

O-199-19

INTERIM DECISION

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3262854

BY THOMAS JOHN BURTON TO REGISTER:

Syndikat

&

SYNDIKAT

AS A SERIES OF TWO TRADE MARKS IN CLASSES 9 & 41

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 411503

BY

LIFESTYLE INTERNATIONAL HOLDINGS COÖPERATIEF U.A.

& ART OF ENTERTAINMENT B.V.

BACKGROUND & PLEADINGS

1. On 11 October 2017, Thomas John Burton (“the applicant”) applied to register **Syndikat** and **SYNDIKAT** as a series of two trade marks for goods and services in classes 9 and 41 (shown in paragraph 35 below). The application was published for opposition purposes on 27 October 2017.

2. On 29 January 2018, the application was opposed in full by SFXE International Holdings C.V. & Art of Entertainment B.V. Following a transfer of rights, “the opponents” are now LiveStyle International Holdings Coöperatief U.A and Art of Entertainment B.V. As nothing appears to turn on this change, I need say no more about it. The opposition is based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) in relation to which the opponents rely upon the following trade marks:

European Union Trade Mark (“EUTM”) no. 8419591 for the trade mark **SYNDICATE** which was applied for on 10 July 2009 and which was entered in the register on 23 April 2010. Although the opponents originally indicated they were relying upon all the goods and services shown in the Annex to this decision, in their skeleton argument, they indicated they were no longer relying upon those services I have underlined.

The opponents state:

“The word SYNDICATE is visually extremely similar and aurally and conceptually identical to the mark applied for SYNDIKAT. The earlier mark covers identical and similar goods and services including “compact discs (read only memory), compact discs (audio-video)”, “magnetic tapes”, “sound carriers”, “discotheques”, “presentation of live performances, prebooking of entrance tickets (entertainment)”, “organising and conducting of cultural events”, “entertainment”

and, “rental of sound recordings” such that there is a likelihood of confusion including a likelihood of association.” .

EUTM no. 8751265 for the trade mark shown below, which was applied for on 11 December 2009 and which was entered in the register on 11 June 2010.

Although the opponents originally indicated they were relying upon all the goods and services shown in the Annex to this decision, in their skeleton argument, they indicated they were no longer relying upon those services I have underlined.



Colours claimed: “black/white.”

The opponents state:

“The most distinctive and dominant part of the mark is the word SYNDICATE which is visually extremely similar to and aurally and conceptually identical to the mark applied for SYNDIKAT...”

3. The applicant filed a counterstatement which consists, in essence, of a denial of the ground upon which the opposition is based. He does, I note, state that: “...the opposition is frivolous and opportunistic with no prospect of success...”

4. In these proceedings, the opponents are represented by Dummett Copp LLP (“DC”); the applicant represents himself. Both parties filed evidence, the opponents’ evidence-in-reply was accompanied by written submissions. The matter came before me at a

hearing held on 6 March 2019, at which the opponents were represented by Ms Charlotte Blythe of counsel, instructed by DC; the applicant was represented at the hearing by a family member, Mr Stephen Bottomley.

EVIDENCE

The opponents' evidence

5. This consists of a witness statement from Oliver Vordemvenne, the General Manager and Procurator of I-Motion GmbH ("hereafter IM") a position he has held since 2012, having been employed by his company since 2000. IM are, he explains, a licensee of both the previous and current owners of the trade marks being relied upon in these proceedings. While the main points emerging from Mr Vordemvenne's statement are shown below, it is, I think, important to note that the majority of the exhibits provided are in languages other than English:

- IM organises, inter alia, music festivals and events for "harder styles/hardest genres" of electronic music;
- One such event is called SYNDICATE; it is "one of the biggest of its kind/style in Europe";
- SYNDICATE is a yearly event held in October, it is based in Westfalenhallen in Dortmund, Germany. A list of "shortfacts" and a "target group analysis" in relation to the 2018 event are provided as exhibit OV1. I note that, inter alia, the first event was held in 2007 and the visitor's average age is 23;
- The trade marks being relied upon have been used "directly through provision of the event itself, but also in promoting and selling the event via several ways of communication and marketing (print, online, social media; flyer, posters, own

websites; radio; merchandise, compilations, etc.), for ticket sales, and for publishing downloadable electronic music”;

