

O-144-11

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATION 2439793  
IN THE NAME OF BECAUSE LIMITED  
IN RESPECT OF THE TRADE MARK**

**BEcause**

**AND**

**OPPOSITION THERETO (NO 96560) BY  
OEE LIMITED**

## TRADE MARKS ACT 1994

**In the matter of trade mark application 2439793 in the name of BEcause Limited to register a trade mark in classes 35 & 42**

**and**

**Opposition thereto (no 96560) by OEE Limited**

### **The background and the pleadings**

1) Trade mark application 2439793 was filed by BEcause Limited (“BL”) on 27 November 2006. The application was published in the Trade Marks Journal on 7 December 2007. I set out below the trade mark, together with the services for which registration is now sought:

#### **BEcause**

**Class 35:** Brand advertising, business consultancy, business research, compilation of brand information, brand marketing, brand promotional activities, arranging product launches, public relations, brand creation and brand communication services.

**Class 42:** Web design, design services, research services, computer software programming, brand design.

2) I say “now sought” because when the application was filed, registration was also sought for various services in class 41. BL deleted its class 41 services from its application after the opposition was received. Furthermore, the above class 35 services represent a restriction (post opposition) from the services as initially filed. Given the deletion/restriction, the opposition must be determined in relation to the services as they are set out above.

3) OEE Limited (“OEE”) opposes the registration of the above trade mark. It filed its opposition on 6 March 2008. It opposes the trade mark only in respect of the services sought to be registered in class 35. It does not oppose the registration of the mark in class 42. It initially opposed the services in class 41 but as this class has now been deleted there is nothing to decide in relation to this. OEE was advised of the restriction to the services in class 35 but, notwithstanding the restriction, OEE continued with its opposition. OEE bases its opposition under sections 5(2)(b) & 5(4)(a) of the Trade Marks Act 1994 (“the Act”). It relies on a number of trade marks/signs, the details of which can be seen in the following table:

Mark/sign details	Relevant dates	Goods/services
<p><u>S. 5(2)(b)</u> - UK trade mark 2377752 for the mark:</p> <p>BECAUSE MUSIC</p> <p><u>S. 5(4)(a)</u> - A sign corresponding to the above trade mark is relied upon. The sign is claimed to have been used in relation to goods and services corresponding to that of the earlier mark.</p>	<p><b>Filing date:</b> 10/11/2004</p> <p><b>Registration date:</b> 14/04/2006</p> <p>Use claimed from 2005.</p>	<p><b>Class 09:</b> Sound storage media, image storage media and data storage media; all being pre-recorded and including media for interactive use; apparatus for the recording, transmission, storage, processing and reproduction of data, texts, sound and images; compact discs, floppy discs, CD-Roms, DVDs, tapes, exposed cinematographic films and other storage media; software; MP3 players; computer hardware and software; ringtones.</p> <p><b>Class 38:</b> Broadcasting, cable, satellite and global computer network services; mobile telecommunications services; provision of global computer network(s).</p> <p><b>Class 41:</b> Publishing services; production of sound recordings, records, DVDs, CDs and videos; entertainment services; performance of musical, radio and television programs and performance of videos; performance of global computer network contents or programs.</p>
<p><u>S. 5(2)(b)</u> - UK trade mark 2377753 for the mark:</p> <p>BECAUSE RECORDS</p> <p><u>S. 5(4)(a)</u> - A sign corresponding to the above trade mark is relied upon. The sign is claimed to have been used in relation to goods and services corresponding to that of the earlier mark</p>	<p><b>Filing date:</b> 10/11/2004</p> <p><b>Registration date:</b> 14/04/2006</p> <p>Use claimed from 2005.</p>	<p><b>Class 09:</b> Sound storage media, image storage media and data storage media; all being pre-recorded and including media for interactive use; apparatus for the recording, transmission, storage, processing and reproduction of data, texts, sound and images; compact discs, floppy discs, CD-Roms, DVDs, tapes, exposed cinematographic films and other storage media; software; MP3 players; computer hardware and software; ringtones.</p> <p><b>Class 38:</b> Broadcasting, cable, satellite and global computer network services; mobile telecommunications services; provision of global computer network(s).</p> <p><b>Class 41:</b> Publishing services; production of sound recordings, records, DVDs, CDs and videos; entertainment services; performance of musical, radio and television programs and performance of videos; performance of global computer network contents or programs.</p>

