O-161-05

# TRADE MARKS ACT 1994 and THE TRADE MARKS (INTERNATIONAL REGISTRATION) ORDER 1996

# IN THE MATTER OF APPLICATION NO 780297 IN THE NAME OF INFOGRAMES EUROPE

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 70943 IN THE NAME OF BRITISH SKY BROADCASTING LIMITED Trade marks Act 1994 and The Trade Marks (International Registration) Order 1996

IN THE MATTER OF Application No 780297 in the name of Infogrames Europe

And

## IN THE MATTER OF Opposition thereto under No. 70943 in the name of British Sky Broadcasting Limited

## Background

1. On 13 June 2002, Infograves Europe sought under the Madrid Protocol to extend protection for their registered trade mark SKYSTORM to the United Kingdom. The designation claimed priority under the International Convention dating from 8 November 2001. The designation is for the following specifications of goods:

- **Class 09:** Apparatus for recording, transmitting, receiving, reproducing and processing sound or images; magnetic, optical, digital and electronic recording media; magnetic, optical and digital discs; computer memory units; printed circuits; computers; computer peripheral equipment namely monitors, keyboards, computer mice, control consoles and levers, digital, optical and magnetic disk and diskette drives, digitizers, printers, modems; telephony apparatus, telecommunication installations and facsimile machines; recorded computer programs; computer-gaming software; electronic game consoles; magnetic, optical and digital media for computer programs; appliances for games intended for television use; coin-operated amusement machines; video games.
- **Class 28:** Games, appliances for electronic games other than those intended for television use only; automatic games other than coin-operated and those adapted for use with television receivers only; toys.

2. On 30 October 2002, British Sky Broadcasting Limited filed notice of opposition against this designation, the grounds being in summary:

Under Section 5(2)(b) because the opponents are well known in the United Kingdom for inter alia its satellite broadcasting interests involving games, electronic games and quizzes played via text messaging and by interactive television, and has a portfolio of SKY marks. The mark applied for is similar and is sought to be registered in respect of goods that are identical or similar to the opponents=earlier marks such that there exists a likelihood of confusion.

3. Details of the earlier marks relied upon by the opponents can be found as an annex to this decision.

4. The applicants filed a Counterstatement in which they deny the ground on which the opposition is based.

5. Both sides request that costs be awarded in their favour.

6. Only the opponents filed evidence in these proceedings. The matter came to be heard on 18 February 2005 when the opponents were represented by Ms Angela Fox of RGC Jenkins, their trade mark attorneys. The applicants were not represented.

## **Opponents= evidence**

7. This consists of a Witness Statement dated 16 June 2004 from Angela Fox, a solicitor and trade mark attorney at RGC Jenkins & Co, a position she has held since April 2004. Ms Fox says that she has responsibility for managing part of the intellectual property portfolio of British Sky Broadcasting Group plc and its wholly owned subsidiary, British Sky Broadcasting Limited.

8. Ms Fox says that the opponent has operated a pay satellite television system using SKY as part of the company name, as a trade mark and as a house mark prefixing other trade marks for some 20 years, in relation to interactive digital television receivers, personal video recorders, games controllers, remote controls, broadcasting television programmes, movies on demand and interactive games. She refers to exhibit AF1 which consists of copies of certificates recording the assignment of four trade marks on which the opposition is based from the opponent to its parent group company.

9. Ms Fox says that following its launch in 1984 the opponents became known as SKY. Exhibit AF2 consists of a press release dating from 2 January 1987, headed SKY in large text with CHANNEL beneath and in significantly smaller lettering, announcing SKY channels collaboration in broadcasting the Music Video Awards. The exhibit also includes details of the SKY channel including a chronology of its history. Ms Fox mentions the launch of SKY CHANNEL, SKY MOVIES and SKY NEWS on 5 February 1989, exhibit AF3 consisting of a videotape of the launch and stills from other SKY branded channels launched between 1989 and 2000, namely, SKY SPORTS 1 and SKY MOVIES GOLD in 1991, SKY SPORTS 2, SKY SOAP, and SKY TRAVEL in 1994, SKY SPORTS 3 in 1995, SKY SPORTS GOLD and SKY SCOTTISH in 1996, SKY PREMIER, SKY MOVIEMAX, SKY CINEMA, SKY BOX OFFICE in 1997, and SKY SPORTS NEWS in 1998.