- IM have been organising the SYNDICATE event since 2007;
- The first event held in 2007 was attended by approximately 10k people, with the events from 2012 onwards being attended by approximately 20k people. Exhibit OV2, which contains pages from IM’s website, is provided in support;
- Exhibit OV3, consists of a range of documents bearing the trade marks i.e. pages obtained from IM’s website, images taken at a SYNDICATE event, booklets relating to the events which took place in 2013 and 2015, images of merchandise (including CD music compilations), pages from IM’s “SYNDICATE Festival” SoundCloud account where it “publishes downloadable and streamable music” and an extract from IM’s online store offering music on CD and which indicates that items ordered can be delivered to Great Britain;
- Revenue generated by the SYNDICATE event (expressed in £ and rounded down) has been as follows: 2009 - £617,460, 2010 - £736,990, 2011 - £869,268, 2012 - £856,258, 2013 - £990,768, 2014 - £899,386, 2015 - £861,444, 2016 - £1,098,286 and 2017 - £1,010,255. In relation to the 2017 event, tickets sales amounted to: €809,313, merchandising sales to €126,103 and miscellaneous items to €216,461 (exhibits OV4 and OV5 refer);
- IM’s goods and services “have been offered to consumers from a wide range of EU member states, including Austria, Belgium, France Germany, Italy, Luxembourg, Netherlands, and the United Kingdom”. Exhibit OV6, consists of a number of invoices dated between 2009 and 2017 provided in support;
- IM’s “current typical annual marketing spend in Germany is [€100k] and in the Netherlands is [€50k]”. That budget has been spent on: “yearly new

artwork/designs, printing booklets and flyers (100,000-200,000 copies per year), printing posters (10,000 copies per year), sending a post mailing to the audience (30,000-35,000 post addresses), shop promotions/outlets and hand to hand promotions, promotion booths and bannering at other events, advertisements in magazines, e-mail newsletter (110,000 e-mail addresses), social media activities; Facebook <https://www.facebook.com/syndicate.festival/>; Instagram <https://www.instagram.com/syndicate.dortmund/>; Youtube <https://www.youtube.com/user/SYNDICATEOFCL>, Twitter, Snapchat, and other social media platforms, [IM's] website (www.syndicate-festival.de), radio spots and commercials”;

- Exhibit OV7, consists of a list of “monthly” and “event” magazines which were “distributed in the EU” between 2009 and 2017 and in which “the SYNDICATE event and related goods” were advertised. It is stated that: “At least 379,500 copies of magazines containing advertisements for SYNDICATE were distributed each year, with an average of roughly 590,000 each year.” No indication is provided of the number distributed by territory;
- Exhibit OV9, consists of a range of photographs showing the trade marks relied upon being “used on banners/signage during the events and to promote the events”.

The applicant’s evidence

6. This consists of a witness statement from the applicant, Mr Burton. He states that, in November 2016, he and three colleagues started an unincorporated business to offer night club events in Newcastle under the trade mark the subject of the application. He explains the business focusses on “the organisation of one night techno music...aimed at students in the age group 18-23.” Between 22 November 2016 and 10 November 2017, the business hosted six events in nightclubs in or around Newcastle-upon-Tyne.

Mr Burton names these venues as Digital Newcastle and Cosmic Ballroom and provides their website addresses, but does not, for example, provide pages from these websites.

7. Mr Burton states the business has developed a logo which is sometimes used with the trade mark the subject of the application and he provides a copy as exhibit TJB1. He states:

“5. Our Business represents artists that play different styles of music such as: Industrial, melodic, Detroit techno to name but a few. Our Business does not represent any Hardcore or HardTek DJs and definitely has no intention to do so.”

8. He states that since the opening of the business in 2016, the trade mark has been used as its “event name” and has been used “continuously and consistently...to promote [its] business, its events and brand of music.” Mr Burton further explains that it has been used in “public Facebook event headers” and he provides examples as exhibits TJB2 and TJB3. He adds that it is intended to use the trade mark as a label to promote its brand of music. He provides a website address (but again no pages from this website) and exhibit TJB4 which he states is the “header to our newly formed bandcamp designed for the release of [its] music.” He adds:

“8. The typical size of audience at a SYNDIKAT event is approximately 1700 people. Attendees are predominantly students aged 18-23, while some attendees are non-students of aged above 23. The students who attend our events come from different geographical parts of the United Kingdom so the reputation of Our Business is spreading across the United Kingdom.

9. The aggregate turnover from these 6 events was approximately £50,000.”

9. Mr Burton goes on to comment on the opponents' evidence, stating:

"17. Even though I follow the music industry and events closely, I had never heard of the SYNDICATE music festival and only became aware of it by searching online after receiving their Notice of Threatened Opposition.

