TRADE MARKS ACT 1994 IN THE MATTER OF APPLICATION No 2109192 BY KONAMI CO LTD

AND

IN THE MATTER OF OPPOSITION THERETO UNDER No 46448 BY CREATIVE TECHNOLOGY LIMITED TRADE MARKS ACT 1994
IN THE MATTER of Application No 2109192
by Konami Co Ltd

and

IN THE MATTER OF Opposition thereto under No 46448 by Creative Technology Limited

BACKGROUND

1. On 4 September 1996 Konami Co Limited applied under the Trade Marks Act 1994 to register the trade mark HYPERBLASTER in respect of a specification of goods which reads:

Class 9

Television and video apparatus and instruments; electrical, electronic and video amusement apparatus, all adapted for use with any of the aforesaid goods; electrical and electronic amusement apparatus; printed and electronic circuits for television and video game machines; computers; computer programmes; tapes, discs, cards, wire and filaments, all being magnetic or encoded and for bearing recorded data; hardware and firmware memory devices and plug-in cartridges; parts and fittings for all the aforesaid goods; program memory cartridges for electronic amusement apparatus adapted for use with liquid crystal displays; parts and fittings for all the aforesaid goods.

Class 28

Toys, games and playthings; electronic amusement apparatus adapted for use with liquid crystal displays; games adapted for use with dot matrix liquid crystal displays.

- 2. The application is numbered 2109192.
- 3. The application was accepted and published and on 20 February 1997 Creative Technology Limited filed notice of opposition to the application. The statement of grounds set out three grounds of opposition to the application. These can be summarised as:
 - (a) under section 5(2) of the Trade Marks Act 1994 in that the trade mark the subject of the application is similar to the opponents' earlier trade marks (see Annex) and it is to be registered for goods identical or similar to the goods for which the earlier trade marks are protected;
 - (b) under section 5(4)(a) of the Act, in that by virtue of the extensive use made by the opponents of their mark BLASTER itself and in combination as shown in the Annex to this decision in connection with goods in Class 9 and computer-related goods in particular, that registration of the trade mark the subject of the

- application is liable to be prevented by the law of passing off; and
- (c) that the mark applied for offends against section 3(6) of the Trade Marks Act 1994 to the extent that the application was made in bad faith.
- 4. The applicants filed a counterstatement denying the grounds of opposition. Both sides seek an award of costs. The matter came to be heard on 21 June 2001 when the opponents were represented by Mr Giles Fernando of Counsel instructed by Murgitroyds & Co, and the applicants by Mr Guy Tritton of Counsel instructed by Marks & Clerk.

Evidence

Opponents' Evidence

- 5. The opponents' evidence consists of two statutory declarations. The opponents' main statutory declaration, dated 23 October 1997 is by Michael Sullivan, Vice-President of Creative Technology Limited, the opponents in this matter. Mr Sullivan states that he is also general manager of Creative Labs Europe and managing director of Creative Labs (UK) Limited. Creative Labs (UK) Limited is a subsidiary of Creative Technology Limited.
- 6. Mr Sullivan states that Creative Technology Limited are the world leader in the supply of advanced multimedia products which include sound cards, video and graphics cards, communications and video-conferencing products. Market share in the United Kingdom for these products between 1993 and 1997 is said to have varied between approximately 65% and 75%. Global revenue in the year ending June 1997 is stated as being US\$1.2 billion. The following turnover figures are given for the United Kingdom for the years 1993 1997:

1993	£7 million
1994	£17 million
1995	£50 million
1996	£39 million
1997	£34 million

- 7. Mr Sullivan says that the majority of Creative Technology's products are sold under a number of trade marks which all have as their central feature, the term BLASTER. Details of those trade marks are shown in the Annex to this decision. By way of example Mr Sullivan refers to the trade marks BLASTER, SOUND BLASTER and GAME BLASTER. He notes that in all there are 21 registrations in the United Kingdom in his company's name which contain the word BLASTER.
- 8. Mr Sullivan states that Creative Technology commenced selling their products through their distributor, MPC Distribution Limited under their various BLASTER trade marks in the United Kingdom in 1992. In 1993 Creative Technology took over MPC Distribution Limited and changed its name to Creative Labs (UK) Limited. He states that the principle products sold in the United Kingdom are SOUND BLASTER sound cards and VIDEO BLASTER video cards.

