

BL O/1062/22

TRADE MARKS ACT 1994

IN THE MATTER OF

TRADE MARK APPLICATION No. 3612898

BY

ELECTROCOIN LEISURE (S. WALES) LTD

TO REGISTER THE TRADE MARK:

**COSMIC**

IN CLASSES 9, 28 AND 41

-AND-

THE OPPOSITION THERETO UNDER No. 426375

BY

POOFLESS, LLC

## **Background and pleadings**

1. Electrocoin Leisure (S. Wales) Ltd (“**the Applicant**”) applied to register the trade mark ‘COSMIC’ (“**the Contested Mark**”) in the UK on 19 March 2021. It was accepted and published in the Trade Marks Journal on 21 May 2021 in respect of the following goods and services in Classes 9, 28 and 41:

### Class 9

Computer games software; software for use with game, entertainment, recreational, amusement, gaming and video game terminals, machines and apparatus; software for use in playing games and gaming game, entertainment, recreational and amusement machines and apparatus; cabinets, software and upgrade and modification kits; parts and fittings for all the aforesaid goods.

### Class 28

Game, entertainment, recreational and amusement machines and apparatus; video game machines and apparatus; gaming machines; fruit machines; video game machines and apparatus; gaming machines; controlling apparatus and parts and fittings for game, entertainment, recreational and amusement machines and apparatus and video game machines and apparatus, all the aforesaid adapted for use with television receivers; parts and fittings for all the aforesaid goods.

### Class 41

Entertainment, amusement, gaming and game services; providing games on-line or by wireless, by telephone or television or by internet or by remote or network communication; providing game, gaming, entertainment, amusement services on electronic, video and computer systems; providing amusement arcade services and facilities; providing services and facilities and making arrangements for playing amusement entertainment and gaming apparatus and machines; rental and leasing of gaming and entertainment machines and apparatus and of video games and amusement games and

machines, advisory and consultancy services relating to gaming, entertainment and amusement machines and apparatus.

2. Poofless, LLC (“**the Opponent**”) has opposed the application under section 5(2)(b) of the Trade Marks Act 1994 (“**the Act**”). This is on the basis of its registered comparable UK Trade Mark ‘COSMIC PVP’, number 918129130 (“**the Earlier Mark**”), which has a filing date of 25 September 2019. For the purposes of this opposition, which is directed against all of the applied-for goods and services, the Opponent relies upon all the services in Class 42 for which the Earlier Mark is registered, namely:

Class 42

Computer services, namely, creating an on-line community for registered users to participate in discussions, get feedback from their peers, form virtual communities, and engage in social networking services in the field of entertainment, specifically, online video game servers; computer services to support online social networking services; computer services to support providing social online networking services to meet the needs of individuals.

3. Given the respective filing dates, the Opponent’s mark is an earlier trade mark, in accordance with section 6 of the Act. As the Earlier Mark had not been registered for five years or more at the filing date of the Contested Mark, it is not subject to the use requirements specified within section 6A of the Act. Consequently, the Opponent may rely upon all the services in Class 42 for which the Earlier Mark is registered without having to show any use at all.
4. The Opponent argues that the marks are visually, phonetically and conceptually highly similar and that the goods and services are highly similar, such that there is a likelihood of confusion by the average consumer.
5. The Applicant filed a counterstatement agreeing that the marks are similar “*as they both contain the word COSMIC*”. However the Applicant denied that its goods and services “*are similar to any degree*” to the Applicant’s services in Class 42.

6. Only the Opponent filed written submissions during the evidence rounds in these proceedings. Neither party elected to file evidence nor made any request to be heard. Only the Applicant elected to file written submissions in lieu of a hearing. I have taken the parties' submissions into consideration and will refer to them as and where appropriate during this decision. This decision has been taken following a careful perusal of the papers.
7. In these proceedings the Opponent is represented by Lane IP Limited and the Applicant is represented by Wilson Gunn.
8. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied upon in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

## **DECISION**

### **Legislation and Case Law**

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

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

[...]

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

10. I am guided by the following principles which are gleaned from the decisions of the EU courts 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:*

- (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**

11. Section 60A of the Act provides:

“(1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.”

