0/799/22

TRADE MARKS ACT 1994

IN THE MATTER OF THE UK DESIGNATION OF INTERNATIONAL REGISTRATION NO. 1574025 IN THE NAME OF SEMPER SMART GAMES, LLC

FOR THE TRADE MARK



IN CLASS 28

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 426710
BY S.I.P. S.A.

BACKGROUND AND PLEADINGS

1. On 03 December 2020, International Registration ("IR") no. 1574025 was registered

for the trade mark shown on the cover page of this decision, based on US Trade Mark

No. 88946411 with a priority date of 03 June 2020. With effect from the claimed priority

date, Semper Smart Games, LLC ("the holder") designated the United Kingdom for

protection of the mark. The colours blue, red, orange, yellow and green are claimed

as a feature of the mark.

2. The designation was accepted and published for opposition purposes on 23 July

2021 in respect of the following goods

Class 28: Board games; card games; dice games; party games.

3. The designation is opposed by S.I.P. S.A. ("the opponent"). The opposition was

filed on 08 September 2021 and is based upon Section 5(2)(b) of the Trade Marks Act

1994 ("the Act"). The opposition is directed against all of the goods in the designation.

The opponent relies upon the following UK comparable marks:

smart games

UK Trade Mark Registration Number 906515639

Filing date: 14 December 2007

Registration date: 21 January 2010

Registered in Classes 9, 16 and 28

Relying on all goods, namely:

Class 9: Recorded programs and computer software for electronic 2D, 3D

and n-dimensional puzzles; puzzle computers.

Class 16: Printed matter, in particular puzzle books.

Class 28: 2D and 3D puzzles.

("Mark 1"); and



UK Trade Mark Registration Number 801313292

Filing date: 28 June 2016

Priority date claimed: 24 June 2016

Registration date: 15 March 2017

Registered in Classes 9, 16, 28, 35 and 41

Relying on some goods and services, namely:

Class 9: Photographic, cinematographic and electronic apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic and / or optical data carriers, recording discs; compact discs, CD-ROMs, CD-I, DVDs and other digital media; videotapes; data processing equipment and computers; software for computer games; software for use as programming interfaces of applications (apps) for software for enabling online services, building applications and for retrieving, uploading, downloading, accessing and managing data; software for uploading, downloading, accessing, posting or displaying, tagging, blogging, streaming, linking, sharing or otherwise providing electronic media or information via computer and communication.

Class 16: Paper, cardboard; printed matter; stationery; instructional and teaching material (except apparatus).

- Class 28: Games and playthings; playing cards; electrical and electronic games, other than those exclusively used with a television device; electrical and electronic toys including electronic gaming devices with built-in lcd screen; game consoles; computer games.
- Class 35: Retail services in relation to electronic games and playthings; business mediation in the wholesaling of whether or not electronic games and playthings; retail services via the internet (so called online shops) in games and playthings; advertisement; publicity; promotion; merchandising.

("Mark 2").

- 4. On 1 January 2021, the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing EUTM or International Trade Mark designating the EU. As a result, the opponent's marks were each converted into a comparable UK trade mark. Comparable UK marks are now recorded in the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original filing dates remain the same.
- 5. The opponent submits that its earlier mark "smart games" (Mark 1) is included entirely within the mark of the designation, and that the contested mark is similar to both its earlier marks. It submits that the holder's goods are identical to the "games and playthings" found within its Mark 2 Class 28 specification, and are identical with or similar to those goods for which the opponent's Mark 1 is registered. Due to the similarity of the marks and the identity and similarity of the goods, the opponent submits there is a likelihood of confusion, and requests that the designation be refused in its entirety, and an award of costs be made in the opponent's favour.
- 6. The holder filed a counterstatement denying the claims that the designation and its goods are similar to the opponent's marks.
- 7. Both parties filed written submissions which will not be summarised, but will be referred to as and where appropriate during this decision. Only the opponent filed

evidence, which will be summarised to the extent considered necessary. Neither party requested a hearing, therefore this decision is taken following careful consideration of the papers.

8. In these proceedings, the opponent is represented by Harrison IP Limited and the holder is represented by Zacco UK Limited.