- 9. Mr Sullivan goes on to state that Creative Technology Limited has original equipment manufacturer agreements with a number of leading personal computer manufacturers. These include Compaq, Dell, Fujitsu/ICL and Siemens Nixdorf. SOUND BLASTER sound cards are fitted to these manufacturers' products as standard equipment. He says that Creative Technology supplies its products to a large number of retailers in the United Kingdom and also through various personal computer magazines. The retailers are both small specialists and high street names such as PC World (a subsidiary of Dixon Stores Group) and Argos. The computer magazines include 'PC Plus' and 'What PC?'.
- 10. Advertising throughout the whole of the United Kingdom is mainly through press and magazine and advertising expenditure in the United Kingdom is quoted by Mr Sullivan as being approximately:

1994	£147,901
1995	£798,352
1996	£367,711

- 11. At MS1 he exhibits an advertisement from PC World which shows a SOUND BLASTER advertisement. At MS2 he exhibits copies of various advertisements and articles from magazines. At MS3 he exhibits copies of 'PC Plus' magazine dated October 1996 and 'What PC?' magazine from September 1995. In conclusion, Mr Sullivan states that he knows of no other manufacturer or suppliers who use the term BLASTER in relation to the relevant goods.
- 12. The opponents' second statutory declaration is by Ms Gillian Shaw and is dated 16 March 1998. Ms Shaw is the Managing Director of IT Call Limited and has held that position since October 1997. Ms Shaw explains that IT Call Limited is a company specialising in call centre services for companies in the IT industry, it is a division of NETcall plc.
- 13. Ms Shaw states that in November 1997 IT Call Limited was commissioned by Creative Labs (UK) Limited (acting on behalf of Creative Technology Limited) to carry out a telephone survey in relation to Creative Technology Limited's BLASTER trade mark. Ms Shaw states that the chosen sample of callers was based on a random sample of calls received on the Creative Labs pre-sales hotline number. She states that the only pre-qualification was that they were prepared to answer a short survey. The survey was carried out between 27 November 1997 and 8 December 1997. Ms Shaw attaches as exhibit A, a copy of the survey report. The reasons for the survey are set out in her statutory declaration, I have combined them with the breakdown of the results that she gives, the total sample was 137:
 - (a) to assess the number of callers familiar with the BLASTER trade mark 94.1%;
 - (b) to assess the number of callers who associated the BLASTER trade mark with Creative Labs 94.1%;
 - (c) to assess the number of callers who thought BLASTER was a range of trade marks 84.49%;

- (d) to assess the number of callers who owned Creative Labs products 27%; and
- (e) to assess the number of callers who said they would associate HYPERBLASTER with Creative Labs 88.01%.
- 13. Ms Shaw then makes various conclusions based on the results of this survey. The survey was the subject of detailed submissions by both Counsel and I will deal with these as part of my decision.