18. In paragraph 12 of the OV Statement, the Opponent claims that goods and services have been offered to consumers from a wide range of EU member states (including the United Kingdom) but it does not give any indication of the number of attendees coming to its festival from each country. There is reference in that paragraph to a selection of invoices as evidence of sales between 2009 and 2017. There appears to be only one invoice (at page 36 of Exhibit OV6) which itemises sales in the United Kingdom - an invoice for 437 tickets sold in 2016. Based on an assumed attendance of 20,000, that implies about 2% of the attendees were ticketed from the United Kingdom in 2016.

19. I also notice that the marketing material attached as Exhibit OV3 (and also forming Exhibit OV8)...is solely in German, does not appear to list any booking offices outside Germany, Luxembourg and France, refers to international websites *only* in The Netherlands, France, Belgium and Austria. I also note that the significant annual marketing spend detailed in paragraph 13 of the OV Statement is geographically limited to Germany and The Netherlands - which is consistent with my earlier observations."

10. He concludes his statement in the following terms:

"20. It seems that the Opponent's business is focussed principally and geographically on consumers in mainland Europe who want to listen to "harder styles/Hardest genres" of electronic music and therefore will typically be of a

particular age group. Our Business is focussed on a different consumer group in the United Kingdom as our music offering is entirely different to that of the Opponent.

21. The OV Statement demonstrates that the Opponent's business (in terms of geographical reach, target market, consumers and actual products and services) is completely different to that of Our Business and not in competition and that there could not be any likelihood of confusion and association by the public (in respect of either the Opponent's Word Mark or the Opponent's Graphic Mark) caused by our use of the word "SYNDIKAT".

The opponents' evidence-in-reply

11. This consists of a further witness statement from Mr Vordemvenne, attached to which are exhibits OV10 to OV12. The purpose of his statement and the associated exhibits is, broadly speaking, to respond to Mr Burton's comments in relation to what he regards as: (i) the differing target audience for the parties' goods and services, (ii) the different styles of music of interest to the parties, (iii) the geographical focus of the opponents' business (i.e. mainland Europe), (iv) the differing geographical location of the customers of the parties' goods and services and, (v) the preponderance of marketing materials provided in German. I have read all these documents and will refer to them, as necessary, later in this decision.

12. That concludes my summary of the evidence filed to the extent I consider it necessary.

DECISION

13. The opposition is based upon section 5(2)(b) of the Act which reads as follows:

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

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

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

14. An earlier trade mark is defined in section 6 of the Act, which states:

“6. - (1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK), Community 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,

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

15. The opponents are relying upon the two trade marks shown in paragraph 2 above, both of which qualify as earlier trade marks under the above provisions. Given the interplay between the dates on which the opponents’ trade marks were entered in the register and the publication date of the application for registration, both are subject to the proof of use provisions contained in section 6A of the Act.

16. In their Notice of opposition, the opponents indicate that these trade marks had been used in relation to the goods and services shown in the Annex to this decision.

17. In his counterstatement, the applicant asks the opponents to make good those claims in relation to the following goods and services:

Class 9 - Electronic publications (downloadable).

Class 41 - Event information (entertainment); Providing electronic publications (not downloadable); sound recording studio services; desktop publishing (creating publications using computers); presentation of live performances; prebooking of entrance tickets (entertainment); composing of music; party planning (entertainment); production of shows; publication of printed matter (also in electronic form).

18. As I mentioned above, the services I have underlined are no longer being relied upon by the opponents. For the sake of convenience, in the Annex I have highlighted in bold those goods and services upon which the applicant has asked the opponents to demonstrate genuine use (including those upon which the opponents no longer rely).

Preliminary point

19. Mr Bottomley reiterated points the applicant had made previously in written submissions filed during the course of the proceedings, including that the contents of Mr Vordemvenne's second statement was not evidence-in-reply. At the hearing, Ms Blythe took me to the second statement, drawing my attention to its wording in which it specifically addresses the paragraphs in Mr Burton's statement to which it is directed. Having reviewed the position, I am satisfied that having raised the issues he did in his witness statement, the opponents were entitled to reply to them in the manner they did.

The applicant's request for proof of use

20. It is at this point in my decision I would normally review the opponents' evidence to determine if, during the relevant period i.e. the five year period ending with the date of the publication of the application for registration (28 October 2012 to 27 October 2017), the opponents had used their earlier trade marks and if so upon what goods and services. However, at the hearing, Ms Blythe argued that given the limited scope of the applicant's request for proof of use (and the goods and services for which no such request was made), it was not strictly necessary for the opponents to rely upon the use they had made of their earlier trade marks to succeed in these proceedings. I think there is some force in that submission and will proceed on that basis, returning to the opponents' evidence to the extent I consider it necessary later in this decision.