Procedural issues

9. I note that the opponent has indicated on its form TM7 under Q2 STATEMENT OF USE that the registration or protection process for both its earlier marks was completed 5 years or more before the application date (or priority date, if applicable) of the International Registration it wishes to oppose. On its form TM8, the holder has indicated under Q7 Request for "proof of use" that it wants the opponent to provide proof of use for both the earlier marks.

10. The opponent's Mark 2, being UK Trade Mark Registration Number 801313292, is a comparable mark based on an IR designating the EU. The mark was registered on 15 March 2017. The contested mark claims a priority date of 3 June 2020. Consequently, the earlier mark appears to have been registered less than 5 years prior to the contested application. Therefore, the requirement to provide proof of use for this mark does not arise.

11. In relation to the evidence provided in support of the genuine use made of the earlier marks, I will consider this in relation to the opponent's earlier Mark 1 only.

Evidence

12. The opponent's evidence consists of a witness statement, dated 21 March 2022, by Rolf Vandoren, who is the CEO and co-founder of the "SMART group" of companies, and a Director of S.I.P. S.A., positions which he confirms he has held for almost 30 years. Attached to the witness statement are two exhibits, labelled **Exhibit RV 1** and **Exhibit RV 2** respectively.

- 13. The main purpose of the evidence is to demonstrate that the earlier marks have been put to genuine use in the relevant territory during the relevant period.
- 14. I have read and considered all of the evidence and I will refer to the relevant parts at the appropriate points in the decision.

DECISION

- 15. Although the UK has left the European Union, 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 on in these proceedings are derived from an EU Directive. Therefore, this decision contains references to the trade mark case-law of the European courts.
- 16. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:
 - "6.- (1) In this Act an "earlier trade mark" means -
 - (a) a registered trade mark, international trade mark (UK) a European Union trade mark or international trade mark (EC) 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,

..."

- 17. Each of the two trade marks upon which the opponent relies qualifies as an earlier trade mark under the above provisions.
- 18. As outlined earlier in this decision under Procedural Issues, as Mark 2 had not completed the registration procedure more than five years before the priority date claimed for the designation of the contested mark, it is not subject to the provisions on use contained in section 6A of the Act. The opponent is, therefore, entitled to rely

upon it in relation to all of the goods and services indicated without having to prove that genuine use has been made of it.

19. The opponent's Mark 1 completed the registration process more than five years before the priority date claimed for the designation of the contested mark, and, as a result, is subject to the provisions on use under Section 6A of the Act. The holder has required the opponent to provide proof of use of the mark for all the goods on which it relies, as listed under paragraph 3 of this decision.

Proof of Use

- 20. Proceedings were started on 08 September 2021, and at that time, the relevant statutory provisions under Section 6A of the Act were as follows¹:
 - (1) This section applies where -
 - (a) an application for registration of a trade mark has been published,
 - (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
 - (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.
 - (1A) In this section "the relevant period" means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.
 - (2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

¹ See Tribunal Practice Notice ("TPN") 2/2020 End of Transition Period – impact on tribunal proceedings.

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

(4) For these purposes –

- (a) use of a trade mark includes use in a form (the "variant form") differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and
- (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
- (5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.
- (5A) In relation to an international trade mark (EC) the reference in subsection (1)(c) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.
- (6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the

purposes of this section as if it were registered only in respect of those goods or services."

- 21. As the earlier marks are both comparable marks, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:
 - "(1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.
 - (2) Where the relevant period referred to in section 6A(3)(a) (the "five-year period") has expired before IP completion day
 - (a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and
 - (b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.
 - (3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day
 - (a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and
 - (b) the references in section 6A to the United Kingdom include the European Union".

22. Section 100 of the Act states that:

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

23. The relevant period during which genuine use must be shown is the five years ending with the priority date of the contested designation, which was 03 June 2020. The relevant period is 04 June 2015 to 03 June 2020. As the opponent's Mark 1 is a comparable mark, as per paragraph 7 of Part 1, Schedule 2A of the Act, the territory in which use must be shown is the United Kingdom which includes the European Union.