Applicants' Evidence

- 14. The applicants' evidence consists of a statutory declaration by Mr Kagehiko Kozuki, the Vice president of Konami Co Limited, the applicants in this matter. He is also president of Konami Corporation of America Inc, Konami Europe BV and Konami Asia (Singapore) Pty Ltd.
- 15. Mr Kozuki states that he has read the opponents' evidence and is aware that Creative Technology Limited is engaged in the supply of sound and video cards for use in personal computers. He states that these cards normally consists of an add-on card with printed circuits and micro chips which provide sound and video functions for personal computers. Mr Kozuki then makes various comments concerning the content of the statutory declarations of Mr Sullivan and Ms Shaw, I need not summarise these.
- 16. Mr Kozuki states that the term BLASTER is not exclusive to the opponents and states that other companies also use this word. He refers to various trade marks incorporating the word BLASTER. A printout of such marks is attached at exhibit KK1.
- 17. Mr Kozuki states that his company has used the trade mark HYPERBLASTER in the United Kingdom since May 1997 in relation to an accessory for electronic games and amusement apparatus. The accessory is a dedicated lightgun attachment for use exclusively in conjunction with the Sony Playstation game console. The gun enables players of particular games to shoot at targets which appear on a television screen. At KK2 he exhibits a copy of the packaging used by Konami for its HYPERBLASTER product. At KK3 he exhibits a copy of the HYPERBLASTER technical information booklet which is supplied to customers in conjunction with the game.
- 18. Mr Kozuki states that such use has, as far as he is aware, not given rise to a single instance of confusion in the market place. At KK4 he exhibits a copy of an article which appeared in the official Sony Playstation magazine entitled "Playstation Plus" in which the performance of the three compatible light gun attachments, including Konami's HYPERBLASTER, were surveyed.
- 19. Mr Kozuki concludes by stating that the range of electronic goods available in the UK marketplace is vast and he believes that there are significant differences between the opponents' sound and video cards and Konami's light gun attachment.
- 20. The opponents did not file any evidence in reply and that therefore concludes my review

of the evidence.

DECISION

21.	The grou	ınds of c	pposition	pursued by	the opponen	ts were those	e under se	ection 3(5), 5(2)
and	5(4)(a) o	f the Tra	ade Marks	Act 1994.	The relevant	provisions re	ead as foll	ows:	

- "3(6) A trade mark shall not be registered if or to the extent that it the application is made in bad faith."
- "5.- (1)
 - (2) A trade mark shall not be registered if because -
 - (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
 - (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."

(3)....

- (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -
 - (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or
 - (b)

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

- 22. The term 'earlier trade mark' is defined in section 6 of the Act as follows:
 - "6.- (1) In this Act an "earlier trade mark" means -
 - (a) a registered trade mark, international trade mark (UK) or Community trade mark 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,"

- 23. I will consider first the opponents' ground of objection under section 3(6). This was the subject of preliminary submissions from both Counsel. Mr Tritton argued that it was not until the receipt of the opponents' skeleton argument that the nature of this objection was clear. He argued that I should refuse to allow the opponents to argue this ground or in the alternative, I should vacate the hearing and allow the applicants an opportunity to file evidence directed to this objection. Mr Fernando argued that whilst the opponents' objection under section 3(6) was perhaps not expressly stated it must have been apparent to the applicants.
- 24. At the hearing I gave a short decision indicating that in my view the opponents' statement of grounds gave no indication as to the nature of the opponents' objection under this ground and that in the circumstances I was not prepared to allow them to argue that ground of opposition before me. I indicated that I would set out my reasons for my decision on this point as part of the decision.
- 25. In his skeleton argument, Mr Fernando set out the following passage on section 3(6):
 - "6. It is now well-established that an application for a trade mark will be deemed to have been made in bad faith in circumstances where the applicant (a) has no bona fide intention to use the mark or (b) intends to use it, but not in relation to the whole range of goods and services listed in the application <u>Demon Ale</u> [2000] R.P.C. 345; <u>Mickey Dee's Trade Mark</u> [1998] R.P.C. 359.
 - 7. It is fair to observe that the statement of grounds does not expressly state on what basis it is alleged that the mark has been applied for in bad faith. This is because the statement of grounds was drafted more than 4 years ago before the recent Practice Direction or the decisions in NASA and Demon Ale.
 - 8. However, it must have been clear to the Applicant, in view of the lengthy Class 9 specifications, on what basis the challenge was being made. Further, the Applicant obviously thought that it had to state the use it had made of the HYPERBLASTER mark because Mr Kozuki explains what use has been made of the mark at paragraph 31 of his Statutory Declaration......"
- 26. I must say that on first reading the opponents' statement of grounds I received no information other than that they were seeking to oppose under section 3(6). The wording, as Mr Fernando acknowledged, does not expressly state the basis or provide the particulars on which this allegation is made. I would go further and say that in my view it gave no indication at all as to the nature of the opponents' objections. Objections under section 3(6) may come in a variety of forms, and the wording used by the opponents which makes the bald statement that the application was made in bad faith provides no relevant information. I cannot agree therefore that the basis of the opponents' challenge must have been clear to the applicants. The wording used by the opponents is vague and in my view meaningless unless accompanied by some explanation of the opponents' ground of objection.