Section 5(2)(b) – case law

21. The following principles are gleaned from the decisions of the courts of the European Union in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles:

- (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 the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public 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 trade marks

22. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union (“CJEU”) stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, 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.”

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

The opponents' best case

24. As the specifications relied upon are identical, at the hearing Ms Blythe indicated that it was the word version of the opponents' trade marks that provided its best case. Although I agree with that submission and will proceed on that basis, I will return to the opponents' device trade mark later in this decision. The trade marks to be compared are:

Opponents' best case - trade mark no.	Applicant's trade marks
8419591	
SYNDICATE	Syndikat SYNDIKAT

Distinctive and dominant components

25. The opponents' trade mark consists of a single word presented in upper case letters; the word and its meaning will be very well-known to the average consumer. As it has no dominant components and as no part of the word is highlighted or emphasised in any way, the overall impression it conveys lies in the word itself.

26. The applicant's trade marks consist of the same word presented in title and upper case letters respectively; nothing turns on their differing presentations. Like the opponents' trade mark, the overall impression conveyed by the applicant's trade marks lies in the words themselves.

The visual comparison

27. In his submissions, the applicant stated:

“Similarity to the opponent’s Word Mark

“(a) in terms of visual similarity, "SYNDICATE", which is the Opponent's Word Mark, is an English word that is common in daily usage, whereas "SYNDIKAT", which is the Applicant's Mark, is a word coined by the Applicant and his colleagues and is derived from the German (and not the English) language. The Applicant's Mark is also starkly different from the Opponent's Word Mark as it ends with the letters "-KAT", which is a rare usage in the English language. When used in the context of English language and applied in the UK market where the Applicant's business operates, the Applicant's Mark, which has Germanic origins, is clearly distinguished from the Opponent's Word Mark”.

28. The competing trade marks consist of nine and eight letters respectively. The first five letters are identical as are the seventh and eight letters. Balancing the similarities and differences results in what I regard as a high degree of visual similarity.

The aural comparison

29. In his submissions, the applicant stated:

“(b) in terms of aural similarity, "SYNDICATE", which is the Opponent's Word Mark, is pronounced as the phoneme /'sɪndɪkət/ according to the Oxford English dictionary, whereas the German pronunciation of "SYNDIKAT" in the Applicant's Mark is significantly different. Even when an Anglicised pronunciation of "SYNDIKAT" is used, the pronunciation of "-KAT", based on English words such as "meerkat", would be the phoneme /'kæt/, which is very different from the applicable phoneme of the Opponent's Word Mark. Clearly, there is no aural similarity between the Opponent's Word Mark and the Applicant's Mark.”

30. In her skeleton argument, Ms Blythe stated:

“Aurally, the Applicant suggests that the final syllable of each mark would be pronounced differently, effectively “CAT” versus “KATE”. The Opponent submits that the Earlier Word Mark could plainly be pronounced as SYNDI-CAT or SYNDI-KATE. To the extent that it is pronounced in the former manner, which the Opponent submits is the normal pronunciation in the English-language, it is aurally identical to the Earlier Word Mark. To the extent that it is pronounced in the latter manner, it is aurally highly similar, being identical in their first two syllables and similar in their third syllables.”

31. As Ms Blythe pointed out at the hearing, the applicant’s own view of how he thinks his trade mark will be pronounced is not relevant; it is how the average consumer is likely to pronounce the competing trade marks that is important. Put simply, I agree with the opponents’ submissions. The competing trade marks are, at the very least, aurally similar to a high degree.

The conceptual comparison

32. In his submissions, the applicant stated:

“11. There cannot be any conceptual similarity between the Applicant's Mark and the Opponent's Word Mark because the Opponent's Word Mark is simply the use of a word which is in common daily usage in both the UK and in Europe (and in fact worldwide) and does not connote of any particular concept.”

33. In her skeleton argument, Ms Blythe stated:

“Conceptually, both marks would be understood as the word SYNDICATE. They would therefore both convey the identical meaning of “a group of individuals or organizations combined to promote a common interest”.”

34. Given the high degree of visual and aural similarity between the competing trade marks, Ms Blythe’s submission has merit. However, if the average consumer notices the various differences, it is possible that they will construe the applicant’s trade marks as invented words and accord them no significance. In Ms Blythe’s scenario the competing trade marks are conceptually identical and in the second, conceptually distinct.