<p><u>S. 5(2)(b)</u> - UK trade mark 2385612 for the mark:</p> <p>BECAUSE PUBLISHING</p> <p><u>S. 5(4)(a)</u> - A sign corresponding to the above trade mark is relied upon. The sign is claimed to have been used in relation to goods and services corresponding to that of the earlier mark</p>	<p><b>Filing date:</b> 26/02/2005</p> <p><b>Registration date:</b> 26/05/2006</p> <p>Use claimed from 2005</p>	<p><b>Class 09:</b> Sound storage media, image storage media and data storage media; all being pre-recorded and including media for interactive use; apparatus for the recording, transmission, storage, processing and reproduction of data, texts, sound and images; compact discs, floppy discs, CD-Roms, DVDs, tapes, exposed cinematographic films and other storage media; software; MP3 players; computer hardware and software; ringtones.</p> <p><b>Class 38:</b> Broadcasting, cable, satellite and global computer network services; mobile telecommunications services; provision of global computer network(s).</p> <p><b>Class 41:</b> Publishing services; production of sound recordings, records, DVDs, CDs and videos; promotions relating to music, performers and entertainment groups; entertainment services; performance of musical, radio and television programs and performance of videos; performance of global computer network contents or programs.</p>
<p><u>S. 5(4)(a) only</u> – the earlier sign relied upon being:</p> <p>BECAUSE</p> <p>The sign is claimed to have been used in relation to goods and services shown opposite.</p>	<p>Use claimed from 2005</p>	<p><b>Class 09:</b> Sound storage media, image storage media and data storage media; all being pre-recorded and including media for interactive use; apparatus for the recording, transmission, storage, processing and reproduction of data, texts, sound and images; compact discs, floppy discs, CD-Roms, DVDs, tapes, exposed cinematographic films and other storage media; software; MP3 players; computer hardware and software; ringtones.</p> <p><b>Class 38:</b> Broadcasting, cable, satellite and global computer network services; mobile telecommunications services; provision of global computer network(s).</p> <p><b>Class 41:</b> Publishing services; production of sound recordings, records, DVDs, CDs and videos; promotions relating to music, performers and entertainment groups; entertainment services; performance of musical, radio and television programs and performance of videos; performance of global computer network contents or programs.</p>

4) In terms of the section 5(2)(b) claims, all of the trade marks relied upon were filed before BL's application. There are no relevant priority/seniority dates in play. They all, therefore, count as earlier marks as defined by section 6 of the Act. None of the earlier marks were registered more than five years prior to the publication of BL's application. The requirement to meet the use conditions set out in section 6(A)<sup>1</sup> of the Act does not, therefore, apply to any of the earlier marks. The earlier marks may be taken into account for their specifications as registered. In terms of the section 5(4)(a) claims, OEE will need to show in its evidence that the earlier signs were associated with any goodwill that it may own. This will be assessed later.

5) Both sides filed evidence which I will summarise shortly. The matter then came to be heard before me on 4 March 2011. At the hearing OEE were represented by Ms Anna Edwards-Stuart, of Counsel, instructed by Marks & Clerk. BL were represented by Mr Louis Pittortou of Barker Brettell.

### **The material dates**

6) In relation to the section 5(2)(b) ground of opposition, the material date at which a likelihood of confusion must be established is the date of filing of BL's application, namely 27 November 2006.

7) In terms of the section 5(4)(a) ground, I note the judgment of the General Court ("GC") in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07 where it was stated:

"50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non registered national mark before the date of filing, in this case 11 March 2000."

8) Therefore, as with the section 5(2)(b) ground, the material date is also 27 November 2006. OEE must have been able to succeed in a passing-off claim and possessed a protectable goodwill at this date. The position at an earlier date

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<sup>1</sup> See section 6A of the Act, which was added to the Act by virtue of the Trade Marks (Proof of Use, etc.) Regulations) 2004 (SI 2004/946) which came into force on 5th May 2004.

may also be relevant. It could establish a senior user status, or that there has been common law acquiescence or that the status quo should not be disturbed as the parties have a concurrent goodwill<sup>2</sup>; I will return to this later if it is necessary and relevant to do so.