- 27. I accepted that the statement of grounds had been filed before the cases mentioned in Mr Fernando's skeleton and the subsequent Patent Office Practice Direction TPN 4/200, however, in my experience it was not uncommon for the true nature of the opponents' objection to become clear in the evidence rounds; Lifesavers Trade Mark [1997] R.P.C. 563. In this case the opponents' evidence is not directed to and does not mention any lack of intention to use the trade mark; in fact no mention of section 3(6) or any basis for refusing the trade mark under that section is referred to. Therefore, it was not in my view appropriate to allow the opponents to argue the ground under section 3(6) with that ground having been particularised for the first time in their skeleton argument. These proceedings have been ongoing for sometime and although they were commenced before the new practice on pleadings, the opponents had ample opportunity to seek to amend their objection under section 3(6) to set out clearly the basis of their objection. In my view, Mr Fernando' reference to the evidence of the applicants' use does not assist him. It is not uncommon for applicants to put in evidence of their use to date, the fact that such use covers a limited range of goods does not give me grounds to infer that the applicants' intention only related to the goods shown in their evidence. Consequently, I refused to allow this ground to be pursued.
- 28. I will go on to consider the opponents' grounds of opposition under sections 5(2)(b) and 5(4)(a). In his skeleton and at the start of his submission in the main proceedings, Mr Fernando suggested a possible wording of the applicants' specification. He pointed out that the applicants' evidence shows use in respect of a toy light gun attachment for use in conjunction with an electronic games console. The opponents did not object to such use but objected to what they considered to be a broad specification in Class 9 and 28 which in their view covered goods for which the opponents had a reputation. The opponents proposed the following wording for the applicants' specification:

Class 28

Dedicated toy light gun attachments for use exclusively in conjunction with electronic games consoles, all included in Class 28

29. In the event that I found in favour of the opponents in respect of at least some of the goods, the applicants also made a suggestion as to a possible wording for the specification in Class 9 although they maintained their position that their specification in Class 28 should remain unaltered. In respect of their application in Class 9 they suggested:

Class 9

Electronic and video games; dedicated electronic guns; and other external control accessories for use in conjunction therewith

- 30. I will deal with these points after considering the grounds of opposition under section 5 of the Act.
- 31. In determining the question under section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik*

Meyer & Co. GmbH v. Klijsen Handel B.V. [2000] F.S.R. 77 and Marca Mode CV v. Adidas AG [2000] E.T.M.R. 723. It is clear from these cases that:-

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG* page 224;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG* page 224, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* page 84, paragraph 27.
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG* page 224;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG* page 224;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 7, paragraph 17;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG* page 8, paragraph 24;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG* page 224;
- (h) further, 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; *Marca Mode CV v. Adidas AG* page 732, paragraph 41;
- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 9 paragraph 29.

