

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NOS 2480951 AND 2480953
IN THE NAME OF BLUE TELEPHONY LIMITED

AND

CONSOLIDATED OPPOSITIONS THERETO UNDER NOS 97596 AND 97597
BY MICROSOFT CORPORATION

Trade Marks Act 1994

IN THE MATTER of application
Nos. 2480951 and 2480953 in
the name of Blue Telephony Limited
and consolidated oppositions under
Nos. 97596 and 97597 by
Microsoft Corporation

Background

1. Application Nos 2480951 and 2480953 both stand in the name of Blue Telephony Limited ("Blue") and have a filing date of 27 February 2008. In each case, registration is sought for a series of two marks as set out below:

2480951



2480953



2. Following publication of the marks in the *Trade Marks Journal*, Notices of opposition were filed on behalf of Microsoft Corporation ("MC"). In each case there is a single ground of opposition brought under section 5(2)(b) of the Act based on MC's earlier Community Trade Mark No. 4379392. It relies on the following goods and services of that earlier mark:

Class 9

Interactive video game devices comprised of computer hardware and software and accessories, namely, game consoles, game controllers, and software for operating game controllers; electronic devices, namely computer hardware for accessing global computer and communication networks; computer hardware and computer peripherals; cameras; computer software for playing video games and computer games with others via a global computer or communication network and for accessing and browsing global computer and communication networks; computer software for compressing

and decompressing data and video images, word text editing, and for composing, transmitting and receiving email; operating system software programs and utility programs for use with the above referenced machines; user manuals in electronic format therefor sold as a unit therewith; computer programs, namely, game software for use on computers and video game players; prerecorded videotapes, audio tapes, CDs and DVDs featuring sound and video in the fields of music, live action programs, motion pictures and animated cartoons; motion picture films featuring comedy, drama, action, adventure and animation; motion picture films for broadcast on television featuring comedy, drama, action, adventure and animation; and covers for computer game consoles.

Class 38

Communication services, namely, electronic transmission of data and documents among users of computers; electronic mail services; web messaging services; paging services; streaming of audio and video material on the Internet; wireless voice mail services; voice-activated dialing services; and providing wireless access to computer networks and Internet.

3. Blue filed counterstatements in which it denied the respective marks to be similar and stated there is no likelihood of confusion between them. It admitted that similar goods are involved though did not give any indication of its view as regards the respective services. I shall return to this admission later in this decision.

4. Blue subsequently sought amendment of its applications to remove some of the goods and services for which it originally sought registration. This was done and the remaining goods and services for which it seeks registration are, in both cases, as follows:

Class 9

Telephones and mobile telephones and apparatus and equipment for use with telephones; downloads for ringtones and screensavers;

Class 38

Telecommunication services; mobile telecommunication services; telecommunication network services.

5. MC confirmed the amendment did not overcome its oppositions against each mark.

6. Neither party filed evidence and neither requested to be heard but both filed written submissions in lieu of a hearing. I have taken these into account in reaching my decision.

Decision

7. The oppositions are brought under section 5(2)(b) of the Act which states:

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

- (a) ...
- (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.

6.-(1) In this Act an "earlier trade mark" means -

- (a) 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,
- (b) a Community trade mark which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK), or
- (c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.

(3) A trade mark within subsection (1)(a) or (b) whose registration expires shall continue to be taken into account in determining the registrability of a later mark for a period of one year after the expiry unless the registrar is satisfied that there was no *bona fide* use of the mark during the two years immediately preceding the expiry.

6A (1) This section applies where-

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark 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 period of five years ending with the date of publication.

(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 period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, 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 differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, 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)

(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.

(7)....”

8. The mark relied on by MC is an earlier mark by virtue of section 6 of the Act but, as it has a registration date of 31 August 2006 and, given the applications were published on 18 April 2008, it is not subject to the proof of use requirements of section 6A of the Act.

9. In determining the question under Section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel v Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *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 he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen 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 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.

10. For ease of reference, I set out the respective marks below:

Blue's marks	MC's mark
	
	
<p data-bbox="188 920 730 1081">Class 9 <i>Telephones and mobile telephones and apparatus and equipment for use with telephones; downloads for ringtones and screensavers;</i></p> <p data-bbox="188 1122 678 1249">Class 38 <i>Telecommunication services; mobile telecommunication services; telecommunication network services.</i></p>	<p data-bbox="794 920 1406 2018">Class 9 <i>Interactive video game devices comprised of computer hardware and software and accessories, namely, game consoles, game controllers, and software for operating game controllers; electronic devices, namely computer hardware for accessing global computer and communication networks; computer hardware and computer peripherals; cameras; computer software for playing video games and computer games with others via a global computer or communication network and for accessing and browsing global computer and communication networks; computer software for compressing and decompressing data and video images, word text editing, and for composing, transmitting and receiving email; operating system software programs and utility programs for use with the above referenced machines; user manuals in electronic format therefor sold as a unit therewith; computer programs, namely, game software for use on computers and video game players; prerecorded videotapes, audio tapes, CDs and DVDs featuring sound and video in the fields of music, live action programs, motion pictures and animated cartoons; motion picture films featuring comedy, drama, action, adventure and animation; motion picture films for broadcast on television featuring comedy, drama, action, adventure and animation; and covers for</i></p>