Comparison of goods and services

35. In her skeleton argument, Ms Blythe provided a table upon which she argued the comparison should be made. Some of these goods and services were subject to the applicant’s request for proof of use, others were not. The opponents’ goods and services shown below were not subject to the applicant’s request for proof of use.

Opponents’ goods and services	Applicant’s goods and services
Class 9 – compact discs (audio-video). Class 41 – discotheques.	Class 9 - Downloadable music files; Downloadable musical sound recordings; Digital music [downloadable] provided from mp3 web sites on the internet; Digital music downloadable from the Internet. Class 41 - Dance events.

36. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment 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”.

37. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

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

38. In *YouView TV Ltd v Total Ltd* ,[2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

"... 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 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."

39. In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as he then was) stated that:

"I should add that I see no reason to give the word "cosmetics" and "toilet preparations"... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context."

40. 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 between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court ("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".

41. In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* case T-133/05, the GC stated:

“29 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 the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T- 10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

42. In these proceedings, there has been much discussion on what the applicant regards as the differences in: (i) the musical genres of interest to the parties and (ii) the average consumer of the parties’ goods and services. However, as My Blythe pointed out at the hearing, as neither party’s specifications are limited in any way, what I must do is consider the competing specifications and the average consumer for such goods and services on a notional and fair basis. That is, of course, correct and it is on that basis I shall proceed.

Class 9

43. The applicant’s goods are downloadable music; the opponents’ goods are, inter alia, audio CDs. While the nature of the competing goods and their method of use differ, their intended purpose i.e. to provide the average consumer with music, is identical; the same commercial undertakings will conduct a trade in both goods. In addition, as the average consumer may prefer to purchase a physical copy of a particular type of

musical recording on CD rather than its digitally downloadable equivalent, the goods are in competition with one another. Considered overall, the competing goods are, in my view, similar to a high degree.

Class 41

44. The applicant seeks registration for “dance events”, whereas the opponents’ specification includes the word “discotheques”, which, by reference to the word “disco”, is defined by collinsdictionary.com as “a place or event at which people dance to pop music.” That definition accords with my own understanding of the term and, more importantly, I am satisfied will accord with that of the average consumer. Construed on that basis, the applicant’s services encompass those of the opponents, resulting in the competing services being regarded as identical on the principles outlined in *Meric*.

The average consumer and the nature of the purchasing act

45. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods and services at issue. I must then determine the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. 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. described the average consumer in these terms:

“60. 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 words “average”

denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

46. Considered on the notional basis indicated above, the average consumer is a member of the general public with, broadly speaking, an interest in music/dance. While, as the evidence shows, such goods and services are most likely to be self-selected from, for example, the pages of a website or from promotional material in hard-copy (suggesting that visual considerations are likely to dominate the selection process), aural considerations in the form of, for example, word-of-mouth recommendations will also play their part. Although the cost of the goods and services is not likely to be high, as the average consumer will wish to ensure they select the correct music and dance event to suit their particular taste, I would expect them to pay at least a normal degree of attention to their selection.

Distinctive character of the earlier trade mark

47. The distinctive character of a trade mark can be appraised only, first, by reference to the goods and services 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. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade marks to identify the goods and services for which they have been registered as coming from a particular undertaking and thus to distinguish those goods and services from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

48. In his submissions, the applicant stated:

“16...It is noteworthy that there is an existing registration in the same classes 9 and 41 for the well-known international video games brand Syndicate which suggests that there is minimal distinctiveness in the Opponent's Marks so far as the word "SYNDICATE" itself is concerned...”

49. At the hearing, Ms Blythe commented on the above by reference to the well-known adage that “state-of-the-register” evidence is, in principle, irrelevant. Not only is that correct, as no details have been provided of the trade mark in question, the presence or otherwise of such a trade mark does not assist the applicant.

50. In her skeleton argument, Ms Blythe stated:

“22. The Word Mark consists only of the word SYNDICATE. The word SYNDICATE, being a word that is readily understood by the average consumer but not descriptive or even allusive of the Earlier Goods & Services relied upon by the Opponent, is of a moderate to high level of inherent distinctiveness.”

51. Although at the hearing Ms Blythe argued that the use the opponents had made of, inter alia, the word trade mark had built upon the degree of inherent distinctiveness mentioned above, she also argued that it was not necessary for the opponents to rely upon any enhanced distinctive character to succeed in these proceedings.

