August 1995:	£3.8m
	to 31st August 1996:	£4.3m
	to 31st August 1997 (projected):	£6.5m

25 LMP’s products bearing the GAMESTER mark have been sold throughout the United Kingdom *inter alia* through the following retail chains: Dixons, Toys-R-Us, Currys, Littlewoods, Woolworths, Argos, Index, Game, Electronic Boutique, John Lewis, W H Smith and Tempo as well as through a number of independent retail outlets such as Fiction Factory, Antics, Logic Computers (Cheshunt) and Maughan Micros
30 (Gateshead).

LMP has exhibited products under the GAMESTER mark in numerous trade shows, these including:

35	Jan 1993	-	Paris Toy Fair
	Sept 1993	-	Sonnimag, Barcelona
	July 1995	-	Medpi, France
	Oct 1995	-	Electronic Boutique, Conference
	Feb 1996	-	Toy Fair, Nurenburgh
40	Apr 1996	-	Electronic Boutique, Conference
	July 1996	-	Medpi, France
	Aug 1996	-	CeBit Home, Germany
	Sept 1996	-	ECTS, London
	Oct 1996	-	Electronic Boutique, Conference
45		-	Game Conference
	Feb 1997	-	Toy Fair, Nurenburgh
	Apr 1997	-	Electronic Boutique, Conference

5
June 1997 - E3, Atlanta
July 1997 - Medpi, France
Sept 1997 - ECTS UK
Oct 1997/98 - Electronic Boutique, Conference
- Game Conference

10 LMP's GAMESTER products have also been extensively advertised throughout the United Kingdom and elsewhere in the national press and in promotional literature and catalogues issued by companies including Dixons, Argos, Game and Electronic Boutique.

By reason of this use LMP has acquired a substantial reputation and goodwill in the GAMESTER mark throughout the United Kingdom."

15 I have set out above the text of the opponents' statement of grounds insofar as it deals with objections based on absolute grounds. The opponents have not referred to specific Sections of the Act so I am left to make the best I can of their claims. At their broadest I consider that the grounds can be said to go to Sections 3(1)(b) and (c), 3(3)(b) and 3(6). The starting point on which the opponents' various premises are based is their interpretation of what services the applicants intend to offer under the mark and whether the specifications are excessively wide.
20 It will be convenient, therefore, to consider the Section 3(6) ground first. This reads:-

25 "(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith."

The Notes on Clauses relating to the Act give a number of examples of circumstances where bad faith might be found including the following:-

30 "(i) where the applicant had no bona fide intention to use the mark, or intended to use it, but not for the whole range of goods and services listed in the application;"

35 The opponents say that the applicants intend to offer "a computer software system for the rental of games for use on interactive electronic entertainment systems" and "access to the Internet for purposes connected therewith". Reference is made in the copy of the High Court statement of claim to articles in CTN magazine describing the applicants' proposed system but the articles themselves have not been supplied. I judge this material to be too incomplete for me to form a rounded view of the nature of the applicants' system. I note however that reference is made to an Internet world wide web site. On the basis of the limited information
40 available the services applied for do not strike me as constituting an overly wide specification. The opponents in any case appear to acknowledge that the provision of access to the Internet forms part of the applicants' plans. Making the best I can of the matter I do not think I have any or sufficient reason for finding against the applicants in relation to this ground of attack.

45 Before leaving Section 3(6) there is a further aspect to consider. The opponents make the separate claim that the applicants cannot claim to be the proprietors of the mark because of their knowledge of the earlier rights of the opponents. They say elsewhere in the statement of

grounds that they gave notice of their (the opponents') rights by a letter dated 14 August 1996 that is to say about a month before the application in suit was filed. However it appears from the particulars contained in the High Court Statement of Claim that they learnt of the applicants' activities through a magazine article in July 1996 describing the latter's proposed system. It is not suggested that the parties were aware of one another before this. It seems, therefore, that the applicants' plans were some way advanced by the time the opponents contacted them in August 1996 and that the parties adopted their marks independently. On this basis I do not think the opponents can succeed in their claim.

10 The remaining objections on absolute grounds are presented as interrelating and alternative positions. It is said that the mark is of a descriptive nature and that any failure to offer services within that description would be deceptive or cause confusion. I take the relevant provisions of the Act to be Sections 3(1)(b) and (c) and 3(3)(b). These read as follows:-

15 "3.-(1) The following shall not be registered -

(a)

(b) trade marks which are devoid of any distinctive character,

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality quantity, intended purpose, value geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

.....