	<p><i>computer game consoles.</i></p> <p>Class 38 <i>Communication services, namely, electronic transmission of data and documents among users of computers; electronic mail services; web messaging services; paging services; streaming of audio and video material on the Internet; wireless voice mail services; voice-activated dialing services; and providing wireless access to computer networks and Internet.</i></p>
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Similarity of goods and services

11. In its written submissions MC states that Blue’s goods in class 9:

“are all included within the scope of the general expression “electronic devices, namely computer hardware for accessing global computer and communication networks” and “computer software...for accessing and browsing global computer and communication networks”. The Opponent’s goods are also extremely similar to some of the Opponent’s other Class 9 goods, bearing in mind that it is very common nowadays for mobile phones to incorporate features additional to the basic telephone function, including web browsing, e-mail, games, and camera functions. In this regard, it will be noted that the Opponent’s mark covers “interactive video game devices...” “...computer peripherals”, “cameras”, “computer software for...transmitting and receiving e-mail...” and “game software...”. Clearly, all of these items are very similar to the Applicant’s goods.

Regarding the respective services, the Application covers “telecommunication services” generally and all of the Class 38 services covered by the Opponent’s earlier mark are within the scope of this expression. The respective services are accordingly identical.”

12. As I indicated earlier, in its counterstatement Blue admitted that similar goods were involved but made no comments in respect of the respective services. It later amended its specification of goods and services but did not seek to amend its counter-statement, however, in its written submissions it says:

“The application has been limited to “telephones, mobile telephones and apparatus and equipment for use with mobile telephones; downloads for ringtones and screensavers.” We submit that such goods are not similar to the goods of the Opponent. The Opponent highlights in its written submissions computer software for accessing and browsing global computer and communication services and claim that such application (sic) are incorporated features of telephone functions for web browsing and e-mails. We do not contest that a mobile telephone will not (sic?) have certain applications that include accessing and browsing global communication networks; but the telephone is neither computer software nor computer hardware. The fact that

a product or item may incorporate or include as part of its make up a specific item, those two items do not become similar goods. The test for similarity is related to the position in the active market and requires consideration of where the goods are brought, whether they would appear on the same shelves, whether they have the same basic function. This test is whether a person wanting to acquire a mobile phone, would that person mistakenly buy a piece of “computer software or a computer” or believe that the mobile telephone has the same source of trade origin as an item of “computer software or hardware”.Mobile telephones are not items that would be purchased without considerable care regarding the product and the average consumer is likely (sic?) to make a careless purchase in the mistaken belief that two devices have a degree of similarity.”

13. Again, it says nothing in respect of the relevant services.

14. The principles for determining the similarity of goods and services are well established and set out in the *Canon* case (supra) and *British Sugar Plc v James Robertson & Sons Ltd (Treat)* [1996] RPC 281. The criteria identified in the *Treat* case for assessing similarity between goods and services were:

- (a) the respective uses of the respective goods or services;
- (b) the respective users of the respective goods or services;
- (c) the physical nature of the goods or acts of service;
- (d) the respective trade channels through which the goods or services reach the market;
- (e) in the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) the extent to which the respective goods or services are competitive, taking into account how goods/services are classified in trade.

15. In *Canon*, the ECJ accepted that all relevant factors should be taken into account including the nature of the goods and services, their intended purposes, their method of use and whether they are in competition with each other or are complementary. Clearly, not all factors will be equally relevant in all cases. Bearing in mind the above general guidance, I go on to compare the respective goods and services.

16. *Telephones and mobile telephones* in class 9 are electronic devices which provide a means of connection to a network or to others via a network and allow two or more users to communicate over a distance by an exchange of speech, text, image or data etc. Electronic devices which enable this to be done can take many forms and are used by an increasingly large proportion of the general public on a daily basis. They may be sold through specialist retailers but are also sold through e.g. the electrical department of supermarkets. They are highly similar, if not

identical, to *electronic devices, namely computer hardware for accessing global computer and communication networks* appearing in MC's registration. I am aware that these two operations can be performed using a single device. Along with *apparatus and equipment for use with telephones* they are also highly similar to *communication services, namely, electronic transmission of data and documents among users of computers* as providers of these services frequently provide them together with the apparatus necessary to carry out that communication.