Reputation of the earlier trade marks

32. Attached to the opponents' statement of grounds are various trade marks on which they

seek to rely, all are earlier trade marks within the meaning of section 6 and cover a range of goods in class 9 and classes 16, 28 and 38. I have reproduced the opponents' attachment as an Annex to this decision. Although the Annex shows some twenty-nine trade marks, Mr Fernando at the hearing, sought to focus the opponents' attack under section 5(2)(b) on five of the opponents' trade marks. He contended that the opponents had filed evidence going to reputation in respect of these marks. Mr Tritton conceded that the opponents' SOUND BLASTER mark had a reputation in respect of sound cards and fairly pointed out that the opponents' evidence showed use of some seven of their marks. However, whilst accepting that some use had been made of the other trade marks he did not accept that the evidence showed that they had acquired a reputation. The marks on which it was agreed that some use had been shown are listed below:

SOUND BLASTER

VIDEO BLASTER

GAME BLASTER

3D BLASTER

PHONE BLASTER

WAVE BLASTER

BLASTER

- 33. The majority of these trade marks are registered for a fairly narrow range of goods. In essence, the marks are registered for circuits and circuit boards for use with computers. Other marks, for example GAME BLASTER are registered for a wider specification which includes "Computers; apparatus and instruments, all for use with computers; computer peripheral devices, data processing apparatus....." Whilst the mark SOUND BLASTER is registered for circuits and circuit boards, SOUND BLASTER AWE 32 is registered for inter alia "circuits and circuit boards.....computer programs on machine readable materials, tapes, cards, chips, disks, compact disks and other machine-readable media for bearing computer programs, computer peripherals and software....".
- 34. Mr Fernando sought to rely on the use that had been made of his clients' trade marks and so claim an enhanced reputation in respect of those trade marks, however, it was not clear to me whether in fact he could be in any better position than if I considered notional and fair use of the opponents' and applicant' trade marks. When considering the opponents' reputation I believe that there are two questions that I must consider. Firstly whether the evidence shows that the opponents have a reputation in their trade marks and in which trade marks. Secondly, if they do have a reputation then to which goods does that reputation extend.
- 35. The opponents' best case for an enhanced reputation falls to be considered under the trade mark SOUND BLASTER. Mr Tritton for the applicants described it as an "outstanding success....a milestone of audio card development for PCs". Although Mr Tritton accepted

that SOUND BLASTER had a reputation he submitted that it was only in respect of audio cards and not in respect of the full range of goods for which the trade mark is registered. He also did not accept that the opponents had shown sufficient evidence to support a claim to an enhanced reputation in respect of the other marks on which he acknowledged some use had been shown.

- 36. As noted, it is accepted that the opponents have a reputation in their trade mark SOUND BLASTER, before considering whether there is evidence to support a reputation in their other trade marks I will consider the second question and decide the extent of the opponents' reputation in that mark.
- 37. I raised this issue myself with Mr Fernando and he took me through a careful analysis of the opponents' evidence drawing attention to the fact that whilst SOUND BLASTER is indeed used on a sound card to be installed in a computer, the package also came with software, CD-ROM drive, speakers and a microphone; an example is shown on the second page of exhibit MS2. SOUND BLASTER DISCOVERY CD16 is said to be "a complete multimedia upgrade kit that has everything you need to transform your home PC into a fully functional multimedia PC. It features a Sound Blaster 16, CD-ROM, drive speakers and microphone." Exhibit MS 2 consists of a copy of 'PC Plus' from October 1996. Whilst this is after the relevant date, Mr Tritton did not take this point and accepted that use here would be indicative of the use that had been made of the opponents' trade mark. In any case, a similar advertisement appears in the September 1995 edition of "What PC?" on page 24 of the "Software Warehouse" advertisement also at exhibit MS2. It states: "This month Creative Labs also introduce what we believe to be the first ever complete Multimedia kit. This high quality kit was designed specially for your home and office....The kit includes a Quad Speed CD-ROM drive, 16 bit sound card with AdSP stereo speakers and a complete range of 11 Microsoft and 4 leisure titles that makes this kit invaluable." From these two examples I cannot establish whether the microphones and joysticks are sold under the trade mark shown on the package or whether they are marked with the trade mark of a third party. However, it is clear that much of the software enclosed with the SOUND BLASTER product is sold under its own trade mark, for example Microsoft. That said, I accept Mr Fernando's submission that whilst the software accompanying the package will include those produced by other companies, the sound card would not operate without a software program; either embedded in the microchip or as separate software. There would therefore be some use of the SOUND BLASTER trade mark in relation to that operating software.
- 38. Therefore, on the basis of the evidence that is before me and the concession made by the applicants I conclude that at the relevant date the opponents' trade mark SOUND BLASTER did possess an enhanced distinctive character because of the reputation it enjoyed with the public. That reputation was primarily for sound cards either installed as standard in various PCs or packages to upgrade ones PC. The next question that I must answer is whether any of the opponents' other trade marks also enjoy a reputation with the public.
- 39. As noted above, Mr Tritton's view was that SOUND BLASTER alone enjoyed a reputation with the purchasing public. Not surprisingly, Mr Fernando sought to persuade me otherwise. The first point to note is that although the turnover figures and market share set out in the statutory declaration of Mr Sullivan appear impressive, no breakdown is given for the turnover figures, advertising expenditure or market share for each of the trade marks in question. It is clear from the statements made by Mr Sullivan that SOUND BLASTER is one of his company's principal products; the product is fitted as standard by a wide range of leading personal computer manufactures. Mr Sullivan also claims that VIDEO BLASTER is