12. When considering whether goods and services are similar, all the relevant factors relating to the goods and services should be taken into account. Those factors include, inter alia:<sup>1</sup>

- (a) the physical nature of the goods or acts of service;
- (b) their intended purpose;

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<sup>1</sup> See *Canon*, Case C-39/97, paragraph 23; and *British Sugar PLC v James Robertson & Sons Ltd.*, [1996] R.P.C. 281 – the “*Treat*” case

- (c) their method of use / uses;
- (d) who the users of the goods and services are;
- (e) the trade channels through which the goods or services reach the market;
- (f) in the case of self-serve consumer items, where in practice they are found or likely to be found in shops and in particular whether they are, or are likely to be, found on the same or different shelves; and
- (g) whether they are in competition with each other (taking into account how those in trade classify goods and services, for instance whether market research companies put them in the same or different sectors)

or

- (h) whether they are complementary to each other. Complementary means *“there is a close connection between them, 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”*.<sup>2</sup> I note that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity.<sup>3</sup>

13. When interpreting the terms in a specification I bear in mind:

- (a) that it is *“necessary to focus on the core of what is described [... and that] trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise”*, although *“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 [and services] in question”*,<sup>4</sup>

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<sup>2</sup> *Boston Scientific Ltd v OHIM*, Case T-325/06, paragraph 82

<sup>3</sup> *Kurt Hesse v OHIM*, Case C-50/15 P

<sup>4</sup> *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), paragraphs 11 - 12

(b) where “the words chosen may be vague or could refer to goods or services in numerous classes [of the Nice classification system], the class may be used as an aid to interpret what the words mean with the overall objective of legal certainty of the specification of goods and services”;<sup>5</sup>

(c) the following applicable principles of interpretation:

“(1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.

(2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.

(3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.

(4) A term which cannot be interpreted is to be disregarded.”<sup>6</sup>

14. The goods and services to be compared are as follows:

Opponent’s services	Applicant’s goods and services
	<p><u>Class 9</u></p> <p>Computer games software; software for use with game, entertainment, recreational, amusement, gaming and video game terminals, machines and apparatus; software for use in playing games and gaming game, entertainment, recreational and amusement machines and</p>

<sup>5</sup> *Pathway IP Sarl (formerly Regus No. 2 Sarl) v Easygroup Ltd (formerly Easygroup IP Licensing Limited)*, [2018] EWHC 3608 (Ch), paragraph 94

<sup>6</sup> See *Sky v Skykick* [2020] EWHC 990 (Ch), paragraph 56 (wherein Lord Justice Arnold, in the course of his judgment, set out a summary of the correct approach to interpreting broad and/or vague terms)



	<p>apparatus; cabinets, software and upgrade and modification kits; parts and fittings for all the aforesaid goods.</p>
	<p><u>Class 28</u></p> <p>Game, entertainment, recreational and amusement machines and apparatus; video game machines and apparatus; gaming machines; fruit machines; video game machines and apparatus; gaming machines; controlling apparatus and parts and fittings for game, entertainment, recreational and amusement machines and apparatus and video game machines and apparatus, all the aforesaid adapted for use with television receivers; parts and fittings for all the aforesaid goods.</p>
	<p><u>Class 41</u></p> <p>Entertainment, amusement, gaming and game services; providing games on-line or by wireless, by telephone or television or by internet or by remote or network communication; providing game, gaming, entertainment, amusement services on electronic, video and computer systems; providing amusement arcade services and facilities;</p>

	<p>providing services and facilities and making arrangements for playing amusement entertainment and gaming apparatus and machines; rental and leasing of gaming and entertainment machines and apparatus and of video games and amusement games and machines, advisory and consultancy services relating to gaming, entertainment and amusement machines and apparatus.</p>
<p><u>Class 42</u></p> <p>Computer services, namely, creating an on-line community for registered users to participate in discussions, get feedback from their peers, form virtual communities, and engage in social networking services in the field of entertainment, specifically, online video game servers; computer services to support online social networking services; computer services to support providing social online networking services to meet the needs of individuals.</p>	

15. The Applicant has summarised its goods and services as *“computer games, video games, software for those games, hardware such as fruit machines, gaming machines and apparatus, and online gaming services, amusement*

*arcade services, and video game services*".<sup>7</sup> I acknowledge that this is indeed a broad summary of its goods and services and I add to that summary that their services also include, inter alia, the broad terms of "*entertainment, amusement, gaming and game services*" in Class 41.