My approach

24. I note that the opponent's Mark 2, which is not subject to the provisions in relation to proof of use, has a wider specification than its first mark. The opponent's Mark 1 is a word only mark, which may be used in any standard font or colour. Having reviewed the evidence, for reasons that will become apparent throughout the course of my decision, I propose to proceed on the basis that the opponent has put the applicable earlier mark to genuine use for all of those goods upon which it relies during the relevant period and within the relevant territory. As a result, I will now move to consider the 5(2)(b) ground of the opposition in full.

Section 5(2)(b)

- 25. Section 5(2)(b) is relied upon, which reads as follows:
 - "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".

- 26. 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 Office for Harmonisation in the Internal Market (Trade Marks and Designs) ("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 greater 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 to mind the earlier mark, 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 will wrongly 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

- 27. Section 60A of the Act provides:
 - "(1) For the purposes 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.

- (2) In subsection (1), the "Nice Classification" means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1979."
- 28. I am therefore mindful of the fact that the appearance of respective goods and services in the same class is not sufficient in itself to find similarity between those goods and services, and that likewise, neither are goods and services to be automatically found to be dissimilar simply because they fall in a different class.

29. The goods and services to be compared are:

Opponent's goods and services	Holder's goods
Mark 1:	Class 28
Class 9	Board games; card games; dice games;
Recorded programs and computer	party games.
software for electronic 2D, 3D and n-	
dimensional puzzles; puzzle computers.	
Class 16	
Printed matter, in particular puzzle books.	
Class 28	
2D and 3D puzzles.	
Mark 2:	
Class 9	
Photographic, cinematographic and	
electronic apparatus and instruments;	
apparatus for recording, transmission or	
reproduction of sound or images; magnetic	
and / or optical data carriers, recording	
discs; compact discs, CD-ROMs, CD-I,	
DVDs and other digital media; videotapes;	

data processing equipment and computers; software for computer games; software for use as programming interfaces of applications (apps) for software for enabling online services, building applications and for retrieving, uploading, downloading, accessing and managing data; software for uploading, downloading, accessing, posting or displaying, tagging, blogging, streaming, linking, sharing or otherwise providing electronic media or information via computer and communication.

Class 16

Paper, cardboard; printed matter; stationery; instructional and teaching material (except apparatus).

Class 28

Games and playthings; playing cards; electrical and electronic games, other than those exclusively used with a television device; electrical and electronic toys including electronic gaming devices with built-in lcd screen; game consoles; computer games.

Class 35

Retail services in relation to electronic games and playthings; business mediation in the wholesaling of whether or not electronic games and playthings; retail services via the internet (so called online shops) in games and playthings;

advertisement; publicity; promotion;	
merchandising.	

30. In Gérard Meric v OHIM, Case T-133/05, the General Court ("GC") stated that:

"In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM - Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark".²

31. In *Canon*, Case C-39/97, the Court of Justice of the European Union ("CJEU") stated that:

"In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary".³

- 32. Additionally, the factors for assessing similarity between goods and services identified in *British Sugar Plc v James Robertson & Sons Limited* ("*Treat* ") [1996] R.P.C. 281 include an assessment of the channels of trade of the respective goods or services.
- 33. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity

_

² Paragraph 29

³ Paragraph 23

between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the GC stated that "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".⁴

34. For the purposes of considering the issue of similarity of goods, it is permissible to consider groups of terms collectively where appropriate. In *Separode Trade Mark*, BL O-399-10, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, said:

"The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision." 5

35. While making my comparison, I bear in mind the comments of Floyd J. (as he then was) in *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch):

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category

_

⁴ Paragraph 82

⁵ Paragraph 5

of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

36. In its Statement of Grounds, and as referred to in its final written submissions, the opponent submits that the holder's goods are all games in Class 28, and that its own earlier Mark 2 covers games and playthings in Class 28, therefore the opposing goods are clearly identical. It further submits that the Class 28 goods of its earlier Mark 1 are puzzles, which by definition are games, and that the qualifying words in the holder's specification do not make any material difference, as the goods are still games. It contends that the holder's goods are therefore identical with, or similar to, those of earlier marks.

37. In its written submissions, the holder submits the designation "narrowly seeks to cover "Board games; card games; dice games; party games" in class 28, none of which are identically covered by the class 28 specifications owned by the opponent. Therefore, the specifications are not identical".

