

O/423/21

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003434017

BY PLAY'N GO MARKS LTD

TO REGISTER:

FORTUNES OF ALI BABA

AS A TRADE MARK IN CLASSES 9, 28 AND 41

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 419211 BY

ALIBABA GROUP HOLDING LIMITED

BACKGROUND AND PLEADINGS

1. On 4 October 2019, Play'n GO Marks Ltd ("the applicant") applied to register the trade mark shown on the cover of this decision ("the applicant's mark") in the UK for the following goods and services:

Class 9: Computer games and video games (software), hereunder software for slot machine games, betting and wagering games, video slot games and casino games provided online and via computer networks and playable on any type of computing device including arcade games, personal computers, handheld devices and mobile phones; software for slot machine games, betting and wagering games, video slot games and casino games provided online and via computer networks and playable on any type of computing device including arcade games, personal computers and handheld devices.

Class 28: Videogaming apparatus, hereunder slot machines for gambling, gaming machines, poker machines and other video based casino gaming machines; arcade games; gaming machines, namely, devices that accept a wager; reconfigurable casino and lottery gaming equipment, hereunder gaming machines including computer games and software therefor sold as a unit.

Class 41: Games services provided online (via computer networks), hereunder providing slot machine games, betting and wagering games, video slot games and casino games, playable via local or global computer networks; on-line gaming services; entertainment services, namely, conducting a game of chance simultaneously at multiple, independent gaming establishments; entertainment services, hereunder providing on-line computer games; prize draws [lotteries]; organising and conducting lotteries.

2. The application was published for opposition purposes on 29 November 2019 and on 24 January 2020 it was opposed by Alibaba Group Holding Limited ("the

opponent”). The opposition is based on section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opponent relies on the following marks:

ALIBABA

EUTM no. 017971585¹

Filing date 23 October 2018; registration date 23 February 2019

(“the opponent’s first mark”);



EUTM no. 015887953

Filing date 29 September 2016; registration date 25 April 2017

(“the opponent’s second mark”); and

ALIBABA

EUTM no. 017889036

Filing date 17 April 2018; registration date 21 August 2018

(“the opponent’s third mark”)

3. The opponent relies on some of its goods and services for which its marks are registered and these are shown in the **Annex** to this decision. The opponent’s first mark is aimed at the applicant’s class 9 and class 28 goods only, the opponent’s second mark is aimed at the applicant’s class 28 goods only and the opponent’s third mark is aimed at the applicant’s class 41 services only.
4. The opponent submits that the high degree of similarity between the parties’ marks and the identity and/or highly similar goods and services will lead to a likelihood of confusion on the part of the relevant public. The applicant filed a counterstatement denying the claims made.
5. The opponent is represented by Sonder IP Limited and the applicant is represented by Appleyard Lees IP LLP. Both parties filed evidence in chief with the applicant also filing written submissions during the evidence rounds. The opponent also filed

¹ Although the UK has left the EU and the EUTM relied upon by the opponent now enjoys protection in the UK as a comparable trade mark, the EUTM remains the relevant right in these proceedings. That is because the application was filed before the end of the Implementation Period and, under the transitional provisions of the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019, I am obliged to decide the opposition on the basis of the law as it stood at the date of application

evidence in reply. No hearing was requested and both parties filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

6. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

PRELIMINARY ISSUES

7. Throughout these proceedings, the applicant has referred to applications for invalidation that it has filed against the opponent's first and third marks at the EUIPO. In the event that the invalidation applications are successful, the opponent's first and third marks will be declared invalid and removed from the EU trade mark register as if they had never existed. As a result, any decision that is reliant upon the opponent's first and third marks can only be provisional subject to the successful defence of the invalidation applications brought against those marks. I will return to this point below, if necessary.
8. Further, the applicant submits that:

“Any search of the Internet or the UK trade mark register will reveal that the Ali Baba name is also used widely by dozens of different businesses as a trade mark to sell a broad range of goods and services unconnected to the story of Ali Baba. As a consequence of this extensive trade use, consumers recognise that the trade mark ALI BABA is not owned by a single undertaking but shared by multiple unconnected businesses in a broad range of commercial fields. In short, the relevant public has been educated to understand that the use of ALI BABA by two different businesses gives no guarantee that they have an economic connection, particularly where the goods and services are different.”

9. For reasons that I will now explain, the applicant's point regarding the presence of multiple trade marks on the register containing the words 'ALI BABA' have no

bearing on the outcome of this opposition. I note that in the case of *Zero Industry Srl v OHIM, Case T-400/06*, the General Court (“GC”) stated that:

“73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word ‘zero’, it should be pointed out that the Opposition Division found, in that regard, that ‘... there are no indications as to how many of such trade marks are effectively used in the market’. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word ‘zero’ is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T 135/04 GfK v OHIM – BUS(Online Bus) [2005] ECR II 4865, paragraph 68, and Case T 29/04 Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH) [2005] ECR II 5309, paragraph 71). “

10. The fact that there may be many trade marks that include the words ‘ALI BABA’ is not a relevant factor to the distinctiveness of the opponent’s marks. The applicant has filed no evidence to demonstrate that any of these marks are actually in use in the market place. The outcome of this opposition will be determined after making a global assessment, whilst taking into account all relevant factors and the state of the register is not relevant to that assessment.