16. The Opponent is of the opinion that there is a high degree of similarity between the parties' respective goods and services. For its part, the Applicant submits that the "*only reference in [the Opponent's] services that draws any connection with [the Applicant's] goods and services is the reference to "entertainment and on-line game servers"*". The Applicant concludes (based on its interpretation of the Opponent's services), that there is, in essence, no similarity between the parties' respective goods and services.

#### Approach

17. Given, what may loosely be called the 'video games emphasis' of the Applicant's goods and services, I will firstly consider the following term in the Opponent's Class 42 specification ("**the Opponent's Term**") which makes reference to '*entertainment, specifically, online video game servers*':

*Computer services, namely, creating an on-line community for registered users to participate in discussions, get feedback from their peers, form virtual communities, and engage in social networking services in the field of entertainment, specifically, online video game servers*

18. Once I have considered the interpretation of the Opponent's Term, taking into account the parties' submissions, I shall then proceed with my comparison and assessment of similarity between the parties' goods and services.

#### Summary of the Opponent's submissions

19. The Opponent has made several submissions with regards to what it actually does/provides.

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<sup>7</sup> This summary is provided by the Applicant in its submissions dated 12 September 2022, paragraph 8

20. Albeit in reference to its comparison of the marks and the 'PVP' element of its mark, rather than in reference to a goods and services comparison per se, the Opponent submits that (my emphasis):

*"2. [...] To those unfamiliar with the **world of gaming** the letters PVP may at first sight appear to have distinctive character. However, to those familiar with gaming, **which the goods of both the Applicant and Opponent are directed at**, it is a very familiar shortening of 'player versus player', or PVP.*

*3. The letters PVP do not transform the meaning of COSMIC but to any consumer with any knowledge of, or interest in gaming, it reinforces the premise that COSMIC is **entertainment in the form of a game**.*

*4. The ordinary consumer cannot **purchase the game** solely by reference to PVP as this is widely used for **this style of player v player games**.*

*5. [...] the Applicant's COSMIC would simply be seen as a **version of the Opponent's offering** where player v player challenges were not possible."<sup>8</sup>*

21. The Opponent proceeds by submitting that (my emphasis):

*"12. The Opponent **seeks to socially link players** to players with an interest in the same game so they can play, comment on and discuss the game. They **create a virtual hub for the game** to attract users who are then able to meet likeminded users and enthusiasts and then create groups for their own specific interests.*

*13. Not only are the users identical but **the whole purpose of the Opponent's communities** are to focus upon online video game servers. [...]*

*[...]*

*16. With regard to the Applicant's class 41 services. We would say that all of the services are identical save for the Applicant's provision of "amusement arcade services and facilities; providing services and facilities and making*

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<sup>8</sup> See the Opponent's submissions dated 16 May 2022

*arrangements for playing amusement entertainment and gaming apparatus and machines;” which must at least be similar to the **virtual facilities which the Opponent creates.**”<sup>9</sup>*

22. I note that the Opponent makes reference to its ‘goods’ being a game whereas its registration is for services.

#### Summary of the Applicant’s submissions

23. In its submissions dated 12 September 2022, the Applicant sets out its interpretation of the Opponent’s Term (my emphasis):

*“4. It is quite clear from [the Opponent’s] class 42 specification that the services provided are **“computer services”** and that these services are described as being for creating an on-line community, discussions, feedback and social networking, all in the field of entertainment and for on-line game servers.*

*5. [The Opponent’s] services are therefore the **computer services provided to others**, namely, designing and creating the on-line networking, social networking, and virtual communities software. It is therefore correct that COSMIC PVP is the brand for the service provider/ services provided. The correct classification for on-line social networking services is class 45.*

[...]