10. Ms Fox recounts the merger of Sky Television plc with British Satellite Broadcasting Limited, the new company adopting the name British Sky Broadcasting Limited. Ms Fox says that the company-s commercial success was bolstered by the company acquiring the rights to transmit live coverage of the Football Association Premier League matches in 1992. Viewer figures are stated to have achieved 5 million in June 1996, and by 30 June 2001 stood at 9.42 million.

11. In October 1998 the company offered the UK=s first digital television service allowing access to 140 channels via a SKY DIGIBOX, which Ms Fox says continues to be the most widely distributed receiver for the opponents=digital service. Ms Fox recounts the

development of the digital service as a joint venture in a newly formed company British Interactive Broadcasting Holdings Limited. The service was launched on 12 October 1999 offering shopping services from high street names, food delivery services, e-mail, information services and games, all accessed through the SKY DIGIBOX. In July 2000 the opponents bought the company outright, changing its name to Sky Interactive Limited, the service being rebranded SKY ACTIVE in October 2001. Ms Fox says that as of 30 September 2001 the opponent had 5,498,000 subscribing households for its SKY DIGITAL services. Ms Fox recounts the launch in July 2001 of the SKY+ integrated personal video recorder that achieved a pre-registration figure of 60,000 calls.

12. Ms Fox goes on to give details of the group turnover for the opponents=companies which shows a very significant business, but as it has not be broken down by country cannot be gauged in respect of the trade and likely impact in the UK.

13. Ms Fox refers to the opponents= promotion of SKY branded products, on its own and on other company=s television channels, radio, the Internet, and in its own monthly SKY magazine and other printed publications. Exhibit AF4 consists of a CD ROM containing examples of point-of-sale materials, and advertisements for SKY products and services offered in the UK between June 2001 and March 2002. Ms Fox gives details of the opponents= expenditure on advertising between July 1998 and June 2003, which ranges from , 275 million in 1998 rising to a peak of , 416 million in the year ending June 2002. Exhibits AF5, AF6 and AF7 consist of details of the amounts spent attracting new, and that directed at existing customers, and details of the opponents= ranking by spend amongst all advertisers in the UK and in their own market sector.

14. Ms Fox refers to a table that sets out details of the number of households in the UK receiving SKY channels year by year from 1992 when the figure stood at 1.76 million, rising year on year to over 9 million by the end of 2001, the last full year prior to the relevant date. Exhibit AF7 consists of extracts from the website of The Broadcasters Audience Research Board, an organisation responsible for providing estimates of the numbers of people watching television. The exhibit confirms that by January 2001 some 25 million homes (with a potential viewing population of 55.51 million) in the UK owned a television, with over 10 million homes (28.15 million viewers) receiving cable or satellite services although not stated to all be SKY customers. Ms Fox extrapolates these figures to show that at September 2001, each of four SKY branded channels would have accessed between 10 and 15 million viewers, and to the end of March 2002, all SKY branded channels would have reached between 15 million and 22 million viewers.

15. Ms Fox refers to the launch of the SKY DIGIBOX, exhibit AF8 consisting of a press release issued on 10 October 2001 announcing the launch of SKY GAMESTAR by SKY and TUI. Exhibit AF9 consists of a videotape containing examples of SKY ACTIVE and SKY GAMESTAR television commercials aired between September 2001 and December 2002, and a list giving details of the advertisement and running order. Ms Fox says that the opponents continued to widely publicise the SKY ACTIVE service, exhibit AF10 being the text of press releases although there is no indication of where they were released or reported. Ms Fox says that earlier than this the opponents had been involved in the provision of SKY branded interactive games through its Internet website. Exhibit AF11 consists of a print from the SKY games website, relating to SKYJINX, stated to have been launched in October 1999. Ms Fox

mentions that as a result of the success of the games service the opponents launched a dedicated games controller for use with SKY DIGIBOX and SKY+ receivers under the name SKY GAMEPAD. Exhibit AF12 consists of a press release dated 10 December 2002 announcing the release of the GAMEPAD. This is after the relevant date.