(3) A trade mark shall not be registered if it is -

(a)

(b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service)."

No evidence has been filed bearing directly on these issues. I have only the claims made in the statement of grounds to consider. I regard the claims as being based, partially at least, on a misunderstanding of the scope and nature of the services proposed for registration. It may be useful for reference purposes therefore to set out how the Registry views various Internet related services within the context of the International Classification System of Goods and Services (the Nice Classification). To this end Annex A contains an extract from Chapter 5 of the Registry's Work Manual dealing with Classification issues and covering in particular "Internet services, on-line services and associated goods". Briefly in the context of the services applied for the telecommunication services in Class 38 would cover the telecommunication infrastructure for transmitting and receiving information but not the information itself and the Internet access services in Class 42 would cover the

provision of access and the leasing of access time (ie a charge made by the access provider for time spent connected to the Internet).

5 The mark applied for is GAMESTERNET (nothing turns on the stylisation of the second
mark in the series). Whilst the significance of the word or element NET is well understood
the opponents do not explain why GAMESTER is considered to be descriptive in relation
to the services applied for. From my own knowledge I am aware that it can have the
10 meaning of “gambler”. The opponents suggest that the “descriptive nature of the mark
will lead to the belief that the services offered under the mark will relate to games for use
on interactive electronic entertainment systems and access to the Internet for purposes
connected therewith”. I take it from this that they consider that the word GAMESTER has
an evolved meaning of someone who plays games on computers or other such systems. But
15 if this is so they have neither expressly made or supported that claim. Even if such a view
could not be supported by dictionary references (accepting the difficulties of keeping pace
with changes in the use of language) I would have expected the opponents to provide some
basis for their claim, such as use of the term by other traders. If such a case could be
sustained it seems to me to be more likely to be of relevance in the context of games
20 apparatus in Classes 9 or 28 or conceivably electronic games (entertainment) services in
Class 41. I cannot see that the mark at issue is either descriptive or deceptive in relation to
the services applied for which, as I have said, relate to the means by which Internet
services are provided. The opposition, therefore, fails under Sections 3(1)(b) and (c) and
3(3)(b).

25 The final ground of objection is based on Section 5(4)(a) of the Act.

This reads as follows:-

- 30 “ (4) A trade mark shall not be registered if, or to the extent that, its use in
the United Kingdom is liable to be prevented -
- (a) by virtue of any rule of law (in particular, the law of passing off)
protecting an unregistered trade mark or other sign used in the course
of trade, or
 - 35 (b) by virtue of an earlier right other than those referred to in subsections
(1) to (3) or paragraph (a) above, in particular by virtue of the law of
copyright, design right or registered designs.

40 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.”

In the absence of any other claim I assume that the opponents’ view is that use of the mark
applied for is liable to be prevented by the law of passing off.

45 A helpful summary of the elements of an action for passing off can be found in Halsbury’s
Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given

with reference to the speeches in the House of Lords in Reckitt & Colman Products Ltd v Borden Inc [1990] RPC 341 and Erven Warnink BV v J Townend & Sons (Hull) Ltd [1979] ACT 731 is (with footnotes omitted) as follows:

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

- 10 (1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- 15 (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

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

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

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

- 35 (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the
40 defendant’s goods or business are from the same source or are connected.

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

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

- 5 (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- 10 (c) the similarity of the mark, name etc used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
- 15 (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

I will firstly consider the opponents’ claim to goodwill and a reputation in their mark. They say they have used the mark GAMESTER since July 1992 in relation to a range of products in the interactive electronic entertainment systems market. From the information contained in the evidence their goods can reasonably be characterised as accessories and peripheral devices for use with personal computers and video game systems which are themselves made by large companies such as Nintendo, Sega, Sony etc. Turnover in the period up to the material date (the application filing date of 19 September 1996) has been in the region of £4 million per annum. As might be expected the sales outlets reflect the sort of retail organisations that offer the entertainment systems themselves.