*7. [The Opponent’s] services are **specialist computer services that will be required by customers that require the creation and support in respect of the on-line/ virtual communities**, and social networking related computer services that are provided by [the Opponent].*

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<sup>9</sup> Ibid.

## Interpretation of the Opponent's Term

24. The Applicant's submissions have drawn a distinction between the provision of online social networking services (which the Applicant points out, for classification purposes, belongs to Class 45) and the computer services that create the online social network (and then support the provision of that online social network) – I acknowledge this distinction.
25. The Opponent has submitted that "*digital conversion has blurred the once distinct boundaries between classes 9, 28, 41 and 42*". My interpretation of the Opponent's Term is done with the objective of legal certainty in mind (the Class number provides an aid to this interpretation) in order to ensure that there is not such a liberal interpretation of those services that their limits become fuzzy and imprecise. The interpretation will ultimately aid in establishing, for instance, the nature of the services, their intended purpose, who the notional user of the services would be, and the trade channels through which the services would reach the market.
26. It appears from the description the Opponent gives of its 'offering', that it provides a game, more specifically a game in the style of "*player v player*", and that it provides social networking services, and "*entertainment in the form of a game*". The Opponent itself is blurring the boundary of what its registration protects. I consider it necessary to use the Class as an aid to interpretation of the Opponent's Term, therefore at this point, I pause to note the wording of the Class 42 heading of the Nice Classification system and the accompanying 'Explanatory Note', namely:

### Class 42 heading:

*Scientific and technological services and research and design relating thereto; industrial analysis and industrial research services; design and development of computer hardware and software.*

Explanatory Note:

*Class 42 includes mainly services provided by persons, individually or collectively, in relation to the theoretical and practical aspects of complex fields of activities; such services are provided by members of professions such as chemists, physicists, engineers, computer programmers, etc.<sup>10</sup>*

27. Therefore, whilst the Opponent has made submissions about what it actually does, it is important to bear in mind what the terms specified in its registration, based on their ordinary and natural meaning, are apt to protect. My decision must not lose sight of the meaning of the Opponent's Term within the scope of Class 42 services, and not to interpret the services in such a way so as to widen their scope beyond that.
28. I am required to base my assessment on the notional and fair use of the Earlier Mark. That notional and fair use is in relation to the services clearly covered by the literal meaning of the terms specified in the registration, and not in relation to other goods or services. It is also not to be in relation to any goods or services that the Opponent may be providing during the actual course of its trade, that fall outside the scope of its registration i.e. goods and services that are extraneous to the earlier registration. Put plainly, if the earlier registration does not protect those extraneous goods and services, then they cannot be taken into consideration.
29. My interpretation is to be confined to the core of the possible meanings attributable to the Opponent's Term. The core of what is described is "*computer services*" - this is the primary indicator as to the kind of service. The wording that follows this term provides limitations and specifications that narrow and define the scope of the primary term "*computer services*".
30. The Opponent's Term can be broken down as follows: (i) the primary indicator is identified first i.e. the "*computer services*"; (ii) this service is narrowed to "*creating an online community*"; (iii) such community is created to have specific inbuilt

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<sup>10</sup> See the 'Nice Classification' available on the 'World Intellectual Property Organisation' website, [www.wipo.int/classifications/nice/en/](http://www.wipo.int/classifications/nice/en/)

functionalities and features which are to enable “*registered users [of the online community] to participate in discussions, get feedback from their peers, form virtual communities, and engage in social networking services*”; and (iv) such ‘discussions’, ‘feedback’, ‘communities’ and ‘social networks’ are “*in the field of entertainment, specifically, online video game servers*”.