16. Ms Fox goes on to make submissions relating to the similarity of the mark applied for and the marks owned and used by the opponents, and to factors that Ms Fox says contribute to establishing the opponents=case. Whilst I have not summarised these in detail, I have read these submissions and will take them fully into account in my decision. As part of these submissions Ms Fox introduces several exhibits. Exhibit AF13 consists of a dictionary reference for the word SKY highlighting the absence of any reference to satellite broadcasting. Exhibit AF14 consists of extracts from various SKY magazines published between July 1998 and November 2001, and an Internet press release issued in October 2001. These show widespread use of SKY on its own and also in conjunction with other matter, namely, SKY+, SKY REWARDS, SKY NEWS, SkyBuy, SKY UPDATE, SKY.COM, SKY EXCLUSIVES, SKY TV, SKY BOX OFFICE, SKY DIAL, SKY ONE and SKY GAMESTAR.

17. Exhibit AF15 consists of details relating to the Nintendo business that Ms Fox says illustrates companies progressing from the manufacture of video arcade machines, to home video games and to portable hand-held game players. Exhibit AF16 consists of prints from the Internet websites of the Dixons and Comet electrical retail chains that Ms Fox says illustrates the fact that televisions, computers, video and computer games and consoles for playing such games are typically advertised and sold alongside one another.

18. That concludes my review of the evidence insofar as it is relevant to these proceedings.

#### DECISION

19. I now turn to consider the ground under Section 5(2)(b). The relevant part of the statute reads:

A5.-(2) A trade mark shall not be registered if because -

#### (a) **YYYYYY**.

(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.@

20. An earlier trade mark is defined in Section 6 of the Act as follows:

A6.- (1) In this Act an Aearlier trade mark@meansB

(1) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed

#### in respect of the trade marks,@

21. I take into account the well established guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723. It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG*, paragraph 22;

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* paragraph 27;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*, paragraph 23;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*, paragraph 23;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*, paragraph 24;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*, paragraph 26;

(h) further, 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; *Marca Mode CV v. Adidas AG*, paragraph 41;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 29.

22. In any comparison of marks it is inevitable that reference will be made to the elements of which a mark is composed, and rightly so, for the case law requires consideration to be given to the distinctiveness and dominance of the component parts. However, it must be remembered

that the consumer does not embark on a forensic analysis of trade marks and it is the marks as a whole that must be compared.

23. Ms Fox gives a list of reasons why I should regard the respective marks to be similar, revolving mostly around the opponents= use of their earlier marks and claim to a reputation in respect of the goods for which the applicants seek to register their mark. Whilst the reputation of the earlier marks is one of the factors that I must take into account, and I will do so later in this decision, I will first consider the visual, aural and conceptual similarities of the marks by reference to the overall impressions that they create, taking into account their distinctive and dominant components (*Sabel BV v. Puma AG*).

24. The opponents cite four earlier marks, one being for the word SKY in plain text, and it is this mark that Ms Fox relies upon as being her best case in respect of the challenge to Class 9 of the application. The remainder of the opponents=earlier marks are for logos that although have other elements, all clearly have the word SKY as the dominant and distinctive element. Ms Fox submitted that because the mark applied for contains the word **A**SKY@as its first element it is visually and phonetically similar to the opponents=earlier plain word mark SKY, and whilst the word **A**STORM@is a visual and phonetic difference, it is not one which is capable of avoiding confusion.