one of their principal products. Mr Tritton suggested that the VIDEO BLASTER product had not been very successful and referred to one of the reviews included with the opponents' evidence in which it described VIDEO BLASTER as "more of a video squib". He argued that if they sought to rely on an enhanced reputation then it was incumbent on the opponents to bring forward detailed evidence of the extent of use of this trade mark. Mr Fernando countered this suggestion arguing that evidence before the registrar was frequently not as good as that before the courts and that there was sufficient evidence before me from which I could infer a reputation.

- 40. Certainly there is evidence of use of the trade marks VIDEO BLASTER, WAVE BLASTER, GAME BLASTER. PHONE BLASTER and 3D BLASTER. For example on page 20 of 'PC PLUS' magazine at exhibit MS3, there is an advertisement for various of the opponents' products, SOUND, WAVE, PHONE and GAME BLASTER. GAME BLASTER includes a high quality flight control joystick and speakers. Again it is not clear whether the joystick is sold under the opponents' trade mark or that of a third party. Another good example is shown on the pages of the SMC advertisements again in the 'PC Plus' magazine. On pages 7 and 8 computers are advertised showing PHONE BLASTER and VIDEO BLASTER as the key software which comes with the PC. The review of the VIDEO BLASTER products are dated April 1993. One in 'What PC?' is favourable, the other in 'PC Plus' is not glowing, yet products were still being sold on the basis of the VIDEO BLASTER trade mark some three years later in October 1996. Use alone does not necessarily result in a trade mark acquiring a reputation. However, I am, on the basis of the evidence before me, satisfied that the trade mark VIDEO BLASTER also enjoyed a reputation with the public at the relevant date, but only in respect of graphics cards. Although the evidence shows use of the other marks it seems to me that this is insufficient for me to infer that at the relevant date they also had a reputation. I agree with Mr Tritton that further evidence detailing the extent of the use of those trade marks should have been filed if the opponents had wished to rely on an enhanced reputation in those marks.
- 41. There is on final point. Mr Fernando also sought to argue that the trade mark BLASTER in stylised lettering had also acquired a reputation independent of the elements SOUND or VIDEO. He referred me to the evidence showing use of the trade mark SOUND BLASTER with the word SOUND written vertically and the stylised word BLASTER written horizontally. Whether or not such use is use of BLASTER solus I would say that use of SOUND and VIDEO BLASTER, given the descriptive meaning of the first elements of those marks would result in some enhanced reputation in BLASTER; Mr Fernando referred to the judgment of Mr Jacob in *British Sugar* [1996] R.P.C. 281 @ 293.
- 42. Thus, I have found that the opponents' trade marks SOUND BLASTER and VIDEO BLASTER and the element BLASTER within those marks enjoyed a reputation with the public at the relevant date primarily for sound and video cards to be inserted in personal computers. That said, I must not forget that these two registrations cover a wider range of goods and that I must consider notional and fair use of these and the opponents' other trade marks across the full range of goods for which they are registered. It was common ground at the hearing that some of the goods for which the applicants seek registration are either identical or very similar to those for which the earlier trade marks are protected.