31. I interpret the Opponent’s Term as meaning the rendering of ‘computer services’ for the creation (building) of an online community, which I interpret as being design and development services (that fall within the scope of Class 42) and not (i) the rendering of social networking services which “*socially link players*” of a game nor (ii) an actual game.
32. Taking this into account, I interpret the Opponent’s “*computer services*” as a ‘background’ service of the kind that would most likely be offered business to business. For example, a business may seek the ‘computer services’ of the Opponent to build an online community for them, with built-in functionalities/features (such as those detailed in the Opponent’s Term for example) that is customised “*in the field of online video game servers*”.
33. The ‘computer services’ rendered by the Opponent would be for the creation and support of that online community for the business customer. They would be provided behind the scenes to a business user and would not be provided to the end user of the online community, the end user being a member of the general public. It would be the business customer of the Opponent who would subsequently be the one to offer the downstream social networking services to its customers/ registered users (for example, ‘gamers’) via the online community.
34. Therefore, the users of the online community would be the customers/ registered users of the business that commissioned the Opponent’s services, and not the user of the Opponent’s services, which is different.
35. An analogous situation could be, for example, computer services rendered for the creation and design of a website and maintenance and support of that website. The users of the actual website are not the users of the computer services that created and support that website. In other words, in order to use



that website, the user of the website does not first seek out computer services to create that website before it can use it.

36. Likewise the users of any goods and services provided via that website are the users of those goods and services and not the users of the 'computer services' that created the website where they can buy or access those goods and services.
37. Therefore, although the Opponent may (in addition to its computer services for which the Earlier Mark is registered) also be supplying goods (i.e. games) and rendering online social networking services that 'socially link players' of a game, this is not, in my view, what the Earlier Mark is registered for. A registered user of those services and a user of those games would not consider themselves to be using 'computer services' in an ordinary understanding of that term.
38. To clarify my interpretation still further, another analogy might be the construction of leisure centres, which would involve the construction of large complexes that house multiple facilities all under one roof, facilities such as swimming pools, courts for racket sports, saunas, gyms etc. The construction services are likely to be commissioned by a leisure services provider and the building services are likely to be provided by building contractors that specialise in the construction of leisure facilities. Once the building of the leisure centre is complete, the facilities it houses would then enable the leisure services provider to offer an array of services – all services being under the general ambit of 'leisure'.
39. Applying this 'leisure centre' analogy to the Opponent's Term, I see the Opponent's computer services as analogous to the building services. The online community created by the provision of the computer services is analogous to the leisure centre that is built by the provision of the building services.
40. Further, the online community is created so that it 'hosts' the tools and functionalities that enable registered users to *"participate in discussions, get feedback from their peers, form virtual communities, and engage in social networking services in the field of entertainment, specifically, online video game servers"*. This is analogous to the leisure centre being built so that it houses the facilities that enable members to participate in a range of activities (such as swimming, squash etc) and engage in 'leisure services' in the field of recreation.

A particular leisure centre could even be 'specialised' in the sense that it may house a velodrome for example, and so the 'field of recreation' could be 'specifically, cycling'.

41. The reason I make this analogy is to illustrate that the organisation responsible for the construction of that leisure centre is the provider of construction services. They would provide their services to the leisure service provider (e.g. a business) and not to the members of the public who will use the leisure facilities. The construction company therefore offers a background service to the leisure services provider, which is different to, and can be distinguished from, the leisure services being provided to the public via the leisure centre it has built. Therefore although the ambit of the construction company's services and the leisure services provider is essentially 'leisure', the services are very different and targeted at different consumers.
42. It may be the intention of the Opponent to create an online social networking community exclusively for itself, and to offer the services of online social networking (that is in the field of online video game servers), via that community that it has created. However, that does not alter my finding that the Opponent's specification does not protect any service other than the background 'computer services' concerned with creation and support.
43. To allow the extension of the Opponent's Term in Class 42 to the rendering of online social networking services (of the kind described in its submissions), and the provision of "*entertainment in the form of a game*", would lead to legal uncertainty as to the extent of protection afforded by the Earlier Mark, and would result in a wide interpretation of the services. In addition, third parties, particularly competitors, upon reading the Opponent's specification, would not be aware, for instance, of the Opponent's actual intention i.e. that its 'creation and support' services are restricted and not intended to be offered as a service to others.

## Comparison

44. The goods and services being compared are (broadly speaking):
- (a) on the one hand, the Opponent's services are 'computer services for the creation of an online community' (and the members of that community can engage with each other in relation to the subject matter of '*online video game servers*'); and 'computer services' that support the provision of online communities and social networking services (all in Class 42); and
  - (b) on the other hand, the Applicant's goods are games software (Class 9) and game consoles and arcade machines (Class 28); and the Applicant's services are entertainment, amusement, gaming and game services, services for the provision and rental of games and gaming apparatus, and the provision of amusement arcade services (Class 41).