38. The holder's "Board games; card games; dice games; party games" are encompassed within the broader term "Games and playthings" of the Class 28 specification of the opponent's Mark 2. As such, I find the respective goods identical as per the principle outlined in Meric.

39. In relation to the goods in Class 28 of the opponent's Mark 1, I agree with the opponent that a puzzle within the context of those goods may be defined as a game. Taking into consideration the guidance from *YouView*, I cannot agree, however, that this renders them identical to the holder's "Board games; card games; dice games; party games", as in my view, the qualifying words will tell the average consumer exactly what type of game is being provided, none of which in this case is specifically a puzzle, and to consider them as such would mean a straining of the language. I agree with the opponent's submissions that there will be an overlap in users of the opposing goods, although the method of use will differ in nature depending on the

⁶ Paragraph 12

individual game - I do not consider a dice game, for example, to be of the same nature or have the same method of employ as a puzzle. That being said, the competing goods will share the same channels of trade and may also be in competition with each other, with the consumer making an informed choice between the type of game it wishes to purchase. Neither would it be unreasonable for the average consumer to expect the competing goods to be provided from the same or economically linked undertakings. Overall, I consider the holder's "Board games; card games; dice games; party games" to be similar to the opponent's "2D and 3D puzzles" to at least a medium degree.

The average consumer and the nature of the purchasing act

40. In Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited, [2014] EWHC 439 (Ch), Birss J. (as he was then) described the average consumer in these terms:

"The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The word "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median".

41. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

42. In its Statement of Grounds, the opponent submits that the average consumer will be a member of the general public and that the cost of the goods in question will be relatively low, and self-selected from shelves of a retail outlet or online equivalent, where visual considerations will dominate. The holder submits that the average

⁷ Paragraph 60

consumer is likely to be a parent or guardian who will consider the contents and suitability of the products before purchasing, and as such the products will command a high degree of attention.

43. I agree that the average consumer of the competing goods will be the general public of all ages. The cost of the purchase is likely to be relatively low and the goods will be purchased reasonably frequently, particularly for 'pocket money' games targeted at children, although I acknowledge that some types of games, especially those designed for adults, may be more expensive one-off purchases.

44. I consider that due to their nature, the selection process of the goods will be a predominantly visual one, although aural considerations will play their part and may include oral recommendations or advice from sales representatives. In retail stores, the goods may be displayed on shelves, where they will be viewed and self-selected by the consumer. A similar process will apply to websites, where the consumer will select the goods having viewed an image displayed on a web page.

45. The level of attention is likely to vary from a low level of attention, particularly where the consumer is a child, to a medium level of attention for goods purchased by adults, including where the adult is making the purchase on behalf of someone younger, and where considerations such as the general suitability of the goods, as well as safety considerations, form part of the selection process.

Comparison of marks

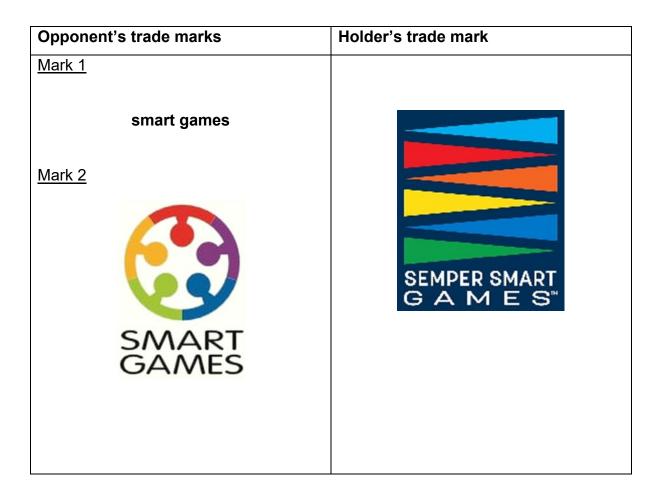
46. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo SA v OHIM* Case C-591/12P, that:

".....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means

of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."⁸

47. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

48. The respective trade marks are shown below:



49. The opponent submits that although the marks have some differences visually and phonetically, there are strong visual, phonetic and conceptual similarities between the marks. It states that while the holder's mark contains a distinctive device element

⁸ Paragraph 34

which is different in shape to the opponent's device in its Mark 2, there are visual similarities in the similar colour spectrum incorporated in both marks, and that the holder's mark also contains the opponent's word mark (Mark 1) in its entirety.