17. *Downloads for ringtones and screensavers* are copies or transfers of data from one device to another. As such, they are highly similar, if not identical, to *computer software for compressing and decompressing data and video images* in class 9 and highly similar to *electronic transmission of data among users of computers* in class 38.

18. Telecommunication is carried out electronically via any number of devices such as computers or via mobile or landline connection. Blue's services in class 38 are identical to *communication services, namely, electronic transmission of data and documents among users of computers* as appearing in MC's earlier registration.

The relevant consumer and the purchasing act

19. All of the goods and services are everyday ones used, to varying degrees, by a large proportion of the general public. They are sold through a wide variety of sources: through a store, via the Internet, by mail order or telephone and direct from the supplier. The cost of the various goods and services will vary from the low, e.g. to download a ringtone for an individual's mobile phone, to the high, e.g. for the provision of a telecommunication service for a major business. The average consumer is likely to range from the individual member of the general public, to businesses seeking to equip company premises, with the degree of care being exercised, similarly wide ranging. That said, all of the goods and services will be bought with some degree of care. Given that the respective goods and services are the same and similar with no limitation to separate them, I must notionally infer the same channels of trade exist, from manufacturer through to retail and the same average consumer.

Comparison of marks

20. When assessing the similarity of the marks, I must do so with reference to the visual, aural and conceptual similarities between them, bearing in mind their dominant and distinctive components (*Sabel BV v Puma AG*, para 23).

21. MC describes its mark as "a sphere with a letter X etched onto it". Blue describes it as "clearly a sphere shown in three dimensional form in which the letter X can be seen virtually covered into (sic) the sphere". In my view, the mark consists of a spherical device bearing a diagonal cross which appears as a slightly off centre X cut deeply into the sphere.

22. Each of Blue's applications is for a series of two marks, with the first in each series presented in red and the second in black.

23. In respect of application 2480953, Blue describes its mark as:

“a circle divided into four segments. It is a flat circle and the device may be seem (sic) to be an X. It is more likely that this would be seen as a representation of a button or a ball that has been divided-it is not immediately identifiable that the white cross is an X.”

MC describes Blue’s mark as:

“a sphere with a letter X etched onto it”.

24. In my view, Blue’s mark also consists of a spherical device bearing a diagonal cross which appears as a slightly off centre X cut into the sphere. As MC points out:

“the only slight difference is that the Applicant’s mark is shown in a different orientation, with the sphere rotated through 90° anti-clockwise. However, this difference is of no significance in practice, bearing in mind that the goods covered by the Application include mobile telephones, which are commonly rotated through 90° by the user...”.

I consider that application No 2480953 has a very high degree of visual similarity with the earlier mark. Neither mark has any particular conceptual meaning and neither is likely to be subject of aural consideration.

25. Application 2480951 is for the same device, with the letters NYX, appearing in upper case and slightly stylised font, to the right hand side of the device. Blue submits that the mark is:

“not simply the device with the letters NYX. When viewed as a whole, the mark reads ONYX. Therefore, at its simplest level it encompasses the device element into the mark as a whole. It is accepted that some may see this as a device with the word NYX.....The mark is more likely to be seen as ONYX, or a device with NYX the word being the essential and dominate (sic) element and that as a whole would plainly indicate another mark”.

For its part, MC submits:

“It is true that the similarity is not so great between the respective marks in that the Applicant’s mark in this case includes the letters NYX. However, letters are not especially distinctive and the dominant element in the Applicant’s mark is still the sphere with a letter X etched onto it, which is an element extremely similar to the Opponent’s earlier mark ...”

26. It may be that some, on seeing the mark, would see it as the word ONYX with its initial letter heavily stylised. For others, as Blue accepts, the mark will be seen as a device and the letters or word NYX. In my view, the cross appearing on the device element means this part of the mark is unlikely to be seen as a letter O and thus unlikely to “read into” the rest of the mark; the mark is more likely to be seen as a device with the letters/word NYX. The inclusion of the letters/word NYX means that the respective marks have some visual and aural differences though that does not

mean that the device element would be overlooked. Indeed, given its position within the mark, the device has a degree of prominence. In my view the respective marks have a fair degree of visual similarity. Given the inclusion of the letters/word NYX, the marks are aurally dissimilar as it is likely the consumer would refer to the mark by the text within it. From a conceptual view, I am aware that NYX is the name of a Greek goddess however I do not know how widely this is known and for many, I believe it would be seen merely as three letters or a word with no particular meaning. That being the case, both the device and NYX elements are, in my view, of equal dominance within the mark as a whole.