EVIDENCE

The opponent’s evidence in chief

The Witness Statement of Ka Ming Angela Li dated 9 June 2020

11. Ms Li is “Senior Legal Counsel – Head of Soft IP” of the opponent, a position she has held since December 2014. Ms Li’s evidence shows use of the opponent’s marks on a global scale. The opponent has not been put to proof of use for its marks, neither does it rely on any grounds that require it show proof of reputation and/or goodwill in its marks. As a result, the evidence only assists the opponent insofar as it is relevant to the issue of enhanced distinctive character through use,

which requires evidence of use in the UK only. I have taken all of the evidence into account and I will refer to it below, where necessary.

The applicant's evidence in chief

The Witness Statement of Johan Törnqvist dated 16 October 2020

12. Mr Törnqvist is the director of the applicant. He discusses the origin of Ali Baba and its place in modern culture. Mr Törnqvist's sets out that Ali Baba is a popular term that is used by multiple businesses in a wide spectrum of commercial fields. He states that the term/name has been used constantly in various fields meaning that it has become diluted and irreplaceable when used in a descriptive way or in connection with films, television, games and other story telling mediums. Evidence is provided in support of this position and I have taken all of it into account and will, where necessary, refer to it below.

The opponent's evidence in reply

The Second Witness Statement of Ka Ming Angela Li dated 5 January 2021

13. The purpose of Ms Li's second statement is to further demonstrate the reputation that the opponent enjoys in its marks in the UK and EU. As I have set out above, the opponent's evidence only assists insofar as it demonstrates an enhanced distinctiveness of its marks in the UK. As above, I have taken all of this evidence into account and will refer to it below, where necessary.

DECISION

Section 5(2)(b): legislation and case law

14. Section 5(2)(b) of the Act reads as follows:

“(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 or association with the earlier trade mark.”

15. Section 5A of the Act states as follows:

“Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

16. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

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

(a) a registered trade mark, international trade mark (UK) or 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.

17. The opponent’s marks qualify as earlier trade marks under the above provisions. As the opponent’s marks had not completed their registration process more than 5 years before the application date of the mark in issue, they are not subject to proof of use pursuant to section 6A of the Act. Consequently, the opponent can rely upon all of the goods and services for which its marks are registered.

18. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (“OHIM”)*, Case C-3/03, *Medion AG v. Thomson*

Multimedia Sales Germany & Austria GmbH, Case C-120/04, Shaker di L. Laudato & C. Sas v OHIM, Case C-334/05P and Bimbo SA v OHIM, Case C-591/12P.

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

19. The applicant's goods and services are set out in paragraph 1 of this decision. The opponent's goods and services are set out in the **Annex** to this decision.

20. The GC confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, that, even if goods or services are not worded identically, they can still be considered identical if one term falls within the scope of another or (vice versa):

“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 trade mark application (Case T-388/00 Institut fur Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

21. I have detailed submissions from both parties in respect of the comparison of goods and services. I note that the applicant has only made submissions in respect of the opponent's second mark, being the mark not subject to invalidation proceedings at the EUIPO. I have taken these submissions into account and while I do not intend to reproduce the submissions in full, I will refer to them below, where necessary.

Class 9 goods

22. “Computer games and video games (software), hereunder software for slot machine games, betting and wagering games, video slot games and casino games

provided online and via computer networks and playable on any type of computing device including arcade games, personal computers, handheld devices and mobile phones” and “software for slot machine games, betting and wagering games, video slot games and casino games provided online and via computer networks and playable on any type of computing device including arcade games, personal computers and handheld devices” in the applicant’s specification both fall within the broader category of “computer, electronic and video games programmes and software (including software downloadable from the Internet)” in the opponent’s first mark’s specification. These goods are, therefore, identical under the principle outlined in *Meric*.

Class 28 goods

23. The applicant has submitted that the class 28 goods in its specification are similar to a moderate degree on the basis that none of the opponent’s goods refer to gambling. However, I note that the opponent’s second mark contains the broad term of “electronic games and amusement apparatus other than those adapted for use with an external display screen or monitor (apparatus for-)”. I consider that this term includes goods such as video game apparatus where the screen is built into the machine, such as arcade game units and slot machines. While I appreciate that the applicant’s goods in class 28 mainly relate to gambling, the nature of the opponent’s term means that it too can be used for gambling purposes. As a result, I find that “videogaming apparatus, hereunder slot machines for gambling, gaming machines, poker machines and other video based casino gaming machines”, “arcade games”, “gaming machines, namely, devices that accept a wager”, “reconfigurable casino and lottery gaming equipment, hereunder gaming machines including computer games and software therefor sold as a unit” all fall within the category of “electronic games and amusement apparatus other than those adapted for use with an external display screen or monitor (apparatus for-)” in the opponent’s second mark’s specification. These goods are, therefore, identical under the principle outlined in *Meric*.

24. I also note that the opponent has sought to rely on its first mark’s class 9 goods in opposition to the applicant’s class 28 goods. On that point, I note that the applicant’s class 28 goods share a level of similarity with the goods “computer,

electronic and video games programmes and software (including software downloadable from the Internet)” in the opponent’s first mark’s specification. This is because there is an overlap in user, in that the user of all goods will be those looking to play games. Further, there is a general overlap in purpose in that the aim of all of these goods is to be used for playing games, be that for gambling or not. However, the nature and method of use differs because the opponent’s class 9 goods are software, whereas the applicant’s goods are different types of physical gaming apparatus. I consider these goods to have a complementary relationship in that the average consumer would consider video game software to be important and/or indispensable to the use of the gaming apparatus contained in the applicant’s specification. Further, the average consumer will consider that the same undertaking would be responsible for these goods.² Finally, I consider that there is an overlap in trade channels in that an undertaking that produces video game software may also provide the apparatus on which they are played. Overall, I consider these goods to be similar to a high degree.