50. The holder submits that visually, its mark has a very different impact to the earlier registrations because it consists of the dominant and distinctive word SEMPER, and a logo, which comprises an angular shape, and which makes up around 75% of the total mark, with the words at the bottom. Meanwhile, it states that the opponent's Mark 2 consists of a circular device, and the common words "smart" and "games" are positioned differently within the respective marks. It further submits that such differences would be impossible for a consumer to ignore.

Overall impression

- 51. The opponent's Mark 1 consists of two dictionary defined words, "smart" and "games", presented equally in a standard black font in lower case, without any other elements to contribute to the overall impression. The overall impression conveyed by the mark therefore rests in the two word combination.
- 52. The opponent's Mark 2 comprises a double outlined, infilled circular device which is divided into 5 different coloured segments. Emanating inwards from each of these segments, and in the same colour as the corresponding section, is a short line which ends in a small circle. Below and central to the device element, the word "SMART" is positioned directly above the word "GAMES", both words presented in capital letters, in the same sized, standard, black font. Although it could be said that the device element is slightly larger than the combined words in the overall impression, I consider that the device and the words "SMART GAMES" make a roughly equal contribution to the overall impression.
- 53. The holder's mark consists of a vertical dark blue rectangle which contains 6 horizontal triangles of different colours, which sit one above the other without touching, and which to my mind resemble pennants. Within the rectangle and below the triangles are the words "SEMPER SMART GAMES", each presented in the same white font, with the words "SEMPER SMART" positioned side by side, directly below

the device element, and the word "GAMES", which is presented in a slightly larger font, being positioned directly beneath the previous two words. The letters TM appear next to the word "GAMES" in a much smaller superscript. Although the multi-coloured triangles take up the greater area of the mark overall, in my view, the device element and the words contribute equally to the overall impression.

Visual comparison

54. All three marks contain the words "smart games", however, the opponent's Mark 2 and the holder's mark contain the additional elements as previously described. The opponent's Mark 1 is wholly contained within the holder's mark. I note that the registration of a word mark gives protection irrespective of capitalisation (see *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17). The position of the words in the contested mark, with the word "GAMES" sitting below the device and the words "SEMPER SMART", as well as the device element of the holder's mark, all contribute to a visual disparity between the marks, which overall I consider to be visually similar to a very low degree. For the opponent's Mark 2, there is similarity between the colours of the device element and those of the holder's mark, however, the competing devices differ in shape and form. Both marks have in common the words "SMART" and "GAMES" positioned one above the other. However, the holder's mark contains the additional word "SEMPER", positioned immediately prior to the "SMART" element. Considering the marks as a whole, I find there to be no more than a medium degree of visual similarity between them.

Aural comparison

55. The common element in all three marks are the word "SMART GAMES", which would be pronounced equally in each of the marks. However, the additional word "SEMPER" would also be voiced in the holder's mark, the whole being pronounced as four syllables, SEM-PURR SMART GAMES, while the opponent's marks would be pronounced equally as two syllables, SMART GAMES. As the figurative elements in the opponent's Mark 2 and the holder's mark would not be articulated, I consider the competing marks to be aurally similar to a medium degree.

Conceptual comparison

56. The opponent submits that the conceptual meaning of 'smart games' is of games which are clever or involve a level of skill. In my view, in all three marks, a significant proportion of consumers would understand the words "smart games" as described above by the opponent, or as referring to some kind of interactive 'intelligent' component of the goods at issue. For a conceptual message to be relevant, it must be capable of immediate grasp by the average consumer. I agree with the holder who submits that although the meaning of the word "SEMPER" in its mark means "always" in Latin, that meaning would not be apparent or immediately recognisable to the average UK consumer, and is likely to be perceived as an invented word. I consider the figurative element in each of the competing marks to be a random inclusion which does not hold any conceptual identity. Therefore, it is only the concept of games which are 'smart' which is common to all three marks, with the word "SEMPER" in the contested mark being absent from the earlier marks. To my mind, the word "SEMPER" is likely to be perceived as the 'house mark', with the subsequent words "SMART GAMES" being understood as describing the type of goods being provided. As the opponent's marks have no additional word element other than the words "SMART GAMES" to be compared with the contested mark, I consider that while this element, which is present in all three marks, sends an identical conceptual message which is highly allusive to the goods at issue, the competing marks overall are conceptually similar to no more than a medium degree.