Family of Marks

43. Mr Fernando sought to argue that under section 5(2), the opponents could seek to rely on the combined effect of their various registrations. A family of marks argument. Mr Tritton

was of the view that such an argument required use of the opponents' trade marks. Absent use, the public would not be aware of the large number of the opponents' trade marks on the register. Even if the trade marks had been used he argued that under section 5(2) I should consider each of the opponents' trade marks against the application in isolation and ignore the fact that the opponents possess other marks which contained the word BLASTER. He suggested that it was not open to run a family of marks argument under section 5(2) but that such arguments fell to be considered under section 5(4)(a). At the hearing reference was made to various authorities including, the decisions of Mr Simon Thorley sitting as the Appointed Person in Ener-Cap [1999] R.P.C. 362 and Duonebs Trade Mark Application (31.01.01 unreported) and the decision in Beck Koller 64 (1947) R.P.C. 76. I also drew attention to the decision of the Hearing Officer in Panacell Trade Mark application O/413/00 where Mr James discussed this issue. Consequently, I allowed both parties to file further written submissions on this point. Both parties filed submissions and I take these into account when considering this matter. As the opponents are relying on section 5(4)(a) it could be said that in this case it is an academic point as to whether one can rely on a family of marks argument under section 5(2) when considering the possibility of confusion and that any comments I make are obiter. However, it was advanced at the hearing and having received detailed submissions on this point, I should express my view.

- 44. In *Panacell Trade Mark application*, after considering arguments from the opponents, the Hearing Officer concluded at paragraph 22:
 - "22. There are two further matters upon which the opponent relies and which might be said to strengthen this aspect of its case. Firstly, it claims that it has a reputation in a family of marks with a PANA- prefix. The fact that the opponent has a number of marks with a PANA- prefix registered does not, of itself, support a claim that the likelihood of confusion is increased by the existence of a family of marks with a common distinctive feature. The state of the register is, in principle, irrelevant (per Jacob J. in TREAT 1996 RPC 281). For the same reason I give no weight to evidence given by the applicant's Trade Mark Attorney of the existence of various other marks beginning PANA- in Class 9 of the UK Register in the name of different proprietors.
 - 23. The guidance from the Court of Justice indicates that all relevant factors must be taken into account in assessing the likelihood of confusion, including the distinctive character of the earlier mark(s) as a result of the use made of it (them). I can see no reason why an opponent who can show <u>use</u> of a family of registered marks with a common distinctive feature, should not be able to rely on the effect of that use on the likely reaction of the average consumer to another mark sharing the same distinctive feature, and thus on the likelihood of confusion."
- 45. I agree with the conclusion reached in that case. The mere fact that a party has a number of marks on the register which contain a common element would not, absent use, result in a greater likelihood of confusion if a mark also containing that element or a similar element was used in the market place. In order to assess the likelihood of confusion amongst the relevant public a number of those marks must be in use and known to the public. To take account of the use of a number of marks by a proprietor which contain a common element is in my view part of the global appreciation of the likelihood of confusion. The matter must be judged through the eyes of the average consumer and if that consumer is exposed to a number of marks in common ownership then taking that factor into account is, in my view, consistent with the approach taken by the ECJ. I have already found above that I am satisfied that the opponents' had a reputation in the trade marks SOUND BLASTER and VIDEO BLASTER

and as a consequence in BLASTER solus at the relevant date but that the evidence is insufficient for me to infer that their reputation extended to their other trade marks. Absent evidence of a reputation in their other marks I am of the view that I cannot take into account the combined effect of the various BLASTER marks when assessing the likelihood of confusion. Equally, as in *Panacell*, I give no weight to the applicants' evidence showing other marks containing the element BLASTER in Classes 9 and 28.