25. Insofar as the mark applied for contains the word SKY there is inevitably some visual and aural similarity, particularly given that the common element is at the beginning of the mark which is generally accepted as being of most significance in a comparison of marks. Adding one word to another must have an effect on the visual appearance and the way that it will sound when spoken, and more so where, as in this case, the first word is shorter than the additional word. The visual similarity will also be affected by the words being conjoined rather than separate. I would not say that the marks SKY and SKYSTORM are visually or phonetically similar.

26. The opponents= mark SKY is a word in common use in English, and has a meaning that will be known to all who are familiar with the language. I do not see that this word has any descriptive relevance for the goods or services for which it is registered. The mark applied for is SKYSTORM which as far as I am aware is not a word having any particular meaning in its own right. It is a combination of the two ordinary English words **A**SKY@ and **A**STORM@ which is how I believe the consumer will see the mark. Whilst there are natural events such as **A**thunderstorms@, as far as I am aware there is no such thing as a **A**sky storm@.

27. Ms Fox argues that the word STORM is descriptive of games with an aerial or combat element, and consequently the consumer of such goods is likely to focus on the distinctive element SKY, assuming that the goods are a further range of the opponents=SKY goods. I think this is somewhat fanciful. If the consumer is going to see the word STORM in this way, why will they see the SKY element as a reference to the opponents rather than as part of the description? Because the respective marks both contain the word SKY they will create some similarity of idea, but I would not go so far as to say that they are conceptually similar.

28. As I see it, if SKYSTORM has any relevance for games it is at worst an allusion, and I believe the same is the case in respect of the words SKY and STORM individually. Nor do I see that SKY, STORM or the two in combination have any direct reference to the goods in

Class 9. In my view the word SKY has no more distinctiveness than STORM, and apart from its positioning at the beginning of the mark, no greater prominence.

29. The opponents launched the SKY CHANNEL in 1984 in relation to a pay satellite television service. Since that date they have used the SKY name as a house mark prefixing other trade marks, for example, SKY MOVIES, SKY NEWS, SKY SPORTS, SKY MOVIES GOLD, SKY SOAP, SKY TRAVEL, SKY MOVIEMAX, SKY CINEMA, SKY BOX OFFICE, etc. As can be seen, the other element is descriptive of, or related to the core broadcasting service. There has been other use where the additional element is not directly linked to broadcasting but is nonetheless descriptive, for example, SKY PREMIER and SKY SCOTTISH. Expansion of the SKY business brought about other marks such as SKY DIGIBOX, SKY ACTIVE, SKY DIGITAL, SKY GAMEPAD and SKY GAMESTAR. All of these suffixes are derived from some aspect of the goods or service with which they are connected. The DIGIBOX is a reference to apparatus that I am aware was often referred to as a Abox@that is used to access digital television broadcasts, hence the mark SKY DIGITAL. The mark SKY ACTIVE is a reference to the interactive broadcasting service. The SKY GAMEPAD and SKY GAMESTAR marks clearly both relate to the opponents= online and interactive games. All of these marks use SKY as a separate element. The exception is the mark SKYJINX which was launched in October 1999 as the SKY games website.

30. The evidence clearly supports the position that at the relevant date the opponents had a significant reputation in the UK as a broadcaster of satellite television, and less so as the provider of interactive games, both via the television and online.. There is ample evidence that although launched as the SKY CHANNEL they have become known by the name SKY. They have used the SKY name in combination with other marks, in one case conjoined into a single word. Although the actual extent of this use is not shown by the evidence by virtue of having been provided via the SKY broadcasting network will in all probability have become known to a substantial proportion of the public. It seems to me that through this use the opponents marks have become more distinctive because of the use that has been made of them. However, the use has been confined to the service of satellite television broadcasting and the provision of interactive games via a television and online, and to a limited extent, specific items of apparatus that are used in relation to these services.