Distinctive character of the earlier marks

57. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

58. In Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV, Case C-342/97 the CJEU stated that:

- "22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *WindsurfingChiemsee* v *Huber and Attenberger* [1999] ECR I-0000, paragraph 49).
- 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."
- 59. The holder submits that in relation to games and playthings generally, the words "smart games" are considered non-distinctive.
- 60. In its final submissions, the opponent submits that both its earlier marks have a high level of distinctiveness, but it has also conceded that the conceptual meaning of "smart games" is that of games which are clever or involve a level of skill.
- 61. Registered trade marks can possess varying degrees of inherent distinctive character, being lower where they are allusive or suggestive of a character of the goods, whereas invented words usually have a higher degree of distinctive character. The distinctiveness of a mark can be enhanced by virtue of the use made of it. The opponent has not claimed that its mark has enhanced distinctiveness, however, evidence of use of the marks has been filed. The territory relevant to the assessment of enhanced distinctiveness is the United Kingdom. As the case for enhanced

distinctiveness does not need to be expressly pleaded, I will assess the evidence provided in my considerations on whether the marks enjoy enhanced distinctiveness in relation to the UK market.

62. I will first consider the inherent distinctiveness of the opponent's Mark 1. The mark is made up of two ordinary, dictionary defined words, which, as mentioned earlier in paragraph 56 of this decision, when considered in combination, and in direct reference to the goods, describe, or at the very least strongly allude to, games which are clever or involve a level of skill, or which include some kind of intelligent component. I note that the mark is a UK comparable mark which was registered in January 2010. It is my view that if this mark were applied for today in the UK as the exact same word only mark, for the same goods, it is likely that it would fall foul of section 3(1)(b) and 3(1)(c) of the Act and would not be accepted for registration. However, as it is a registered trade mark, it must be regarded as having at least a minimum level of distinctive character. I refer to *Formula One Licensing BV v OHIM*, Case C-196/11P where the CJEU held that:

"41.it is not possible to find, with regard to a sign identical to a trade mark protected in a Member State, an absolute ground for refusal, such as the lack of distinctive character, provided by Article 7(1)(b) of Regulation No 40/94 and Article 3(1)(b) of Directives 89/104 and 2008/95. In this respect, it should be noted that the characterisation of a sign as descriptive or generic is equivalent to denying its distinctive character.

42. It is true that, as is clear from paragraph 48 of the judgment under appeal, where an opposition, based on the existence of an earlier national trade mark, is filed against the registration of a Community trade mark, OHIM and, consequently, the General Court, must verify the way in which the relevant public perceives the sign which is identical to the national trade mark in the mark applied for and evaluate, if necessary, the degree of distinctiveness of that sign.

43. However, as the appellant rightly points out, their verification has limits.

- 44. Their verification may not culminate in a finding of the lack of distinctive character of a sign identical to a registered and protected national trade mark, since such a finding would not be compatible with the coexistence of Community trade marks and national trade marks or with Article 8(1)(b) of Regulation No 40/94, read in conjunction with Article 8(2)(a)(ii)."
- 63. Consequently, I consider the mark to be very low in inherent distinctive character.
- 64. Turning to the opponent's Mark 2, it is the distinctiveness of the common element that is important. In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C., sitting as the Appointed Person said:
 - "39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it."
- 65. The device as a whole is not strikingly distinctive, neither is it particularly weak. It follows that if the common element "SMART GAMES" alone is considered very low in distinctive character, then it is the device element which elevates the mark to what I consider to be a medium degree of distinctiveness.
- 66. Turning to the assessment of enhanced distinctiveness of the earlier marks, I note that in the witness statement of Mr Vandoren, he states that the marks have been used continuously in the UK since at least 2016 under tacit and non-tacit licences. He states that turnover for the business done in the UK for the SMARTGAMES products "exceeds £1 million since a number of years and £1.5 million in 2021". However, there is no breakdown to show how that turnover relates to each individual trade mark or to the goods at issue. Further, the figures relating to 2021 fall after the priority date of the holder's designation.
- 67. Exhibit RV 1 consists of excerpts from brochures dated 2015, 2016, 2017. 2018, 2019, 2020, 2021 and 2022. The brochures are written in English and show Mark 2