Class 41 services

25. “Games services provided online (via computer networks), hereunder providing slot machine games, betting and wagering games, video slot games and casino games, playable via local or global computer networks”, “on-line gaming services”, and “entertainment services, hereunder providing on-line computer games” in the applicant’s specification fall within the broader category of “electronic games services provided by means of the Internet” in the opponent’s third mark’s specification. These services are, therefore, identical under the principle outlined in *Meric*.

26. “Entertainment services, namely, conducting a game of chance simultaneously at multiple, independent gaming establishments” in the applicant’s specification falls within the broader category of “entertainment” in the opponent’s third marks’ specification. These services are, therefore, identical under the principle outlined in *Meric*.

27. “Prize draws [lotteries]” in the applicant’s specification describes the same service as “lottery services” in the opponent’s third mark’s specification. These goods are,

² *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

therefore, identical. Additionally, I consider that “lottery services” in the opponent’s third mark’s specification also includes the organisation and conducting of the lotteries themselves. As a result, I am of the view that “organising and conducting lotteries” in the applicant’s specification falls within “lottery services” in the opponent’s third mark’s specification. These services are, therefore, identical under the principle outlined in *Meric*.

The average consumer and the nature of the purchasing act

28. The case law, as set out earlier, requires that I determine who the average consumer is for the respective parties’ goods and services. I must then decide 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.”

29. The applicant submits that:

“The average consumer of the Applicant’s gambling goods and services is a discerning and committed adult. The nature of gambling means that the average consumer can not only gain potentially large amounts of money but they can also lose significant amounts. Whilst the Applicant’s games are fun, they also require the consumer to take a financial risk with no guarantee of a reward. Before any transaction can be completed or any games played, consumers of the Applicant’s goods and services must provide regulatory information and financial details. The average consumer will therefore act carefully in selecting goods and services and will not do so on a whim. They

must pay a higher level of attention to the purchasing decision than for everyday items such as those protected by the Opponent's Mark.”

30. The opponent disputes this and instead submits that “the goods and services in question are predominantly directed at the public at large with an average level of attention”. Further, the opponent submits that:

“The goods include ‘software for slot machine games,’ ‘gaming machines’ and ‘video slot games’ and are specifically stated to be available on a variety of devices including handheld devices. The nature of such games does not have to be restricted to gambling for money. They will include playing for entertainment purposes only and are available via the app store. Consequently, the level of attention is likely to be relatively low. The principle of notional and fair use for the goods and services applied for, must be considered when the relevant consumer is assessed. Whilst the Witness Statement of Johan Törnqvist details regulatory requirements for some of the software they produce, this is irrelevant and not true for all the goods and services for which registration is sought.

31. For the goods and services at issue that relate specifically to gambling, the average consumer will be members of the general public over the age of 18. This also applies to the lottery services in the parties’ specifications. However, as the opponent has submitted, some of the goods and services do not specifically refer to gambling and I find that the average consumer for those goods and services will be members of the general public at large. I also find that the average consumer for some of the goods and services, such as reconfigurable casino gaming equipment, will be a business user.

32. For members of the general public at large, the goods and services will either be selected online via websites or app stores on a consumer’s device or, more specifically, where they relate to gambling, they will be selected in person at a casino or gambling hall. When selected online, the goods and services will be selected after viewing an image displayed on a website. In casinos or gambling halls, the goods and services will be selected after seeing them either on gaming machines themselves or on signage throughout the casino/gambling hall. For

business users, the goods and services will be selected via specialist retailers or their online equivalents. Where selected at specialist retailers, the goods and services will be selected after having viewed them in a catalogue or pamphlet. When selected online, the goods and services will be selected after viewing an image displayed on a website. Regardless of who the average consumer is, I conclude that the selection of the goods and services will be primarily visual, but I do not discount an aural component playing a part in the form of word of mouth recommendations.

33. The price of the goods and services will vary. For example, goods such as slot machine video games for use on mobile phones may be relatively inexpensive or even free whereas reconfigurable casino gaming equipment is likely to be expensive. The goods and services are likely to range from being purchased/selected frequently (such as weekly lottery tickets) to infrequently (such as slot machine apparatus).

34. As for the level of attention paid, I find that this will vary somewhat. I agree with the opponent's submissions that the level of attention for slot machine type games that can be downloaded from an app store on a mobile device will be low. As for the goods and services that relate to gambling, it is my understanding that slot machines can range in the value of their minimum bets and that these can be as little as 1p per bet. Additionally, it is my understanding that slot machines are not solely played to win large sums of money but that they can be played for purely entertainment purposes, even if money is being gambled. It is my view that the average consumer will, generally speaking, pay a medium degree of attention when gambling on slot machines. However, I acknowledge that for some average consumers who are looking to potentially risk a significant amount of their own money when gambling, the attention paid will be higher, although not considerably so. Further, I consider that business users are likely to pay a higher degree of attention (but not considerably so) when selecting the goods and services such as reconfigurable casino gaming equipment because they are likely to require additional information such as the mathematical algorithm that determines the percentage of winnings.