52. In relation to any enhanced distinctive character it is, of course, only use in the UK that matters. In this regard, the evidence demonstrates that since 2007 an annual music event has been held by the opponents (through its licensees) in Westfalenhallen in Dortmund, Germany. The average age of visitors to the event is 23. The first event attracted some 10k visitors with the events from 2012 onwards attracting double that number. Revenue between 2009 and 2017 in relation to ticket sales and merchandising

amounted to some £7.9m with “current typical annual marketing spend” (in Germany and the Netherlands) in the order of €150k. Tickets for the event have been sold by ticketing organisations in a range of EU countries including Germany, Austria, France, the Netherlands and the UK. Marketing materials in English have been exhibited and the opponents’ SYNDICATE event was nominated for the UK Festival Award 2011 in the “Best Overseas Festival” category.

53. However, in his second statement Mr Vordemvenne accepts that his company’s “marketing concentrates on German and the directly bordering countries...” That is, I think, reinforced by the totality of the opponents’ evidence and is borne out by, for example, the evidence provided in exhibit OV11 relating to what appears to be data from 2018 in relation to visitors to: (i) the opponents’ Facebook page, (ii) Youtube channel, (iii) website and (iv) online shop, which indicates that visitors from the UK represent (i) 2.2%, (ii) 0.8%, (iii) 2% and (iv) 1.5%, respectively of the totals provided. In addition, sales of tickets in the UK between 2012 and 2017 amounted to 1591 in total, as opposed to a total attendance in the same period of approximately 120,000.

54. Although the opponents’ evidence demonstrates that average consumers in the UK engage with the opponents and attend their SYNDICATE event, on the basis of the evidence provided, I am not prepared to accept that the extent of that engagement is sufficient to have enhanced the distinctiveness of its SYNDICATE trade mark to any material extent (even in relation to its principal activities relating to the organisation of a music event). However, that conclusion is unlikely to be pivotal, as when considered in relation to the opponent’s goods and services upon which I am proceeding (shown in paragraph 35 above), the word SYNDICATE is to be regarded as being possessed of at least a normal degree of inherent distinctiveness in any case.

Likelihood of confusion

55. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle 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 services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponents' trade mark as the more distinctive it is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods and services, the nature of the purchasing process and the fact 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.

56. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and goods/services down to the responsible undertakings being the same or related.

57. Earlier in this decision I concluded that (i) the competing goods and services are either identical or similar to a high degree, (ii) the average consumer is a member of the general public who (whilst not forgetting aural considerations) will select the goods and services by predominantly visual means paying at least a normal degree of attention during that process, (iii) the competing trade marks are visually similar to a high degree, aurally similar to at least a high degree (and potentially aurally identical), potentially conceptually identical and (iv) the earlier trade mark is possessed of at least a normal degree of inherent distinctive character which has not, at least to any material extent, been enhanced by the use that has been made of it in the UK.

58. In approaching the likelihood of confusion, I shall do so on the basis most favourable to the applicant i.e. I will assume the average consumer pays a high degree of attention during the selection process (making them less prone to the effects of imperfect recollection) and that such an average consumer will construe the applicant's trade marks as invented words which convey no concept.

59. In *The Picasso Estate v OHIM*, Case C-361/04 P, the CJEU found:

“20. By stating in paragraph 56 of the judgment under appeal that, where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public, the conceptual differences observed between those signs may counteract the visual and phonetic similarities between them, and by subsequently holding that that applies in the present case, the Court of First Instance did not in any way err in law.”

60. In *Nokia Oyj v OHIM*, Case T-460/07, the GC stated:

“Furthermore, it must be recalled that, in this case, although there is a real conceptual difference between the signs, it cannot be regarded as making it possible to neutralise the visual and aural similarities previously established (see, to that effect, Case C-16/06 P *Éditions Albert René* [2008] ECR I-0000, paragraph 98).”

61. Given what I regard as, inter alia, the identity/high degree of similarity in the competing goods and services, the high degree of visual similarity and at least high degree of aural similarity between the competing trade marks, even if the applicant's trade marks convey no concept to the average consumer, it is, in my view, insufficient “to neutralise” the visual and aural similarities between them. In reality, I think a not insignificant number of average consumers will pronounce the competing trade marks in an identical fashion and may assume the applicant's trade marks are, to use Ms

Blythe's words "a tweaked or alternative spelling for the word SYNDICATE." In short, there is a likelihood of direct confusion and, as a consequence, the opposition based upon section 5(2)(b) succeeds.