31. Accepting that the opponents have a reputation in their earlier marks it must still be borne in mind that whilst it is clear that the use that has been made of a mark and the resulting enhancement to its reputation can be a relevant factor (*Sabel BV v. Puma AG*), that a mark may have a reputation does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association (*Marca Mode CV v. Adidas AG*).

32. At the hearing Ms Fox stated that the opponents=objection stood against all of the goods covered by Class 28 of the application, and the following goods in Class 9:

Apparatus for recording, transmitting, receiving, reproducing and processing sound or images; magnetic, optical, digital and electronic recording media; magnetic, optical and digital discs; computer memory units; printed circuits; recorded computer programs; computer-gaming software; electronic game consoles; magnetic, optical and digital media for computer programs; appliances for games intended for television use; coin-operated amusement machines; video games.

33. Ms Fox specifically relies upon the opponents=registration No. 2044507B in relation to the objection against Class 9 of the application. There is a clear overlap in the respective goods, for example, Asound recording and sound reproducing apparatus@is mentioned in both, and Aradio and television apparatus@would be included in the description AApparatus for transmitting, receiving, reproducing and processing sound or images.@ But the specification for Class 9 of the opponents registration No. 2197682 contains, amongst other things, the description Aelectrical and electronic apparatus and instruments@. This would cover all apparatus and instruments in that class, including those for Arecording, transmitting, receiving, reproducing sound or images@and Aappliances for games intended for television use; coin-operated amusement machines; video games.@ The specification also covers Aparts and fittings@for the preceding apparatus and instruments which would encompass every other item in the applicants=specification.

34. In Class 28 the applicants are looking to register the mark in respect of **A**Games, appliances for electronic games, automatic games, excluding, inter alia, such goods that are intended for, or adapted for use with television receivers only, and toys.<sup>@</sup> The specification of the opponents= earlier mark, No. 2197682 covers **A**toys, games and playthings<sup>@</sup> at large, and includes the self-same goods as the application.

35. There is nothing in the wording of any of the respective specifications that would separate them in the market or course of trade. Accordingly I must notionally assume that they operate in the same sector, and share the same channels of trade, from manufacture to retail. Whilst the Anotional@average consumer will depend upon the type of goods, I see no reason why the consumer of the registered proprietors=goods/services should be any different to those for of the applicants=goods/services.

36. Taking all of the above into account and adopting the Aglobal@approach advocated, I have come to the view that on their face the marks are sufficiently different for there to be a finding against the opponents. However, when taking account of the use that they have made of SKY, both on its own and as the first element or prefix, and the resulting reputation, and enhancement to the distinctive character of their earlier marks, I consider that if the applicants were to use their mark in a trade in the goods for which the opponents have a reputation, or goods closely related, that this would cause the public to wrongly believe that they come from the opponents or some economically linked undertaking. It is my finding that there is a likelihood of confusion and the opposition succeeds.

37. From the outset the opponents were focussed in their opposition and I consider realistic in the goods that they identified as being in conflict, both with their earlier marks and those for which they have a reputation. Accordingly, if the applicants wish to proceed with this application they will have to remove the goods that are in conflict. If the applicants file a Form TM21 within one month from the end of the appeal period requesting the deletion of all goods listed in Class 28, and the following goods in Class 9:

Apparatus for recording, transmitting, receiving, reproducing and processing sound or images; magnetic, optical, digital and electronic recording media; magnetic, optical and digital discs; computer memory units; printed circuits; recorded computer programs; computer-gaming software; electronic game consoles; magnetic, optical and digital media for computer programs; appliances for games intended for television use; coinoperated amusement machines; video games.

I will, in the event of no appeal, allow this designation to proceed to registration. If the applicants fail to file a TM21 within one month from the end of the appeal period the designation will be refused.

38. The opposition having been successful the opponents are entitled to an award of costs. I order the applicants to pay the opponents the sum of , 2,750 as a contribution towards their costs. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

# Dated this 15<sup>th</sup> day of June 2005

Mike Foley For the Registrar the Comptroller-General