### **The evidence**

#### **OEE's evidence – witness statement of Emmanuel de Buretel dated 13 January 2010**

9) Mr de Buretel is the CEO of OEE. The following emerges from his evidence:

- That OEE was founded in 2005 and is a record label, music publishing and production company. It is the holding company of Because Music Ltd which, it is claimed, started trading in 2005.
- That OEE's website located at [www.becuase.tv](http://www.becuase.tv) serves as an advertising and promotional tool. The website contains a list of artists signed to OEE's label both in England and in France. The website contains other information such as news of album releases, tour dates and videos, radio/TV functions (allowing for the watching/listening of videos/music), photographs and back catalogue information about its signed artists. The website has links to the websites of the artists and also a shop where merchandise can be purchased. Exhibit 1 contains prints from the website. The website features the words BECAUSE/BECAUSE MUSIC in stylized script. The word BECAUSE is featured in various pieces of text within the website with no stylisation. Various artists and albums are featured. The recordings and events referred to are primarily from 2009 with some in 2008. All of this is after the material date. There is no differentiation between artists signed to the French label or to the English label. The information does, though, contain one document with an earlier date. This is in the form of an editorial (page 3 of the exhibit) on the website which refers to music never having been in greater shape than in 2006 and a reference to what is natural to listen to in 2006.
- Exhibit 2 shows various CDs/DVDs. In terms of those that date from 2006 or earlier, these are
  - i) AMADOU & MARIAM (COULIBALY) which has a copyright date of 2006 – there is a reference to “Distributed in France by Discograph”;

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<sup>2</sup> See, for instance: Croom's Trade Mark Application [2005] R.P.C. 2 and Daimlerchrysler AG v Javid Alavi (T/A Merc) [2001] R.P.C. 42.

- ii) AMADOU & MARIAM (1990-1995) which has a copyright date of 2005. All of the information on the CD cover is in French;
- iii) AFRICA PLAY ON with a copyright date of 2006 (this has a reference to being distributed in the UK by Warner Bros UK Ltd);
- iv) AMADOU & MARIAM (DIMANCHE A BAMAKO) which has a copyright date of 2004. The information on the CD is in English and was "Distributed by Warner Music Group Company";
- v) Paris Calling with a copyright date of 2006.

There are a good many more but they have dates between 2007 and 2009. Two cannot be dated. Both the pre- and post- date material features a logo based on the word BECAUSE (stylized and with a device element).

- OEE designs and produces posters/flyers to promote its artists' music/tours. They are handed out at bars/gigs, posters are given away as prizes and used in venues. Mr De Buretel says that they appear in prominent places. Examples are shown in Exhibit 3. It is not possible to identify the exact dates because the year is rarely given. Where it is possible to ascertain the year, one example, a flyer about "A cross the universe" is dated in 2008. There is a series of flyers/posters featuring Amadou & Mariam which appear to have been produced in 2005/2006. One is a flyer for cinema screenings, the flyer appears to have been produced on 24/1/2006 for screenings in February/March (presumably of that year). One mentions that a tour is to take place in September/October 2005 & February 2006. There is a flyer for Dimanche a Bamako (which is "out now") and information that Colibaly is to be released on 19 September (as this ties to the 2005 tour then it is reasonable to infer that these dates were in 2005). The flyers also indicate that a DVD is to be released in February 2006. A good amount of other evidence is provided but from after the material date or which cannot be dated. Most (but not all) of this material features the word BECAUSE in stylized form and with a device element.
- OEE also promotes its artists by way of billboards. These are said to be located in positions to gain maximum exposure and are found in Old Street London. No explanation is provided as to why Old Street will give maximum exposure. None of the billboards provided in the evidence can be placed before the material date.
- Exhibit 5 contains various press articles. They are said to include examples of OEE having negotiated lucrative contracts for its artists to promote some high profile companies (Nissan, Balenciaga & Diesel). It is

difficult to identify examples of this as the majority of them are simply newspaper/magazine articles about the artists or their releases. A good amount of the evidence is from after the material date. There are, though, press articles about the actress/singer Charlotte Gainsbourg. Some come from Autumn, August, September and October of 2006. They appear in some high profile national newspaper publications. In terms of the promotion (of other companies), I note an Autumn 2006 publication called Dummy in which Ms Gainsburgh is featured wearing a Balenciaga jacket and in the Evening Standard in September 2006 she sports other Balenciaga designs. Further examples are shown in Harpers Bazaar November 2007, Vanity Fair September 2007 and the Sunday Times June 2007.