On the bare facts of the matter the opponents’ case does not seem unreasonable. There are, however, a number of weaknesses in their position. Firstly not a single exhibit has been supplied to indicate and confirm for the benefit of the applicants and the tribunal how the mark is used. Nor have the opponents supplied invoices, advertisements, brochures, point of sale material, product packaging or examples of the goods themselves in support of their claim. I find it surprising that the opponents have not sought to substantiate their basic claims with material of this kind. There is a further reason why I think it would have been desirable to see how the opponents use their mark. They have filed this opposition partly on the basis that the mark applied for is descriptive. Whilst I have been unable to reach such a finding in relation to the services at issue it seems to me that, if the opponents’ concerns in this respect are genuine, any descriptive connotations must apply, arguably with rather greater force, in relation to the goods on which they claim use and must in turn impact on public perception of their mark. The following passage from *The Law of Passing-Off* by Christopher Wadlow illustrates the nature of the problem:-

“Passing-off is relatively unconcerned with the distinction drawn in trade mark law between inherent capacity to distinguish and distinctiveness in fact. If factual distinctiveness exists, then it does not matter whether it was achieved with ease for a mark well adapted to distinguish or with difficulty for a mark of the opposite kind. If factual distinctiveness does not exist a traditional passing-off case must fail.

Passing-off never has to deal with the common situation in trade mark law of deciding how readily a mark not yet in use may become distinctive: the question is always whether an existing mark is distinctive in fact. Because of this, and because there are few *a priori* restrictions on what may be considered distinctive, the supposed inherent capacity of a mark to distinguish is only one factor among many. If the plaintiff adopts a mark which is obviously descriptive or otherwise of low capacity to distinguish then the evidential burden on him becomes higher, but never impossible. The other effect of low inherent distinctiveness is that smaller differences will serve to differentiate the defendant's goods when the plaintiff's mark is only marginally distinctive, but this is true if the mark is weakly distinctive for whatever reason."

Arising from this it is clear that there is a greater burden on an opponent to establish and substantiate his position where the underlying mark relied on may have low inherent distinctiveness. Part of this process must, I think, involve an assessment on the part of the tribunal of how the mark is used, whether it is used with other indicia, the prominence given to it and the likely impact on customers leading to recognition and reputation. Hence my concern at the failure of the opponents to substantiate this aspect of their case. In *WILD CHILD Trade Mark*, 1998 RPC 455 Mr Hobbs QC sitting as the Appointed Person said:-

"I appreciate that the registrar is often required to act upon evidence that might be regarded as less than perfect when judged by the standards applied in High Court proceedings. However, I am not willing to regard assertions without any real substantiation as sufficient to sustain an objection to registration under Section 5(4). On my assessment of the evidence the asserted "*earlier right*" remains unsubstantiated and the question of conflict does not arise."

I regard these comments as being applicable here. In these circumstances I am unwilling to assume that the opponents have reputation and goodwill in their mark in the absence of a fully substantiated case.

Even if I am found to be wrong in reaching the above conclusion the opponents would still need to establish that their reputation extends to a class of persons who would mistakenly infer a connection as a result of the applicants' adoption of a similar mark for the services at issue. It is well established under the law of passing off that the parties do not need to be engaged in the same area of activity. The point is made in the following terms in a headnote to *Lego System A/S v Lego M. Leimelstrich Ltd* 1983 FSR 155 (applying *Erven Warnink BV v J Townend & Sons (Hull) Ltd* 1980 RPC 31):

"(5) In the law of passing off as it has recently developed, there was no limitation in respect to the parties' fields of activity. Nonetheless, the proximity of the defendants' field of activity to that of the plaintiffs would be relevant as to whether the acts complained of in a particular case amounted to a misrepresentation;"

In the *LEGO* case it can reasonably be said that there was some distance between the parties' fields of activity with the plaintiffs being known primarily for their children's toy construction sets whereas the defendants were manufacturers, inter alia, of (coloured plastic) irrigation equipment, garden sprays and sprinklers etc. However that case was decided on the basis of

the overwhelming reputation enjoyed by the plaintiffs. The latter had also adduced evidence from three sources - trade witnesses, members of the public and survey evidence - in support of their position. I have already commented on the nature of the services proposed for registration in the case before me. They relate essentially to the business of providing the means of telecommunication and access to the Internet rather than the content of whatever material is thereby offered, transmitted or received. The opponents' area of activity is in the provision of accessories and peripheral devices to entertainment systems. The respective field of activity are, therefore, some way apart. It is true that the High Court proceedings refer to applications in Classes 9 and 41 for software and related services which may bring the parties into rather closer conflict. But that is not the issue before me. Certainly the opponents do not suggest that they have extended or intend to extend their trade into other areas of goods and services (related or otherwise) or that their reputation is so well acknowledged in their chosen field of activity that it would extend to the services applied for. Nor can I see that it is an altogether natural progression in trade between the two areas. At the very least it seems to me that it would require evidence to bolster the opponents' position before I could reach the invited conclusion. It follows that I do not consider on the evidence before me that there is any misrepresentation on the part of the applicants.