The opponents' device trade mark

62. Although the opposition has already succeeded, for the sake of completeness, I will briefly record my views on the opponents' device mark. In his submissions, the applicant stated:

"Similarity to the Opponent's Graphic Mark

13. The Applicant submits that there is no similarity between the Applicant's Mark and the Opponent's Graphic Mark. In particular:

(a) the Applicant notes that the Opponent's Graphic Mark is a stylisation of the word "SYNDICATE" in the form of a logo resembling a trident protruding from the top of the letter "I" in "SYNDICATE"; unlike the Applicant's Mark, where there is no logo utilised and which is word based only; and

(b) for the same reasons submitted above that the Applicant's Mark has no visual or aural or conceptual similarities with the Opponent's Word Mark, the Applicant submits that the Applicant's Mark is not similar to the Opponent's Graphic Mark merely by reason that the Opponent's Graphic Mark contains the word "SYNDICATE".

14. The Applicant therefore submits that there is no similarity between the Applicant's Mark and the Opponent's Graphic Mark and the use of the Applicant's Mark could not cause any confusion with the Opponent's Graphic Mark."

63. In her skeleton argument, Ms Blythe stated:

“23. The Device Mark is a composite device mark consisting of the stylised word SYNDICATE together with a trident-type device on the letter “I” and the words AMBASSADORS IN HARDER STYLES beneath. It is submitted that the word SYNDICATE is plainly the dominant and distinctive element of the Device Mark, being located in the primary position of the mark, being much larger and bolder than any other element and being written in capitalised, bold, font. Further, the words beneath are significantly smaller and appear as sub-text or a supplementary slogan. As a result of the additional elements of the Device Mark, the inherent distinctiveness of that mark is even higher.

26. As to the Earlier Device Mark, it is accepted that the degree of similarity is lower aurally, visually and conceptually given the presence of the additional elements. However, it is submitted that there is still a moderate to high level of similarity.”

64. My comments in relation to the comparison of goods and services and average consumer apply with equal force here. In reaching a conclusion, I begin by noting that the applicant accepts that the opponents’ device trade mark is “a stylisation of the word SYNDICATE.” I agree with that conclusion as I do with Ms Blythe’s comment to the effect that “the word SYNDICATE is plainly the dominant and distinctive element of the Device Mark.” While the trident device forming part of the letter “I” is also distinctive, it is clearly subordinate to the stylised word of which it forms a part. Even if the words “AMBASSADORS IN HARDER STYLES” are distinctive, given their size and positioning, their impact on the overall impression conveyed by the trade mark will, at best, be modest.

65. In my view, the various differences between the applicant’s trade marks and the opponents’ device trade mark are likely to be sufficient to militate against a likelihood of

direct confusion. That leaves indirect confusion to be considered. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained the difference between direct and indirect confusion stating:

“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.””

66. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., 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.

67. In my view, the thought process I have underlined above applies to these proceedings. The average consumer encountering the applicant’s trade marks will note they are different from the opponents’ device trade mark, but will also note that they all have something in common i.e. the stylised word SYNDICATE and the word SYNDIKAT. As the average consumer will, in my view, conclude that the applicant’s trade marks are simply an alternative presentation of the opponents’ device mark (in which the word SYNDICATE is presented in a stylised fashion), they will assume that

the applicant's trade marks are another brand owned by the opponents. Such a conclusion would lead to indirect confusion and the opposition based upon section 5(2)(b) also succeeds based upon the opponents' device trade mark

The applicant's use of his trade mark

68. In her skeleton argument, Mr Blythe stated:

“32. In the Witness Statement of Mr Burton, the Applicant refers to the extent of his trade perhaps implying that the absence of any confusion points against a likelihood of confusion. This is strongly disputed by the Opponent.”

69. She referred to the following passage from *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220, in which Kitchen L.J. stated:

“80.the likelihood of confusion must be assessed globally taking into account all relevant factors and having regard to the matters set out in *Specsavers* at paragraph [52] and repeated above. If the mark and the sign have both been used and there has been actual confusion between them, this may be powerful evidence that their similarity is such that there exists a likelihood of confusion. But conversely, the absence of actual confusion despite side by side use may be powerful evidence that they are not sufficiently similar to give rise to a likelihood of confusion. This may not always be so, however. The reason for the absence of confusion may be that the mark has only been used to a limited extent or in relation to only some of the goods or services for which it is registered, or in such a way that there has been no possibility of the one being taken for the other. So there may, in truth, have been limited opportunity for real confusion to occur.”