- OEE makes it artists' music available on the Internet including on the website ITUNES for which prints are shown in Exhibit 6. None of the prints can be placed before the material date. The BECAUSE Label has a profile on Twitter (Exhibit 7) but when this profile was created is not clear. There is also an entry on Wikipedia which reads "Because Music is an independent record label originating in France. Its main headquarters are based in Paris with offices located in the UK, London". The webpage states that the label was founded in 2006. It lists the artists signed to the UK label (including Amadou & Mariam and Charlotte Gainsburgh) and the French label separately. The artists on the French label predominate. It is not clear when this Wikipedia entry was created.
- Annual sales and promotional figures are provided in Exhibit 9. They differentiate between the UK company and the French company. The UK figures relate to Because Music Limited. In 2005 sales for the UK company were £125,409 and marketing costs were £74,480, in 2006 they were £534,178 and £279,161 respectively. Figures for 2007 & 2008 are provided but as this is after the material date I will not detail them. By way of comparison, the French company sales and marketing costs are significantly higher. For example, in 2006 sales were over £10million and marketing costs were £3.5million.
- Exhibit 10 contains articles from the music press. This is intended to show the record label's reputation in the music industry. It is stated that OEE's role in designing press releases and advising on how to gain exposure in the marketplace through the media is an important part of the services it provides to its artists. Most of the examples are from after the material date. There are, though, a number in respect of Amadou & Mariam from 2005/2006. Advertisements etc. feature comments from reviews by various publications including Q, MOJO and various national newspapers. They feature the word and logo form as referred to earlier. There is also a flyer/advertisement for AKLI D, which has comments from FRODO, Songlines and the Daily Telegraph. It was produced on 19 October 2006.



Where and when it was published is not clear. An extract from Loud & Quiet about the label itself is shown in Exhibit 11, this is dated February 2009.

- It is stated that OEE provides advice on the promotion and advertising of music artists in its work as a music publisher and production company and, therefore, there is a strong link with BL's services in class 35. Reference is made to the clash with BL's class 42 services but as this is not the subject of the opposition I will say no more.

*BL's evidence – witness statement of Joss Davidge dated 14 April 2010*

10) Ms Davidge is the Marketing & Business Development director of BL. Her evidence relates, primarily, to the business that BL operates. As it is clear from the evidence that BL did not use the BEcause name until 2007 (after the material date) then there can be no claim to there being an earlier or concurrent goodwill. I will, therefore, only detail the evidence briefly:

- BL is a marketing company focusing on the marketing of the brands of companies. It has had a number of high profile clients. It sells itself as an experimental marketing company.
- BL has undertaken the above activity on a number of fronts including in-store demos, product launches and other promotional activities which often involve interaction with customers.
- None of its outputs feature the BEcause name so as to not detract from the brand being advertised.
- The BE part of BEcause is emphasized in its own marketing material by using words such as BE young, BE natural etc.
- BL has won a number of industry awards for the services it provides.
- That no instances of confusion with OEE's services has been encountered. This is put down to the difference in the fields in which OEE and BL operate. It is stated that BL has a strong reputation in the corporate marketing world and does not operate in the music industry. Nor does BL represent music artists and has no intention of doing so.
- It is stated that the promotional activities conducted by OEE are for the benefit of its artists and is ancillary to the sale of physical music etc.

OEE's reply evidence – witness statement of Emmanuel de Buretel dated 8 July 2010

11) This is the same Mr de Buretel who gave evidence earlier. OEE requested, and was granted, confidentiality in respect of this reply evidence. Any further references to the detailed content of this evidence will be redacted from the public version of this decision. The following emerges from the evidence:

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## **Section 5(2)(b) of the Act**

### **The law**

12) Section 5(2)(b) of the Act reads:

“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.”

13) In reaching my decision I have taken into account the guidance provided by the European Court of Justice (“ECJ”) in a number of judgments: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05).

14) The existence of a likelihood of confusion must be appreciated globally, taking into account all relevant factors (*Sabel BV v Puma AG*). As well as assessing whether the respective marks and the respective goods/services are similar, other factors are relevant including:

The nature of the average consumer of the goods/services in question and the nature of his or her purchasing act. This is relevant because it is through such a person’s eyes that matters must be judged (*Sabel BV v Puma AG*);

That the average consumer rarely has the chance to make direct comparisons between trade marks and must, instead, rely upon the imperfect picture of them he or she has kept in mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*) This is often referred to as the concept of “imperfect recollection”;

That the degree of distinctiveness of the earlier trade mark (due either to its inherent qualities or through the use made of it) is an important factor because confusion is more likely the more distinctive the earlier trade mark is (*Sabel BV v Puma AG*);

That there is interdependency between the various factors, for example, a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the respective goods/services, and vice versa (*Canon Kabushiki Kaisha v Metro- Goldwyn-Mayer Inc*).

15) In terms of the goods/services, the comparison (and whether there is a likelihood of confusion) must be based on the terms covered by the specification and the notional use of such terms in trade. In terms of the assessment of similarity, all relevant factors relating to the goods and services in the respective specifications should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the ECJ stated at paragraph 23 of its judgment:

“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.”

16) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

- “(a) The respective uses of the respective goods or services;
- (a) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

17) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In

*Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 325/06* it was stated:

“It is true that goods are complementary if 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 (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

18) In relation to understanding what terms used in specifications mean/cover, the case-law informs me that “in construing a word used in a trade mark specification, one is concerned with how the product/service is, as a practical matter, regarded for the purposes of the trade”<sup>3</sup> and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning<sup>4</sup>. However, I must also be conscious not to give a listed service too broad an interpretation; in *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16 (“*Avnet*”) Jacob J stated:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

19) Finally, when comparing the respective goods/services, if a term clearly falls within the ambit of a term in the competing specification then identical goods/services must be considered to be in play<sup>5</sup> even if there may be other goods/services within the broader term that are not identical.

### **The average consumer**

20) The case-law informs me that the average consumer is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). The degree of care and attention the average consumer uses when selecting goods or service providers can, however, vary

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<sup>3</sup> See *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281

<sup>4</sup> See *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

<sup>5</sup> See *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs)(OHIM) Case T-133/05* (“*Gérard Meric*”).

depending on what is involved (see, for example, the judgment of the GC in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)).

21) BL's opposed services are:

Brand advertising, business consultancy, business research, compilation of brand information, brand marketing, brand promotional activities, arranging product launches, public relations, brand creation and brand communication services.

22) The terminology used and the nature of the above services means that the average consumer (with perhaps one exception that I will come on to) will be a business or an individual businessman. The services are about the creation and marketing of the brand of a particular business. It is about re-enforcing positive images about the business and its brands in the mind of potential customers. They are business to business services. Some of the services relate more to providing business advice, research and information. These are, again, business to business services. The one exception to all this is "public relations". Whilst this may also be a business to business service where advice is given on how to improve the image of the business and its brands with the public, these services could also be used by individuals (such as sportsmen, celebrities and politicians) to improve their own public image. They are not, though, likely to be used by a normal man or woman on the street. None of the services are casual selections. They are likely to be quite well considered. The issues involved are important to any business. A marketing campaign can make (or sometimes break) the image of a particular business.

23) In terms of the average consumer, even though the terminology used is indicative that the most usual user of the services (particularly those that focus on brand marketing etc) will be brand owning businesses, there is no real reason why a musical artist could not use some of them. This may be through a record label if the artist is signed to one, i.e. the label seeking specialist marketing advice. The artist/label may also wish to gain some public relations advice. Whilst an artist would not ordinarily be referred to as a brand, a group (or its label), for example, may wish to obtain specialist marketing advice. There is no reason why they would not approach a brand marketing specialist. The artists/label may also wish to obtain the services of a business which specialises in product launches when, for example, a new recording is to be released. An artist is unlikely to require business consultancy services or research, but a label may want such services to develop the way they (the label) does business.

24) The goods and services covered by the earlier marks are:

**Class 09:** Sound storage media, image storage media and data storage media; all being pre-recorded and including media for interactive use; apparatus for the recording, transmission, storage, processing and

reproduction of data, texts, sound and images; compact discs, floppy discs, CD-Roms, DVDs, tapes, exposed cinematographic films and other storage media; software; MP3 players; computer hardware and software; ringtones.

**Class 38:** Broadcasting, cable, satellite and global computer network services; mobile telecommunications services; provision of global computer network(s).

**Class 41:** Publishing services; production of sound recordings, records, DVDs, CDs and videos; promotions relating to music, performers and entertainment groups; entertainment services; performance of musical, radio and television programs and performance of videos; performance of global computer network contents or programs.

25) In terms of the class 9 goods, these are, generally speaking, either content containing products (such as music or video) or various pieces of apparatus for the playback of such products. The average consumer is the general public. The media itself is fairly low cost, but the consumer will not just grab anything from the shelf, they will look to see what they are buying as they will have an interest in a particular artist or genre of music. The consumer will use a reasonable degree of consideration but no higher or lower than the norm. The apparatus is likely to cost more. However, this alone does not mean that a significantly different degree of care and consideration will apply. Again, a reasonably considered degree, neither higher nor lower than the norm, will apply.

26) In terms of the class 38 services, these could be used by both businesses or by individuals for business/personal needs. Some care and attention will go into the selection process of the service provider so as to ensure that the service is fit for purpose. At least a reasonable degree of care and consideration will be used.