So far as the third element of the test is concerned the opponents merely say that they will suffer loss and damage because the relevant class of persons will consider that the applicants' services are provided by or under licence from the opponents or are otherwise connected. The rationale for this conclusion is not explained and in all the circumstances I find it an unlikely proposition. In short the opposition fails under Section 5(4)(a).

As the applicants have been successful they are entitled to a contribution towards their costs. I order the opponents to pay the applicants the sum of **£235**.

Dated this 18th day of November 1998

M REYNOLDS
For the Registrar
the Comptroller-General

Extract from the Registry's Classification Work Manual**(23) Internet services, on-line services and associated goods****What are on-line services?**

Any service provided by means of access of a computer database, for instance computerised travel reservations or information provided by interrogating a database (eg a trade marks database).

What is the Internet and how is it accessed?

The Internet is a global computer network made up of many smaller networks linked together by international telecommunication systems. It enables owners of computers to communicate with businesses, governmental organisations, individuals and any one with an e-mail address. Internet access providers include CompuServe, Demon and BTnet. These businesses make a charge to the user for connection to the Internet which is additional to the cost levied by a telephone company (eg Mercury) to the Internet access provider in respect of the telephone "call". Once connected, additional charges may be made for the time spent connected or for premium information services. Information is usually provided from web pages. The "Web" is sometimes referred to as WWW (World Wide Web) and is the term for the electronic "web" of data provided on the Internet and supplied from a web site (using a server) to the user via the access provided.

Classification:

The activities provided by On-line and Internet suppliers are varied and wide ranging and the classification spans all of the service classes. For example, the UK along with WIPO and the US classify information services according to their subject matter. Thus business information falls in Class 35, insurance information in Class 36, travel information in Class 39 and so on. This classification applies regardless of whether the information is provided face-to-face, over the telephone, on-line from a database or from the Internet.

The terms multi media services, Internet services and on-line services are too vague and should be clarified. Furthermore, electronic mail order or shopping and retailing of goods by means of remote computers or from the Internet are not identifiable services in that they are essentially trading in goods. Promotion of goods and services provided by these means fall under Class 35.

The various classes in which these services fall and the Class 9 associated goods are set out below:

Class 9: Computer software and publications in electronic form supplied on-line from databases or from facilities provided on the Internet (including web sites): computer software and telecommunications apparatus (including modems) to enable connection to databases and the Internet: computer software to enable searching of data.

This class includes: the provision of computer software by whatever means: any apparatus which allows electronic or telecommunication connection to the Internet or computer databases. Also covered by Class 9 are publications in electronic format. Many publications which are sold in printed matter form are also available on the Internet (eg The Times). They may be browsed or supplied to the user. If merely viewed then an information service is provided but if downloaded from the Internet to a computer Class 9 is appropriate (by analogy with CD-ROMs).

Class 35: Advertising and promotion services and information services relating thereto; business information services; all provided on-line from a computer database or by means of web pages on the Internet; compilation of advertisements for use as web pages.

Information services are classified according to their subject matter. Thus eg, information relating to accounting falls in Class 35 regardless of whether the information is provided face to face, by telephone, from a computer database or the Internet. Services such as on-line shopping or Internet shopping malls are not acceptable as services under this class since they are equivalent to retailing means and applications should be made in the goods classes to cover the goods being sold.

Class 36: Information services relating to finance and insurance, provided on-line from a computer database or by means of web pages on the Internet.

Class 37: Information services relating to repair or installation, provided on-line from a computer database or by means of web pages on the Internet; repair and installation of telecommunications apparatus.

Class 38: Telecommunication of information (including web pages), computer programs and any other data; electronic mail services; provision of telecommunications access and links to computer databases and the Internet.

This class covers the telecommunication infrastructure for transmitting and receiving information but not the information itself (unless that information is about telecommunications). If a specification is filed as "Internet services" it should be edited to "Telecommunication services provided in relation to the Internet".

Class 41: Information relating to entertainment or education, provided on-line from computer databases or web sites on the Internet; electronic game services provided by means of the Internet.

Class 42: Providing access to and leasing access time to computer databases; computer rental; design, drawing and commissioned writing, all for the compilation of web pages on the Internet; provision of information (only information under Class 42) on-line from a computer data base or provided from facilities on the Internet.

This class includes providing access (other than telecommunications) and leasing access time to computer databases. In relation to the Internet, this is normally a charge made by the Internet access provider for time spent connected to the Internet. This is in addition to the charge made by telephone business (eg Mercury) which charges for the telephone call to the Internet access provider.