70. She further stated:

“34. It is submitted that this case falls into the latter category: it is an example of a case where there has been limited opportunity for real confusion to occur such that the absence of actual confusion casts no light whatsoever on the possibility of confusion. The Applicant hosts techno music events in and around Newcastle only and has hosted only 6 events between November 2016 and November 2017. In comparison, the Opponent’s music festival takes place in Germany. To date, therefore, confusion has simply had no real opportunity to occur.”

71. The fact that the applicant has used his trade mark for some eleven months prior to the date of his application does not, for the reasons Ms Blythe explains, assist him.

Overall conclusion

72. The opposition succeeds.

Costs

73. At the hearing, Ms Blythe indicated that costs should be on the scale and follow the event. In relation to the applicant’s costs, I mentioned to Mr Bottomley that as far as I was aware, the costs proforma which had been sent to the applicant at the conclusion of the evidence rounds had only been completed in relation to a Case Management Conference (“CMC”) held during the course of the proceedings. While Mr Bottomley confirmed my understanding of the position was correct, he explained that the costs proforma had been completed in that manner because there had been a misunderstanding on the part of the applicant.

74. At the hearing, Mr Bottomley then attempted to address me on negotiations that had taken place between the parties in an attempt to settle the dispute amicably, and what

he regarded as the impact such negotiations should have on the matter of costs. At the hearing, I pointed out that, for example, documents exchanged between parties in an attempt to settle a dispute may be regarded as without prejudice irrespective of whether they actually carried that specific marking. In short, I was concerned that the matters Mr Bottomley wished to bring to my attention were highly likely to be regarded as without prejudice. In this regard, I note that even when communications have been marked “without prejudice save as to costs”, it is not appropriate for such communications to be brought to a decision taker’s attention in relation to costs before the substantive decision is issued. However, at the hearing, Mr Bottomley’s view was that the negotiations had been conducted on an open basis and could be relied upon by the applicant.

75. Following the hearing, the Casework Examiner wrote to the applicant allowing him a period of 14 days to consider correcting the misunderstanding which had occurred and in so doing file an amended costs proforma; the opponents were allowed a corresponding period to consider commenting on any amended costs proforma the applicant elected to file. Also following the hearing, the Tribunal received an email from Mr Bottomley (copied to the opponents) regarding his submissions at the hearing which I felt may be considered to be without prejudice; the opponents elected not to comment upon these submissions. On 21 March 2019, the applicant filed an amended costs proforma, in relation to which no comments were received from the opponents.

76. As it appears there may be communications upon which the applicant may be entitled to rely in relation to the matter of costs, he **is allowed 14 days from the date of this interim decision to provide any documents/comments he considers he is entitled to rely upon.** Any such documents/comments provided should be copied to the **opponents who will then be allowed a period of 14 days from the date that it receives a copy of any documents/comments filed to provide documents/comments of its own.** At the conclusion of that period, I will review any

documents/comments the parties may provide/make and issue a supplementary decision, in which I will deal with costs and set the period for appeal.

Dated 12 April 2019

C J BOWEN

For the Registrar

Goods and services upon which the opponent relies

The goods shown in bold are those upon which the applicant has asked the opponent to demonstrate genuine use.

Class 9

Compact discs (read-only memory); compact discs (audio-video); computer programs (downloadable); **electronic publications (downloadable)**; magnetic tapes; magnetic tape units [for computers]; juke boxes (for computers); audio and video receiver; sound recording films; sound recording apparatus; tape-recorders; sound locating instruments; sound carriers; sound transmitting apparatus; sound amplifiers; sound-reproducing apparatus.

Class 41

Information on leisure activities; **Event information (entertainment)**; **providing electronic publications (not downloadable)**; Provision of karaoke equipment; discotheques; **sound recording studio services**; amusement parks; **desktop publishing (creating publications using computers)**; entertainer services; providing recreation facilities; recording and television studio services; **presentation of live performances**; **prebooking of entrance tickets (entertainment)**; **composing of music**; orchestra services; on-line publishing of electronic books and magazines; organisation and conducting of sporting and cultural events; arranging and conducting concerts; **party planning (entertainment)**; seat reservation for entertainment events; **production of shows**; **publication of printed matter (also in electronic form), except for advertising purposes**; radio entertainment; entertainment; organisation of exhibitions for cultural or educational purposes; arranging of entertainment shows

(artists' agencies); organization of competitions [education or entertainment]; rental of sound recordings.