35. Overall, I conclude that while the average consumer will, generally, pay a medium degree of attention, there are instances where they will pay a low degree (for mobile phone game applications for example) or a higher (but not considerably so) degree of attention (for those looking to gamble their own money or a business users).

Distinctive character of the opponent's mark

36. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the Court of Justice of the European Union (“CJEU”) stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

37. Registered trade marks possess various degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The opponent has submitted that the distinctive character of its marks has been enhanced

through use. When considering the issue of enhanced distinctive character through use, it must be considered from the perspective of the UK consumer. I have considered the evidence in support of this claim and do not consider it sufficient to demonstrate enhanced distinctiveness of the opponent's marks in the UK for the following reasons.

38. The opponent has failed to provide evidence of the market share held by its marks in the UK. I have no evidence as to the size of the relevant market for the opponent's goods or services in the UK. Given that the opponent's goods and services relate mostly to computer software, computer games and services relating thereto, I am of the view that the market would be significant with an annual turnover of hundreds of millions, if not billions of pounds per annum. I note that the worldwide revenue and advertising figures by the opponent are very significant. However, firstly, there is no evidence as to how much of this revenue or advertising spend relates to use of the opponent's marks in the UK. On this point, I note that the annual reports provided by the opponent set out that international commerce made up 12% of the opponent's total revenue in the year ending 2013, 9% in 2014, 9% in 2015, 8% in 2016, 9% in 2017, 8% in 2018 and 7% in 2019.³ Further, the annual reports also set out that the total revenue also includes revenue generated by other marks not relied upon in these proceedings, such as Lazada, AliExpress, and Tmall Global, amongst others. Secondly, these figures relate to all of the opponent's goods and services and there is no evidence to suggest how much of this revenue or advertising spend relates to the specific goods and services relied on in these proceedings.

39. I also note that a table was provided that shows 1,743,773 unique visitors from within the UK accessed the opponent's Alibaba.com website in the UK during a one-month period in 2018.⁴ While the figures are significant, there is no evidence to show that these visits resulted in any sales of the goods or usage of the services relied upon in the opponent's marks' specifications. The table also shows figures relating the AliExpress website. However, there is no evidence that the AliExpress website relates to the opponent's marks and as such, is of little relevance in assessing whether they have achieved any degree of enhanced distinctiveness.

³ Exhibit AL1

⁴ Paragraph 7 of the Second Witness Statement of Ms Angela Ka Ming Li

40. The additional evidence provided by the opponent such as screenshots of YouTube advertising⁵ and social media accounts⁶ appear to be aimed at a worldwide audience and there is no indication that any of the users accessing these videos or accounts are based in the UK. Further, the evidence of UK based retailers using the opponent's online marketplace service⁷ does not assist the opponent either, in that, the provision of an online marketplace is not a service relied upon in these proceedings. In any event, even if it was to assist, it does not demonstrate any use of the opponent's marks to the point where it would enhance their distinctiveness. Finally, the evidence discusses a number of press articles from UK publications and copies of some of those are provided.⁸ While the content of these articles is noted, they do not specifically talk about the opponent's operations in the UK and focus more on the opponent on a global scale. Only a limited number of adverts aimed at the UK has been produced.⁹ Given the limited number provided, they are not sufficient to enhance the opponent's marks' distinctiveness in the UK.

41. Taking all of the above into account, the evidence in support of a claim for enhanced distinctiveness is insufficient. Consequently, I have only the inherent position to consider.

The opponent's first and third marks

42. The opponent's first and second marks consist only of the word 'ALIBABA' which, although set together, will be recognised as two words, being 'ALI BABA'. The applicant's evidence seeks to prove that the term Ali Baba is non-distinctive as a result of its widespread use across various regions and fields. The basis for this is that Ali Baba is a character from the well-known middle eastern folktale of 'Ali Baba and the Forty Thieves', which is found in a collection of stories known as 'Arabian Nights'. The applicant has filed evidence of the existence of products such as games, books and films showing the Ali Baba name and story.¹⁰ However, while the evidence of products bearing the Ali Baba name on Amazon.co.uk is noted, there is no evidence regarding the sales of these products to customers in the UK.

⁵ Exhibit AL-2

⁶ Exhibit AL-3

⁷ Exhibit AL-5

⁸ Exhibit AL-14

⁹ Exhibit AL-16

¹⁰ Exhibit 3 of the Witness Statement of Johan Törnqvist dated 16 October 2020

I also note that some of the products are in foreign languages or are imports. Further, the evidence regarding various films of the Ali Baba story provided by the applicant are foreign language films or produced outside of the UK. For these film adaptations, there is no indication as to whether those films were released commercially in the UK. I do not consider that the evidence showing the availability of products surrounding the Ali Baba story to be sufficient to make a finding that it is non-distinctive. In any event, by virtue of being registered means that it is assumed to have at least some distinctive character.¹¹ While the applicant's evidence does not point to widespread knowledge of the Ali Baba story in the UK, I am content to take judicial notice that a significant proportion of average consumers in the UK will know the character of Ali Baba from middle eastern folklore. This is on the basis that, whilst care must be taken not to assume that my own knowledge is more widespread than it is, I am of the view that the Ali Baba story is notorious so as not to be the subject of serious dispute.¹² Having said that, I also consider that a separate but still significant proportion of average consumers will not be aware of its origin or reference. For those consumers, Ali Baba will be seen either as a made-up or a foreign name.