27) In terms of the class 41 services, publishing services are used to get certain forms of media to the attention of a particular audience. This can take the form of publishing books, magazines, music etc. Publishing may even be electronic via the Internet. Production of sound recordings, records, DVDs, CDs and video is a specialist service which facilitates the creation of the particular thing listed. The services will be utilised by musical artists or could be used by businesses to create a corporate information DVD. Entertainment services and performances speak for themselves. They are generally targeted at the general public but there is likely to be a category of corporate entertainment. Promotions relating to music etc, given that it falls in class 41, relates to the entertainment aspect. It is about the organisation and facilitation of music (and other) events. The degree of care and consideration is likely to vary. In relation to entertainment services the consumer is likely to use a reasonable degree of consideration but no higher or lower than that. In relation to publishing, production and promotions relating to music the degree of care and attention is likely to be higher as this represents a



more considered purchase. The degree of care and consideration is higher than the norm. The choices involved are important ones for the consumer in question.

### **The distinctiveness of the earlier mark**

28) The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark(s) (based either on inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). From an inherent perspective the words BECAUSE MUSIC/RECORDS/PUBLISHING have no suggestive or allusive meaning in relation to the goods or services. The word BECAUSE is, though, a very common English dictionary word. I would assess the degree of distinctiveness to be of a reasonable level. There is certainly no reason to accord it with a low degree of distinctiveness. It is not, though, highly distinctive such as an invented or unusual word.

29) In terms of use, there is little from before the material date. At the hearing Ms Edwards-Stuart struggled to highlight any use in the UK from before the material date. However, as can be seen from the evidence summary there are some examples. From this is clear that the record label may have been in operation from 2005. It appears to be an extension of the French record label. The scale, though, is very small. Much of the evidence is also uncontextualised in terms of time (see for example the unit sales evidence) and, also, between which artists are signed to the French label as opposed to the UK label. The record label will also suffer from the inevitable fact that more attention will be placed on the artists than the label. Nevertheless, there are some music releases and advertising, for example, those relating to the artists Charlotte Gainsburgh and Amardou & Mariam. In this case the small scale is determinative of the issue. I do not consider that the use demonstrated is sufficient to have enhanced the degree of distinctiveness with any of the average consumers of the goods and services of the earlier mark. There is no enhancement of distinctive character.

### **Comparison of the marks**

30) 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. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account any distinctive and dominant components.

31) BL's mark consists of the word BEcause. The earlier marks consist of the words BECAUSE MUSIC/RECORDS/PUBLISHING. In all of the earlier marks, I have no hesitation in concluding that the word BECAUSE is the dominant and

distinctive element. The words MUSIC/RECORDS/PUBLISHING do not play a distinctive role in the marks as they merely describe the nature of the goods or services provided. In BL's mark the word BEcause will, despite the capitalization of the letters BE, be seen, spoken and perceived as the word BECAUSE. It is a highly known and used word and the form of presentation does little to disguise this. The stylisation does create a presentational difference. Whilst there is no particular form of presentation to the earlier marks, the upper and lower case presentation of BL's mark must be taken into account. I consider it to be beyond the realms of notional and fair use for BEcause MUSIC/RECORDS/PUBLISHING to be considered a notional form of use of the earlier marks. However, the stylisation creates only a small difference in terms of the visual comparison and no difference in terms of the aural and conceptual comparison. I consider that the marks are similar to a reasonably high degree from a visual perspective and that they are extremely high in aural similarity. On a conceptual level, the concept that underpins all of the marks is the meaning of the word BECAUSE. The additional words MUSIC/RECORDS/PUBLISHING do not skew this message in any way. The concepts are, therefore, effectively shared. There is no getting away from the fact that, overall, the marks have a high degree of similarity.

### **Comparison of the goods/services**

32) I will make the assessment by reference to the (opposed) services for which BL seeks registration, grouping the services when possible. I will consider firstly the following services:

Brand advertising, brand marketing, brand promotional activities; brand creation and brand communication services.

33) At the hearing Ms Edwards-Stuart conceded (albeit she did not concede that there was no similarity at all) that the class 9 goods of the earlier mark did not represent OEE's best prospect of success. This is a sensible concession as, for the record, I can see no imilarity between a product such as a CD or apparatus for playing a CD with brand advertising/marketing services etc. The nature, the purpose, users, methods of use etc. are all quite different. Whilst a CD may be marketed, any claim that this creates a complementary relationship is a most tenuous one as neither is really indispensable for the use of the other and even if this were not the case then the relationship is not of the kind that a common responsibility is in operation – there is no close connection so that the responsibility of a CD (or other similar goods) and the responsibility of a marketing service will not be assumed to be the same. To find otherwise would mean that any product or service must be similar to an advertising or marketing service provider. This cannot be right and would not reflect the perception of the average consumers in question.