Distinctiveness of earlier mark and enhanced distinctiveness

27. The earlier mark is not particularly complex but has a reasonably high degree of inherent distinctiveness. No evidence has been filed and therefore I am unable to find that its distinctiveness has been enhanced through use.

Likelihood of confusion

28. In reaching a decision on whether there is a likelihood of confusion, I must make a global assessment based on all relevant factors.

29. As regards application No. 2480951, I have found the respective marks to have a degree of visual similarity, to be aurally dissimilar and to be conceptually neutral. I have found that identical and highly similar goods and services are involved. The decisions in *Claudia Oberhauser v Ohim (Fifties)* [2003] ETMR 58 and *Criminal Clothing Ltd v Aytan's Manufacturing (UK) Ltd*, [2005] EWHC 1303, indicate that the circumstances in which the relevant goods and the trade marks are encountered by the consumer, particularly at the point at which the purchase is made, is an important consideration. That said, the matter must be considered by applying an assessment of all relevant factors. This should be balanced by the decision of the CFI in *Devinlec Développement Innovation Leclerc SA v OHIM (Case T-147/03)* in which it was stated that a conceptual difference between the marks at issue may be such as to counteract to a large extent any visual and aural similarities between the signs. However, this requires at least one of the marks to have a clear and specific meaning so that the public is capable of grasping it immediately, which, for the record, I do not consider to be the case here.

30. I need to consider both direct and indirect confusion. In relation to direct confusion, where the average consumer, who rarely has the chance to make direct comparisons between marks but must instead rely upon the imperfect picture of them he has kept in his mind, mistakes one mark for another, I believe there is a likelihood given the visual similarities between the marks and taking into account that identical and highly similar goods and services are involved and the relatively high degree of distinctiveness in the earlier mark.

31. In case I am found to be wrong on this, I go on to consider the matter in relation to indirect confusion, where the similarities between the marks lead the consumer to believe the goods or services sold under them are from the same or an economically linked undertaking.

32. In MIP Metro Group Intellectual Property GmbH & Co KG v OHIM T-290/07 the CFI stated:

“ For the purpose of the global assessment of the likelihood of confusion, the overall impression created by the two signs at issue must be considered (Case C-206/04 P Mulhens V OHIM [2006] ECR I-2717, paragraph 23, and Case C -234/06P Il Ponte Finanziaria v OHIM [2007] ECR I-7333, paragraph 37) and the signs’ aural, visual and conceptual similarities must be weighed up, taking into account factors such as, in particular, the nature of the goods or services, the way they are marketed and the public’s level of attention. In that regard, it should be pointed out that, although there will not necessarily always be a likelihood of confusion where two signs are found to be only aurally similar, it is nevertheless conceivable that the marks’ aural similarity alone could create a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94. However, the conceptual, visual and aural similarities between the signs at issue and the assessment of any aural similarity is only one of the relevant factors for the purpose of that global assessment (Mulhens v OHIM paragraphs 21 and 23; see also, to that effect, Il Ponte as before paragraphs 35 and 37; and Joined cases T-117/03 to T-119/03 and T-171/03 New Look v OHIM –Naulover (NLSPORT, NLJEANS, NLACTIVE and NLCollection) [2004] ECR II-3471, paragraph 49.”

33. Indirect confusion must be more than a likelihood of association in the strict sense. Instead it is more an association between the marks due to some similarity between them which causes the public wrongly to believe the respective goods come from the same or an economically linked undertaking (*Canon supra*). The respective goods and services will be bought with varying degrees of care dependant on the specific goods and services concerned and, in my view, whilst there are some differences between the respective marks, there is still a significant similarity which is likely to result in the consumer believing the respective goods and services to come from the “same stable”. Indirect confusion is likely.

34. The opposition under section 5(2)(b) against application no. 2480951 succeeds in its entirety.

35. As regards application no. 2480953, I have found the respective marks to have a very high degree of visual similarity and to be aurally and conceptually neutral. Again, I have found that identical and highly similar goods and services are involved. That being the case, and considering all relevant factors including imperfect recollection, I consider the average consumer would mistake one mark for the other and be confused as to the economic origin of the goods sold under the respective marks. The opposition based on section 5(2)(b) of the Act against this mark therefore also succeeds in its entirety.

36. The opposition against both applications has succeeded and MC is entitled to an award of costs in its favour. I take into account the fact that no evidence was filed, that no hearing took place but that written submissions were filed.

37. I therefore award costs to MC on the following basis:

Filing forms TM7	£300 & (£200 x 2) fee
Considering counterstatements	£200
Written submissions	£200
Total	£1100

38. I order Blue Telephony Limited to pay Microsoft Corporation the sum of £1100. 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 03 day of November 2009

**Ann Corbett
For the Registrar
The Comptroller-General**