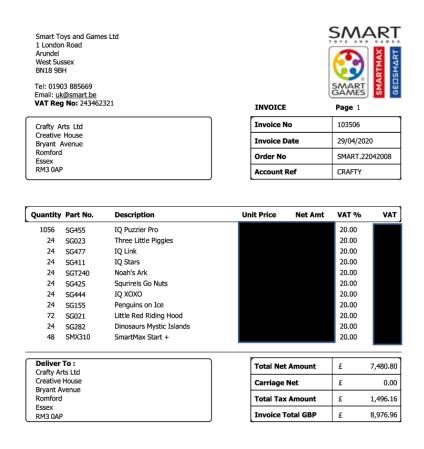
being featured alone, as well as alongside other products under a group of "SMART" trade marks, being "SMARTMAX®" and "GEOSMARTTM", all of which sit under the Introduction banner SMART TOYS AND GAMES, and are also referred to collectively as SmartGames within the text. By way of example, the image below is taken from the cover page and first page of the 2017 brochure:





I have no evidence to show how many of the aforementioned brochures were distributed throughout the UK, or how or where potential customers were able to purchase the goods in the UK. Neither have I been provided with any advertising figures, and the evidence does not tell me the UK market share for the goods at issue.

68. I note that the invoices provided by way of Exhibit RV 2 are headed Smart Toys and Games Ltd, followed by the company address on the top left-hand side, while the trio of aforementioned marks under the overall heading SMART TOYS AND GAMES appear on the top right of the invoices, with the exception of the invoices dated 2017, where the same information appears in a slightly different configuration. In all, there are 25 invoices dated between 2017 and 2021, with 15 of these invoices showing customers across the UK dated earlier than the priority date of the holder's designation. The remaining 10 invoices are either dated after the priority date, or are in relation to clients in Southern Ireland and therefore fall outside the United Kingdom. However, the pertinent invoices do not allow me to ascertain the amount of revenue generated in relation to the mark at issue, as the overall figures relate to goods which are clearly provided under the SMARTMAX and GEOSMART signs as well as the opponent's Mark 2:9



-

⁹ I note that at point 4 of the witness statement, Mr Vandoren states that the invoices contain the reference SG which pertain to goods sold under the "SMART GAMES" mark, however, while quantities of sales are shown, the unit price has been redacted.

69. I see no evidence of use for "smart games" alone being used as a trade mark, being the opponent's Mark 1, and therefore evidence of enhanced distinctiveness for this mark has not been proven. Meanwhile, although Mark 2 is clearly shown being used as a trade mark within the relevant dates within the UK, in view of the above findings, I do not consider the evidence sufficient to establish enhanced distinctiveness. If I am wrong in this and I have given insufficient weight to the overall turnover figures provided for the UK in relation to Mark 2, then I consider that it has been enhanced by only a modest degree.

Likelihood of confusion

70. There is no simple formula for determining whether there is a likelihood of confusion. It is clear that I must make a global assessment of the competing factors (*Sabel* at [22]), keeping in mind the interdependency between them i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa (*Canon* at [17]). I must consider the various factors from the perspective of the average consumer, bearing in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind (*Lloyd Schuhfabrik* at [26]).