I note the comparison is not between: (i) the Applicant's goods and services; and (ii) a game, nor an online social networking service that socially links players of a game.

45. Although the subject matter (i.e. field of interest) of the online community that the Opponent creates via the rendering of its 'computer services' is 'online video game servers', this is not sufficient to render those services similar to the Applicant's goods and services (I refer back to my 'leisure centre' analogy for example, to illustrate this point).
46. The Opponent's services in Class 42 and the Applicant's goods and services differ in nature. This is because the core nature of the Opponent's services is computer services that create and support a bespoke online community, and it does not overlap with any of the goods and services applied for.
47. The respective goods and services differ in their intended purpose, since the intended purpose of the Opponent's services is to render computer services that create and support an online community, and this purpose is different from the purpose of any of the goods and services applied for.

48. The respective goods and services differ in their method of use i.e. how they are used. The way the user of the Opponent's services is likely to use those services would be by commissioning them, in other words, the method of use is the act of the user ordering/requesting the creation of the online community for them. In contrast, the Applicant's goods and services would not be used in this way.
49. The users will also be different. Whilst, generally speaking, there is likely to be an overlap between users of online social networking service that has a subject matter of 'online video game servers', and users of the Applicant's goods and services (both users are likely to be 'gamers'), this is not what is being compared.
50. The user of the Opponent's services is likely to be a business user, who wants the online community created for them, so that they can offer online social networking services to its customers/ registered users (who are 'gamers' for example). Whereas the user of the Applicant's goods and services is likely to be a member of the general public.
51. Indeed, the general public user would know the identity of the business owner whose online community they subscribe to and use the services of, but they are unlikely to know, and are unlikely to care about the identity of the company that provided that business with the 'background' services of creating and supporting that online community. Essentially, the Opponent's services rendered to the business would likely be unseen by the general public.
52. To illustrate this point, I note the analogy accepted by the Appointed Person in *Cornerstone FX Limited v Cornerstone FS PLC*:

*"18. [...] "An analogous situation would be where you have a restaurant providing restaurant services under the name "Abacus" and a recruitment firm providing services also under the name "Abacus" and who provide temporary agency catering staff to work in restaurants. The customers to the restaurant do not know that some of the staff are temporary agency staff and even if they do they do not know the name of the agency that supplies the staff. They simply use the restaurant services provided by the restaurant under the Abacus name".*

19. *In the above, customers of the restaurant will neither know nor care about the identity of the firm providing staff to the restaurant. [...].*<sup>11</sup>

53. The users of the Applicant's goods and services (and users of online social networking services) i.e. members of the general public – would be the customers of the restaurant in this analogy; and the users of the Opponent's services i.e. businesses – would be the restaurant in this analogy. They ultimately represent different consumers.
54. I acknowledge that the Applicant's Class 41 services "*rental and leasing of gaming and entertainment machines and apparatus and of video games and amusement games and machines*" may involve a business user or a member of the general public. However, this is not sufficient to establish similarity with the Opponent's services because, inter alia, they do not overlap in nature, purpose or use and they are not complementary to each other.
55. The respective goods and services also differ in the trade channels through which they reach the market. For example, the Opponent's services would likely reach the market through specialised channels dedicated to providing computer services to businesses, whereas the Applicant's goods and services would likely reach the market through market channels aimed at supplying the general public.
56. The goods and services are not in competition with each other: they fall in different market sectors, are intended for different publics and are not substitutable.
57. I now turn to complementarity. I note that, in general terms, goods and services may be complementary, and therefore similar to a degree, in circumstances where their nature and purpose are different. The purpose of examining whether there is a complementary relationship between goods and services is to assess whether members of the relevant public are likely to believe that the responsibility

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<sup>11</sup> *Cornerstone FX Limited v Cornerstone FS PLC*, Case BL O/589/22, (wherein "clearing house services" in the context of financial services were considered to be "back-office" services that were behind the scenes provided business to business and were not customer-facing i.e. they were not provided to members of the general public who were customers of the financial institution), paragraphs 18 – 19

for the goods and services lies with the same undertaking or with economically connected undertakings.<sup>12</sup>