34) Ms Edwards-Stuart focused more on the broadcasting and mobile telecommunications services in class 38 and the publishing and entertainment

type services in class 41. There was an aspect of a collective type of similarity in that all these services were representative of the types of activities undertaken by record labels, and that BL's services were also something undertaken by a record label. However, collective or otherwise, the services must be similar to each other. This is a prerequisite of section 5(2)(b). The overlap is argued on the basis that all of the services relate, essentially, to promotion and that even if there is not direct competition there is a strong element of complementarity. It was also highlighted that the evidence shows that the respective services are offered under the same banner, an argument along the lines that OEE provides marketing type services to the artists signed to the record label. Mr Pittortou argued that the services were simply not similar and he referred to a number of decisions issued by the Intellectual Property Office in respect of clashes between business-type and marketing services in class 35 against a range of other goods and services in other classes.

35) The services in class 38 relate to broadcasting and telecommunication. Whilst it is possible that an output of an advertising or marketing service may be broadcast to the public or may be communicated to the public via a telecommunication service, this creates little by way of similarity. The nature of the services are quite different, one relates to a specific service that advises businesses about brand marketing/advertising whereas the other provides the mechanisms for programming and information to be broadcast or communicated. The services require quite different skills. The methods of use will differ. There is no obvious link in terms of channels of trade; it is highly unlikely that a brand marketing company will provide the facilities for broadcasting or will offer a telecommunications service. The services do not compete. In terms of being complementarity, they are not complementary in the terms set out in *Boston Scientific Ltd*, the services are not indispensable or important for the use of the other and there is certainly no close relationship that the public would believe that both are provided by the same service provider. The fact that the output of class 35 services may be broadcast or telecommunicated is not, as stated earlier, particularly strong. Many things are capable of broadcast/telecommunication, but this does not make them all similar to broadcasting or telecommunication services; the services under comparison are distinct and quite separate. I do not consider the respective services to be similar.

36) In terms of the comparison with the publishing and entertainment services then similar considerations apply. An entertainment service (including performances) is a service which entertains the public. It is extremely different to a marketing type services on all levels. An argument was put forward to the extent that the fact that BL initially applied for services in class 41 which included entertainment was symptomatic that marketing services were similar to entertainment services. This is not accepted. There are many and varied reasons why an applicant may elect to protect itself for a range of goods and services – this does not give rise to similarity. The fact that an entertainment service may be marketed does not make them similar for the reasons I have already given. There

is no similarity with the entertainment type services. A publishing service is a distinct service aimed at the publishing to the public of books, magazines, music etc. Whilst the end product may be marketed or advertised the services themselves are quite different. One is a marketing/advertising company the other a publisher. Whilst a publisher may have in-house personnel whose responsibility it is to consider marketing issues, this could apply to virtually anything that it intended to go on the market. I do not consider that an author or artist will choose between going to a publisher or going to an advertising or marketing service provider. They represent distinct and different choices for differing circumstances. Ms Edwards-Stuart referred to the publication of flyers and brochures for marketing purposes which, therefore, may clash with a marketing service. This, though, takes out of context (and beyond the core of the term as per *Avnet*) what a publisher does. If a business wishes to have its marketing material put into the public domain which it has designed or which a marketing service has designed then they are more likely to go to a printer. The fact that OEE may market its artists' products does not mean that its publishing services are similar to marketing type services. As already stated, virtually all products and services will be marketed. Even when one works on the basis that the services OEE relies upon are those provided by a record label, it is not as though an artist is going to a record label for a marketing service. A record label signs artists to its label. The artist then creates recordings (often with the help of the record label's production arm) for the label. The fact that the label will market them does not create any stronger link with a marketing service than exists with any other type of product or service. It is self-fulfilling. It is in the interest of the record label that the goods are marketed and advertised in order to increase its own revenue. I do not consider the services to be similar.

#### Business consultancy, business research, compilation of brand information

37) I do not consider OEE to be in any better position here. An argument could be made in terms of the deals OEE says that it has done on behalf of its clients. These are the so-called synch agreements and the endorsement (etc) agreements. The services to be compared with BL's services are, though, publishing etc (the class 38 services and entertainment services are even further away). Comparing what these services actually cover means that they are quite distant in terms of the nature, intended purposes, channels of trade, methods of use etc.. They are not competitive. I do not regard them as complementary in the sense described in *Boston Scientific Ltd*. They are distinct services. The evidence does not show that an artist goes to a record label for business consultancy. The evidence relating to the above agreements may simply be a third party approaching OEE to use the music or image of the artists signed to the label. This does not mean that the record label is providing a similar service to business consultancy services. The services are not similar.