71. There are two types of possible confusion: direct, where the average consumer mistakes one mark for the other, or indirect, where the average consumer recognises that the marks are different, but assumes that the goods and/or services are the responsibility of the same or connected undertakings. The distinction between these was explained by Mr Iain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v Back Beat Inc*, Case BL-O/375/10. He said:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning

– it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: "The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

- 17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:
- (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ("26 RED TESCO" would no doubt be such a case).
- (b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as "LITE", "EXPRESS", "WORLDWIDE", "MINI" etc.).
- (c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ("FAT FACE" to "BRAT FACE" for example)."
- 72. The above are examples only which are intended to be illustrative of the general approach. These examples are not exhaustive but provide helpful focus.
- 73. Earlier in this decision, I found that:
 - The contested goods are identical to those goods covered by the opponent's Mark 2, and are similar to at least a medium degree to the goods covered by the opponent's Mark 1;

- The level of attention of the average consumer will range from a low to medium degree when selecting the goods, with those goods being selected by predominantly visual means;
- In relation to the opponent's Mark 1, the competing trade marks are visually similar to a very low degree and are aurally similar to a medium degree;
- In relation to the opponent's Mark 2, the competing trade marks are visually similar to no more than a medium degree and are aurally similar to a medium degree;
- In relation to both the earlier marks, I considered that while an identical
 conceptual message was being sent through the non-distinctive words
 "smart games" in the competing marks, due to the additional distinctive
 element "SEMPER" in the holder's mark the marks overall are conceptually
 similar to no more than a medium degree;
- The earlier Mark 1 is inherently distinctive to a very low degree; the earlier Mark 2 is inherently distinctive to a medium degree by dint of the additional device element which is not common to the contested mark. For both the earlier marks, I found insufficient evidence of enhanced distinctive character through the use made of them. However, I also considered that if I had given insufficient weight to the evidence, then Mark 2 was enhanced by only a modest degree.
- 74. While there is similarity in the colours used in the device elements of both the holder's mark and the opponent's Mark 2, the shape and form of the respective devices are fundamentally different. Given the very low degree of distinctive character in relation to the words "smart games" common to all three marks, and that the purchasing process is predominantly visual, while allowing that the average consumer is unlikely to see the marks side-by-side and will therefore be reliant on the imperfect picture of them they have kept in their mind, I consider it unlikely that they would mistake the contested mark for either of the opponent's marks. In my view, in spite of the low to medium level of attention paid during the selection of the respective goods,

the average consumer will notice and recall the differences between the marks, particularly the "house mark" "SEMPER" in the contested designation and the different device elements in the opponent's Mark 2 and the holder's mark. When considered overall, I do not consider the commonalities to be sufficient to give rise to a likelihood of direct confusion. I find this even where the respective goods are held to be identical, which offsets a lesser degree of similarity between the marks, and even when taking into consideration a modest degree of enhanced distinctiveness for Mark 2.

75. Taking into account the previously outlined guidance of Mr Iain Purvis Q.C. in *L.A. Sugar*, I will now consider whether there might be a likelihood of indirect confusion. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C. (as he then was), as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

76. In *Liverpool Gin Distillery Ltd and others v Sazerac Brands, LLC and others* [2021] EWCA Civ 1207, the Court of Appeal dismissed an appeal against a ruling of the High Court that trade marks for the words EAGLE RARE registered for whisky and bourbon whiskey were infringed by the launch of a bourbon whiskey under the sign "American Eagle". In his decision, Lord Justice Arnold stated that:

"13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/219/16) at [16] "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Mr Mellor went on to say that, if there is no likelihood of direct confusion, "one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion". I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."

77. Keeping in mind the global assessment of the competing factors in my decision, it is my view that it is unlikely that the average consumer would assume that there is a connection between the parties, particularly when the point of similarity resides in an

element which is of weak distinctive character. I acknowledge that the categories listed by Mr Iain Purvis Q.C. are not exhaustive, however, I do not see anything which would lead the average consumer into believing that one mark is a brand extension of the other, or assume that there is an economic connection between the undertakings. I therefore find no likelihood of indirect confusion.

78. The opposition under section 5(2)(b) fails.

Conclusion

79. The opposition by S.I.P. S.A. has failed. Subject to any successful appeal, the IR by Semper Smart Games, LLC may be designated for protection in the UK in respect of all goods.

Costs

80. The holder has been successful, and is therefore entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice ("TPN") 2/2016. Applying the guidance in that TPN, I award the applicant the sum of £500, which is calculated as follows:

Considering the notice of opposition and filing a counterstatement: £200

Filing written submissions: £300

Total: £500

81. I therefore order S.I.P. S.A. to pay Semper Smart Games, LLC the sum of £500. The above 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 15th day of September 2022

Suzanne Hitchings
For the Registrar,
the Comptroller-General