43. Even where the consumer is aware of the connection to the Ali Baba story, I do not consider the term 'ALIBABA' to be descriptive and that it can still work to denote trade origin. However, given the connection to an existing story/character, I find that the opponent's first and third marks enjoy a medium degree of inherent distinctive character. Alternatively, where the average consumer is not aware of the connection to the Ali Baba story, 'ALIBABA' will enjoy a high degree of inherent distinctive character due to the fact that regardless of whether it is seen as a made-up or foreign name, it will not be a name that is prevalent in the UK.

The opponent's second mark

44. I do not consider that the term 'Pictures' will contribute to the overall distinctive character of the opponent's second mark. While I am of the view that the device element and foreign language characters will contribute to the overall impression of the opponent's second mark, they will not contribute to the point where it

¹¹ *Formula One Licensing BV v OHIM*, Case C-196/11P

¹² *Chorkee Ltd v Cherokee Inc.*, Case BL O/048/08

increases the distinctiveness of the mark to a level beyond the findings I have made at paragraph 43 above. Therefore, I consider that the opponent's second mark enjoys either a high or a medium degree of distinctive character based on whether the average consumer makes a connection to the story of Ali Baba or not.

Comparison of marks

45. It is clear from *Sabel 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 the trade marks, bearing in mind their distinctive and dominant components.

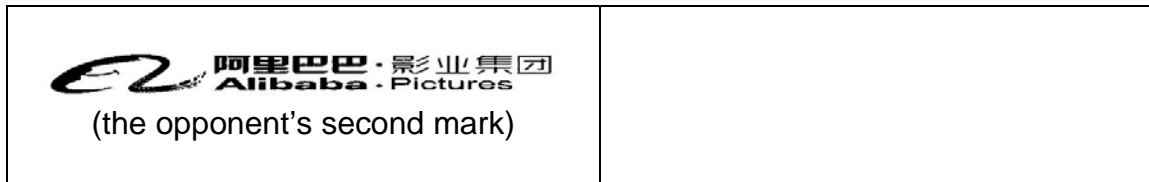
46. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“... 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.”

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

48. The respective trade marks are shown below:

| The opponent's marks | The applicant's mark |
|---|----------------------|
| ALIBABA (the opponent's first and third marks) | FORTUNES OF ALI BABA |



Overall Impression

The applicant's mark

49. The applicant's mark is a word only mark. The opponent submits that:

“The dominant and distinctive element of the mark of the Applicant is the term ALI BABA. The remainder of the mark is merely a qualification of this term and thus the relevant public will recognise the term ALI BABA as the dominant visual element.”

50. I agree with the opponent's submissions that 'FORTUNES OF' are words that qualify 'ALI BABA', being the subject of the phrase. I do not consider that they will be overlooked entirely but I do find that they will play a slightly lesser role in the overall impression of the mark, which will be dominated by the words 'ALI BABA'.

The opponent first and third marks

51. The opponent's first and third marks are word only marks. I have set out above that the average consumer would recognise these mark as two words, being 'ALI BABA'. There are no other elements that will contribute to the overall impression of the marks, which lie in the words themselves.

The opponent's second mark

52. The opponent's second mark consists of a number of elements; a word element, being 'Alibaba Pictures', a number of foreign language characters and a device element that will be seen as an irregular curved shape. While the word 'Pictures' is a term usually associated with film production companies, the fact that the opponent's second mark's specification does not relate to film production means that 'Pictures' will not be entirely non-distinctive. Despite this, I consider that 'Pictures' will be attributed little trade mark significance by the average consumer

as it will be seen as an indication of the type of business the opponent operates. Therefore, I find that the word 'Alibaba' will play a greater role in the overall impression of the opponent's second mark with the word 'Pictures', the device element (due to the fact that the average consumer will be drawn to the elements that can be read) and the foreign language characters (due to the fact that the average consumer will not recognise them) all playing lesser roles.

Visual Comparison

The opponent's first and third marks and the applicant's mark

53. Visually, the marks share the element of 'ALI BABA', albeit presented as one word in the opponent's marks. There is, though, a difference in the addition/absence of 'FORTUNES OF', which sits at the beginning of the applicant's mark, which is where the average consumer tends to focus.¹³ Overall, given that the shared element plays a greater role in the overall impression of both marks, I am of the view that these marks are visually similar to between a medium and high degree.

The opponent's second mark and the applicant's mark

54. The visual similarities between these marks lies only in the element ALI BABA. The remaining elements of the marks, being the word 'FORTUNES OF' in the applicant's mark and the device element, the foreign language characters and the word 'Pictures' in the opponent's second mark, are all different. While the differing elements play lesser roles in the overall impression of their respective marks, they all act as points of visual difference, albeit to varying degrees. Overall, I consider that the marks are visually similar to a medium degree.

Aural Comparison

The opponent's first and third marks and the applicant's mark

55. 'ALI BABA' will be pronounced identically in both marks despite the words being conjoined in the opponent's marks. The opponent's marks consist of four syllables

¹³ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

that will be pronounced 'AL-E-BAH-BAH'. The applicant's mark consists of seven syllable that will be pronounced 'FAW-CHOONS-OF-AL-E-BAH-BAH'. The shared element forms the entirety of the opponent's marks. The additional verbal elements in the applicant's mark act as points of difference. Weighing one up against the other ,overall, I find that the marks are similar to a medium degree.