58. The case-law definition with regards to complementarity implies that complementary goods or services can be used together, which presupposes that they are intended for the same public. It follows therefore that goods and services cannot be complementary if they are intended for different publics.<sup>13</sup>

59. The users of the Opponent's services are likely to be businesses and the users of the Applicant's goods and services are aimed at the general public who are likely to be 'gamers' for example; they are therefore aimed at different 'publics'. As such, the respective goods and services would not be complementary to each other. In *Commercy AG v OHIM*,<sup>14</sup> for example, the General Court upheld a finding of the Second Board of Appeal of OHIM that:

*"49. [...] complementarity had to be excluded in the present case since the public at large, for which the services covered by the mark at issue are intended, does not purchase the relevant goods and services covered by the earlier mark, which are exclusively intended for businesses which, subsequently, provide services to the public at large."*

60. I also note that in *Commercy AG v OHIM*, the earlier mark was registered for, inter alia, Class 42 services '*Development and design of computer software, namely for internet shops and internet authoring systems, especially for the reservation, booking and payment of accommodation*' and the services covered by the mark at issue included, inter alia, Class 42 services '*Computerised hotel reservation services*'. The earlier rights' holder accepted that the end users were different but maintained that there was still a likelihood of confusion.<sup>15</sup> The General Court did not accept their argument, stating that:

*"60. [...] The commercial origin of the software and the computer services which enable the intervener's website to function is not generally of the*

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<sup>12</sup> *Sanco SA v OHIM*, Case T-249/11

<sup>13</sup> *Commercy AG v OHIM*, Case T-316/07

<sup>14</sup> *Ibid.*

<sup>15</sup> *Ibid.* paragraph 59

*slightest interest to the public for which the services covered by the mark at issue, which are supplied via that website, are intended. For that public, the intervener's website is a mere tool for the online reservation of travel and accommodation. What is of importance is that it functions well and not who provided the software and computer services which enable it to function."*

This finding by the General Court is comparable to the analogies I have made in the present case.

61. Finally, I return to the Opponent's point about digital conversion. Whilst I acknowledge that 'digital conversion' does have a role to play in specific instances, I think it would be misguided to apply a blanket approach to find similarity between Classes 9, 28, 41 and 42 on that basis alone, without considering and applying all the relevant factors when comparing the goods and services in the present case. I appreciate that 'digital conversion' has led to situations where, for example, goods such as 'smart watches' can be classified in Class 9 whilst still being considered to be 'watches' in the sense that they are chronometric instruments (within the meaning of Class 14), however, there is no 'blurring of the lines' in the present case due to 'digital conversion'.
62. The Applicant has submitted that its goods and services are not "*similar to any degree*" to the Opponent's services and I agree. I find the Opponent has failed in its task of showing that its services are similar in any way to the Applicant's goods and services.
63. In conclusion, I do not find any similarity at all between the Opponent's services and the goods and services applied for. Since some degree of similarity between the goods and services is necessary in order to consider the likelihood of confusion, a finding of no similarity between them means that there is no likelihood of confusion to be considered.<sup>16</sup> Therefore the opposition must fail.

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<sup>16</sup> *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, paragraph 49

## **OUTCOME**

64. The opposition fails under section 5(2)(b) of the Act. Subject to any appeal, the Contested Mark, trade mark application number 3612898, shall proceed to registration for all the goods and services applied for in Classes 9, 28 and 41.

## **COSTS**

65. The Applicant has been successful and is entitled to a contribution towards its costs. In the circumstances I award the Applicant the sum of £500 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Preparation of the Notice of Defence and Counterstatement	£200
Preparing written submissions	£300
<b>TOTAL</b>	<b>£500</b>

66. I therefore order Poofless, LLC to pay Electrocoin Leisure (S. Wales) Ltd the sum of **£500**. The sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

**Dated this 5<sup>th</sup> day of December 2022**

**Daniela Ferrari**

**For the Registrar**