### Arranging product launches

38) Similar arguments to those already given apply here. Whilst a music publisher (or an unsigned artist) may wish to use a service of a company that deals in product launches, this does not create any real similarity with the music publishing service per se. A product launch service and a publishing service are not competitive. They are distinct. I see no reason why the public would perceive a close relationship that would result in the two services being perceived as being performed by the same undertaking. The two may work together but as distinct and separate companies. The services are not similar.

### Public relations

39) Much of what I have said in terms of the marketing type services applies here. An artist will not make a choice between going to a publisher and going to a public relations expert. They are distinct and separate choices fulfilling different purposes. The services are not similar.

### **Conclusions under section 5(2)(b)**

40) As can be seen from the preceding analysis, none of the goods/services are similar. This means that there can be no likelihood of confusion<sup>6</sup>. The opposition under section 5(2)(b) fails on this point alone. However, in case I am wrong then I will give some brief views on whether there would be a likelihood of confusion. To that extent, if I am wrong on similarity of goods/services then any similarity must be of only a very low degree. It is clear that the factors assessed have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17) and that a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

41) The marks have a high degree of similarity. The earlier mark is reasonably distinctive. The high degree of similarity may off-set the low degree of similarity between the services. However, the consumer, in relation to the most relevant services, will display a slightly higher degree of consideration than the norm. I come to the view that despite the high degree of similarity of the marks, this is not enough, in this case, to off-set the low degree of similarity between the services. I do not consider it likely that the average consumer when encountering a marketing/advertising type service (or any of the other services in BL's class 35 specification) will believe that that service provider is the same service provider as a music publisher/producer etc. The nature of the businesses are distinct. The

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<sup>6</sup> See, for example, the ECJ's judgment in *Waterford Wedgwood plc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-398/07*.

similarity between the names will be put down to co-incidence and not to economic connection.

42) In summary, the opposition under section 5(2)(b) fails in its entirety.

### **Section 5(4)(a) of the Act**

#### **The law**

43) Section 5(4)(a) of the Act reads:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) .....

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

44) There are three elements (often referred to as “the classic trinity”) to consider in a claim for passing-off, namely: 1) goodwill, 2) misrepresentation and 3) damage. In *Reckitt & Colman Products Ltd v Borden Inc* [1990] R.P.C.341, Lord Oliver summarised the position quite succinctly when he stated:

“The law of passing off can be summarised in one short general proposition--no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labeling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff...Thirdly he must demonstrate that he suffers, or in a quia timet action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the

defendant's goods or services is the same as the source of those offered by the plaintiff.”

45) In relation to goodwill, this was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223 as:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first.”

46) It is also noteworthy from the relevant case-law that to qualify for protection under the law of passing-off, any goodwill must be of more than a trivial nature<sup>7</sup>. However, being a small player does not prevent the law of passing-off from being relied upon - it can be used to protect a limited goodwill<sup>8</sup>.

47) I do not consider OEE to be in any better position under section 5(4)(a). This is because even if I accepted that OEE possessed goodwill at the material date, it is a goodwill as a small independent record label. I see absolutely no prospect of any member of the public encountering BL's mark in relation to the opposed services and believing that the services are being provided by OEE. The use will be put down to a co-incidental use by a separate and distinct undertaken in a different specialist area of business. It follows that there is no misrepresentation and, consequently, no damage. The ground under section 5(4)(a) fails.

### **Costs**

48) BL has been successful and is entitled to a contribution towards its costs. However, I must also bear in mind that an interlocutory hearing took place on 12 March 2010 at which OEE were successful. The costs of that hearing were rolled over to be determined by me. I note that the hearing officer indicated that the outcome of the interlocutory hearing was predictable and the hearing unnecessary. The costs that OEE are entitled to as a result of this off-set, to a degree, the costs of the proceedings as a whole. I consider costs of £400 (in favour of OEE) to be a fair contribution to the costs of the interlocutory hearing. My overall costs assessment is as follows:

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<sup>7</sup> *Hart v Relentless Records* [2002] E.W.H.C. 1984

<sup>8</sup> See, for instance, *Stannard v Reay* [1967] F.S.R. 140, *Teleworks v Telework Group* [2002] R.P.C. and *Stacey v 2020 Communications* [1991] F.S.R. 49).

Costs to BL

Preparing a statement and considering the other side's statement  
£600

Filing evidence and considering OEE's evidence  
£800

Attending the hearing  
£600

Off-setting costs to OEE

Interlocutory hearing - £400

Total costs to BL = £1600

49) I hereby order OEE Limited to pay Because Limited the sum of £1600.

50) The above sum should be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful

**Dated this 27 day of April 2011**

**Oliver Morris  
For the Registrar,  
The Comptroller-General**