The opponent's second mark and the applicant's mark

56. The applicant has submitted that the device element in the opponent's second mark will be pronounced as 'E-Z'. I do not consider this to be the case as it will, instead, be seen as an irregular curved shape. Further, I do not consider that 'Pictures' or the foreign language characters in the opponent's second mark will be pronounced. Therefore, the aural comparison between these marks will be the same as paragraph 55 above, meaning that the marks are similar to a medium degree.

57. However, if I am wrong and the word 'Pictures' is pronounced in the opponent's second mark, then I find that the marks are aurally similar to between a low and medium degree.

Conceptual Similarity

The opponent's first and third marks and the applicant's mark

58. I have set out above that while a significant proportion of average consumers in the UK will connect 'ALIBABA' in the opponent's marks to the Ali Baba character in middle eastern folklore, a separate but equally significant proportion of average consumers in the UK will not make the same connection or have an understanding of the name.

59. As for the applicant's mark, I consider that the concept of 'ALI BABA' will be the same as above. In my view, the addition of the words 'FORTUNES OF' will, to those who are aware of the Ali Baba story, be seen as a reference to additional details of the story in that it is a story of an individual's wealth/riches. However, for those average consumers who are unaware of the Ali Baba story, the addition of 'FORTUNES OF' will indicate that the person 'Ali Baba' is wealthy/rich. Regardless

of the average consumer's understanding of 'ALI BABA', the additional words will, in my view, qualify the name of Ali Baba. While different sets of consumers will have different understandings of the name 'ALI BABA', the concept will be the same in that the consumer will either see it a reference to a character from middle eastern folklore or an unknown person. Overall, I consider that the addition of 'FORTUNES OF' only creates a slight point of conceptual difference between the marks due to the fact it merely qualifies the name 'ALI BABA'. As a result, I find that the marks are conceptually similar to a very high degree.

The opponent's second mark and the applicant's mark

60. I do not consider that the additional components in the opponent's second mark will contribute to the conceptual impact of the marks on the basis that the average consumer will not attribute any conceptual meaning to the device element or the foreign language characters. Further, the term 'Pictures' will simply be seen as a reference to the type of business the opponent runs. As a result, the same finding made as paragraph 59 above also apply to the opponent's second mark.

Likelihood of confusion

61. I have found all of the applicant's goods and services to be identical or similar to a high degree to the goods and services in the opponent's mark's specifications. I have found the average consumer for the goods and services to be both members of the public (be that members of the public at large or those over the age of 18 for gambling related goods and services) and business users. I have found that the goods and services will be selected through primarily visual means (although I do not discount an aural component). I have concluded that the average consumer will generally pay a medium degree of attention but that this may be lower for some goods or higher (but not considerably so) for some of the goods and services.

62. I have found applicant's mark to be visually similar to between a medium and high degree, aurally similar to a medium degree and conceptually similar to a very high degree with the opponent's first and third marks and visually similar to a medium degree, aurally similar to a medium degree or between a low and medium degree depending on whether 'Pictures' is pronounced or not and conceptually similar to

a very high degree with the opponent's second mark. I have found all of the opponent's marks to have either a medium or high degree of inherent distinctive character depending on whether the average consumer makes the connection to the Ali Baba story or not. I have taken these factors into account in my assessment of the likelihood of confusion between the marks.

63. Taking all of the above factors and the principle of imperfect recollection into account, I consider that the visual and aural differences between the marks are sufficient to ensure that they will not be misremembered or mistakenly recalled as each other. Consequently, I am satisfied that there is no likelihood of direct confusion between the marks, even on goods and services that are identical.

64. It now falls to me to consider whether there is a likelihood of indirect confusion. Indirect confusion involves recognition by the average consumer of the differences between the marks.

65. I am guided by the case of *Interflora Inc v Marks and Spencer plc* [2014] EWCA Civ 1403 wherein LJ Kitchin stated that a court must have regard to the impact of the opponent's marks on the proportion of consumers to whom the trade mark is particularly distinctive. I am also guided by the case of *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, wherein Kitchin LJ concluded that if a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court, then it may properly find infringement. While these cases were infringement cases, the principles apply equally to oppositions under section 5(2) of the Act. As a result of the cases cited above, I will focus my assessment of a likelihood of indirect confusion on the significant proportion of consumers who are not aware of the story of Ali Baba on the basis that it is to that group of consumer that the opponent's marks' have a higher degree of distinctive character. It follows that if there is a likelihood of indirect confusion amongst this significant proportion of consumers, it is sufficient for the opposition against the applicant's mark to succeed.

66. In the present case, the marks share the common element of 'ALI BABA' (albeit presented differently in the parties' marks). I consider that the presentational differences between 'ALIBABA' in the opponent's marks and 'ALI BABA' in the

applicant's mark will be overlooked. The common element is the dominant element of all of the parties' marks and, save for being seen as a made up or foreign name, has no obvious meaning to the average consumer. On that basis, I am of the view that average consumers in the UK are likely to believe that the applicant's mark is another brand of the owner of the opponent's marks.¹⁴ While I acknowledge that the common element sits at the end of the applicant's mark, I am reminded that elements at the end of marks may still be sufficient to create a likelihood of confusion.¹⁵

67. The differences between the marks will be seen by the average consumer as alternative marks from the same or economically linked undertakings. When confronted with either mark, it is likely that the average consumer will consider that the name 'ALI BABA' is a reference to the person providing the goods or services of both marks with the differences being indicative of a sub-brand or of a re-branding. For example, it may be that the addition of 'FORTUNES OF', especially on goods and services that relate to gambling/lotteries, are indicative of a sub-brand of an undertaking called 'ALI BABA' that focuses specifically on gambling/lotteries. Further, I consider it entirely plausible that the average consumer may also consider 'ALIBABA' to be an updated and more streamlined re-branding of 'FORTUNES OF ALI BABA'.

68. I also consider that the above findings apply to the likelihood of indirect confusion between the applicant's mark and the opponent's second mark given that the dominant element of the opponent's second mark is 'ALIBABA'. Additionally, even if the device element and addition of Chinese characters are noticed, they will simply be seen as stylised and non-distinctive additions to the mark that are entirely consistent with alternative marks used by the same undertakings. For example, the foreign language characters will be seen as indicative of a sub-brand that focuses on different international markets. Further, even if the word 'Pictures' is noticed by the average consumer, I consider it plausible that the average consumer will see this as a logical brand extension or sub-brand that focuses on film production.

¹⁴ Paragraphs 16 & 17 of *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10

¹⁵ *Bristol Global Co Ltd v EUIPO*, T-194/14

69. Consequently, I consider there to be a likelihood of indirect confusion between all of the opponent's marks and the applicant's mark, even on goods and services that are selected with a higher degree of attention.

CONCLUSION

70. The part of this opposition that was aimed at the class 9 goods and class 41 services in the application was reliant upon the opponent's first and third marks, respectively. Therefore, the opponent's success against the application in respect of the class 9 goods and class 41 services is provisional due to the fact that those marks are currently subject to invalidation proceedings at the EUIPO. However, the part of this opposition that was aimed at the class 28 goods in the application was reliant upon the opponent's second mark, which is not subject to invalidation proceedings at the EUIPO. As a result, the application in respect of the class 28 goods is refused.

71. When the outcome of the EUIPO invalidation proceedings is decided, I will issue a supplementary decision which will include a decision on costs. The appeal period will run from the date of the supplementary decision.

DIRECTION TO THE OPPONENT

72. I direct that the opponent informs the Tribunal when the EUIPO invalidation proceedings are decided.

Dated this 4th day of June 2021

A COOPER

For the Registrar

ANNEX

The opponent's first mark

Class 9

Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; computer programs; computer software in the form of an application for mobile devices and computers; software applications for use with mobile devices; software for processing electronic payments to and from others; authentication software; computer software supplied on the Internet; online electronic publications (downloadable from the Internet or a computer network or a computer database); instant messaging software; file sharing software; communications software for electronically exchanging data, audio, video, images and graphics via computer, mobile, wireless, and telecommunication networks; computer software for processing images, graphics, audio, video, and text; downloadable computer software to facilitate the electronic transmission of information, data, documents, voice, and images over the Internet; downloadable computer software which allows users to participate in web-based meetings and classes, with access to data, documents, images and software applications through a web browser; downloadable computer software for accessing, viewing, and controlling remote computers and computer networks; downloadable cloud-computing software; downloadable cloud-based software; downloadable electronic publications in the nature of magazines, articles, brochures, leaflets, datasheets, information materials, instructional materials in the field of business, e-commerce, information technology, cloud computing, telecommunications, the Internet, business and e-commerce training, business, sales, marketing and financial management; computer software, computer peripherals; notebook computers; laptop computers; portable computers; handheld computers; personal digital assistants; personal media players; mobile telephones; smart phones; digital cameras; batteries, battery chargers; computer

workstations; computer servers; computer and telecommunications networking hardware; computer network adaptors, switches, routers and hubs; wireless and wired modems and communication cards and devices; laptop holders, computer bags; fire-extinguishing apparatus; computer hardware and firmware; computer software (including software downloadable from the Internet); automobile navigation system; compact discs; digital music (downloadable from the Internet); telecommunications apparatus; mouse mats; mobile phone handsets; mobile phone accessories; downloadable games, pictures, motion pictures, movies and music; alarm systems; security cameras; mobile radio and television broadcasting units; television broadcasting equipment; cameras; video cameras; headphones; earphones; speakers; Global Positioning System (GPS) apparatus and equipment; computer, electronic and video games programmes and software (including software downloadable from the Internet); liquid crystal displays for telecommunications and electronic equipment; set top box; remote control; data storage programs; spectacles and sunglasses; electronic signboards; encoded or magnetic bank credit, debit, cash and identification cards; automatic teller machines, cash dispensers; computer software applications, downloadable; electronic book readers; toner cartridges, unfilled, for printers and photocopiers; baby monitors; video baby monitors; lens hoods; tablet computers; encoded key cards; 3D spectacles; memory cards for video game machines.

Class 35

Retail and wholesale of telephones, mobile phone handsets, mobile phone accessories, electronic goods, namely, radios cameras, personal digital assistants (PDA), portable and handheld digital electronic devices for recording, organizing, transmitting, manipulating and reviewing audio files, mobile phones, portable electronic communications devices, cameras, telecommunications goods, computer hardware and computer software; retail and wholesale of batteries, battery chargers, apparatus and instruments for recording, receiving, transmitting and/or reproducing data, information, pictures, images and/or sound, surgical; retail and wholesale of computers, calculating machines; retail and wholesale of games and electronic toys; retail and wholesale services, online retail services, department store services, supermarket retailing services, all in relation to downloadable electronic publications in the nature of articles, papers and instructional materials in the fields of electronic

and video games programmes and software (including software downloadable from the Internet), electronic amusement and game apparatus, games and electronic toys.

The opponent's second mark

Class 28

Games and playthings; gymnastic and sporting articles; decorations for Christmas trees; figurines being toys; plush novelty figurines; stuffed toy figurines; board games; balls for games; dolls; dolls' beds, clothes, feeding bottles, houses and rooms; doll accessories; doll playsets; mah-jong; skateboards; soap bubbles (toys); toy mobiles; teddy bears; carnival masks; electronic games and amusement apparatus other than those adapted for use with an external display screen or monitor (apparatus for-); home video game machines and hand held video game machines, none being for use with television receivers; toys; action skill games; action figures and accessories therefor; card games; children's multiple activity toys; badminton sets; balloons; basketballs; bath toys; baseballs; beach balls; bean bags; bean bag dolls; toy building blocks; bowling balls; bubble making wands and solution sets; chess sets; children's play cosmetics; Christmas stockings; collectable toy figures; crib mobiles; crib toys; disc toss toys; electric action toys; equipment sold as a unit for playing card games; fishing tackle; golf balls; golf gloves; golf ball markers; hand held unit for playing electronic games; hockey pucks; inflatable toys; jigsaw puzzles; jump ropes; kites; magic tricks; marbles; manipulative games; mechanical toys; music box toys; musical toys; parlor games; party favors in the nature of small toys; party games; playing cards; plush toys; puppets; roller skates; rubber balls; soccer balls; spinning tops; squeeze toys; stuffed toys; table tennis tables; target games; tennis balls; toy action figures; toy bucket and shovel sets; toy vehicles; toy scooters; toy cars; toy model hobbycraft kits; toy figures; toy banks; toy trucks; toy watches; wind-up toys; toys with spinning tops and spinning discs; paper party favors; paper party hats; marionette, puppetry articles; toy models; ball pitching machines; masks [playthings]; parts and fittings for all the aforesaid goods.

The opponent's third mark

Class 41

Education; providing of training; entertainment; sporting and cultural activities; publication of texts, books and journals (others than publicity texts); publication of diagrams, images and photographs; publication of newspapers, magazines and periodicals; education, training and instruction services relating to telecommunications, computers, computer programs, cloud computing, web site design, e-commerce, business management, financial management and advertising; provision of education, recreation, instruction, tuition and training both interactive and non-interactive; design of educational courses, examinations and qualifications; entertainment provided via electronic and digital interactive media; electronic games services provided by means of the Internet; provision of information relating to education, training, entertainment, recreation, sporting, social and cultural activities; providing online electronic publications (not downloadable); arranging, organizing, hosting and conducting singing competitions; arranging, organizing, hosting and conducting concerts; arranging, organizing, hosting and conducting events and competitions for education or entertainment purposes; arranging, organizing, hosting and conducting game shows and quests; entertainment ticket agency services; information relating to entertainment or education, provided on line from a computer database or the Internet; providing digital music (not downloadable) from the Internet; providing digital music (not downloadable) from MP3 (Moving Picture Experts Group-1 audio layer 3) Internet web sites; entertainment and education services relating to planning, production and distribution of sound, images, digital music, movies, live or recorded audio, visual or audiovisual material for broadcasting on terrestrial cable, satellite channels, the Internet, wireless or wire-fink systems and other means of communications; music entertainment services; rental of sound recordings; preparation of entertainment, educational, documentary and news programmes for broadcasting; news reporters' services; information relating to sporting or cultural events, current affairs and breaking news provided by satellite television transmission, the Internet or by other electronic means; television, radio and film production; preparation and production of television programmes; provision of information, data, graphics, sound, music, videos, animation and text for entertainment purpose; game services; provision of club recreation, sporting and gymnasium facilities; band performances; club entertainment, discotheque, fashion show and night club services; club services relating to entertainment, education and cultural services; arranging, conducting and provision of conferences, conventions, congresses, seminars and

training workshops; arranging, conducting and provision of conferences, conventions, congresses, seminars and training workshops in relation to telecommunications, computers, computer programs, cloud computing, web site design, e-commerce, business management, financial management and advertising; organizing and conducting exhibitions, fashion shows, educational shows and cultural shows and performances; art exhibition and gallery services; art gallery services relating to fine arts leasing; training services in relation to occupation health and safety, and environmental conservation; provision of cigar classes, wine tasting classes; providing education information about research materials and agency thereof; arranging, organizing, planning and management of seminars; animal training; direction in producing broadcasting programs; instructional services relating to operation of machines and equipment, including audiovisual equipment, used for the production of broadcasting programs; providing audio and visual studios; providing sports facilities; providing facilities for movies, shows, plays, music or educational training; entertainment booking agencies; rental and leasing of motion pictures (cine - films); rental and leasing of musical instruments; rental and leasing of television programmes; rental and leasing of television sets; lending libraries; archive library services; subtitling services; sign language interpretation services; providing video games, computer games, sound or images, or movies through telecommunication or computer networks; providing online computer games and contests; rental of pre-recorded video tapes; rental and leasing of game machines; lending of arcade game equipment; lending of pictures; photography; translation; language interpretation; educational and training programs in the field of risk management; educational and training programs relating to certification; provision of news; lottery services; providing online videos, not downloadable; tutoring; consultancy, information and advisory services relating to the aforesaid services