The Opponents' Survey Evidence

- 46. Mr Tritton and Mr Fernando both referred to the survey evidence supplied in the statutory declaration of Ms Shaw. Mr Fernando, whilst acknowledging that the methodology was not perfect suggested that I should take due note of it; *Wagamama Limited v. Cit y Centre Restaurants Plc* [1995] F.S.R 713. Mr Tritton referred to the guidance on survey evidence found in *Imperial v. Philip Morris* [1984] R.P.C. 23. In particular, he argued that the opponents' survey evidence should be completely disregarded as in his view:
 - it did not set out the questions asked; the methodology used or the individual responses
 - the sequence of questions asked (in so far as the broad thrust of such questions could be interpolated) was wholly leading.
- 47. Mr Tritton noted that first the caller was asked about whether or not he associated the BLASTER trade mark with the opponents, whether he thought BLASTER was a range of trade marks and then asked whether he would associate HYPERBLASTER with the opponents. This in his view was leading and leading the interviewee into a filed of speculation which he would otherwise not have embarked upon.
- 48. The survey was conducted on callers to the opponents' pre-sales hotline. Whilst it is acceptable to conduct a survey amongst one's own customers; Wagamama, it is not therefore surprising that 94.1% of callers surveyed were familiar with the BLASTER trade mark and associated that trade mark with Creative Labs. This tells me nothing about the level or recognition of the BLASTER trade marks amongst the relevant public. As no individual answers are given I am not informed as to the exact responses given; did some responses refer to SOUND BLASTER or VIDEO BLASTER as marks? I agree with Mr Tritton that it would appear that the remaining questions all asked the respondents to speculate as to whether there were a range of BLASTER trade marks and association. Given the series of questions I do not find it surprising that 88.01% of respondents said that they would associate HYPERBLASTER with the opponents. Even if I did not view that question as leading, the response is of no value to me as I am not informed as to the context in which such use would cause association. It begs the question use of HYPERBLASTER on what products would cause such association. If the products in question were identical to those on which the BLASTER marks are used then the responses given might not be surprising. I am given no information on this point. The survey in my view suffers from all the criticisms identified by Mr Tritton and more and I will take no account of it in reaching my decision.

Comparison of the trade marks

49. With all these considerations in mind, including the fact that a lesser degree of similarity between the marks can be offset by a greater degree of similarity between the goods I go on to consider the visual, aural and conceptual similarities between the trade marks. In so doing, I take into account their dominant and distinctive components.

50. The opponents have a large number of marks, with the exception of the mark BLASTER, they consist of an element descriptive of the intended purpose of the some of the goods eg SOUND for products which improve the sound capabilities of a computer and the element BLASTER. Mr Tritton suggested that the element BLASTER was also in part descriptive of the goods. In the case of the applicants' use to date it relates to a light gun for use with computer games in which no doubt one can "blast" aliens or other enemies. In relation to the opponents' use SOUND BLASTER implies a product that will enhance the sound capabilities of your computer so that the sound or music "blasts" out of the speakers. Although I can see some force in Mr Tritton's submissions, the first element in the opponents' trade marks is in my view the more descriptive element. When BLASTER is used with the element 3D then it becomes more fanciful. As such I believe that of the two elements it would be seen as the dominant one. A mark must be considered as a whole but in my view the opponents' mark SOUND BLASTER AWE32 would be seen as a SOUND BLASTER mark with elements added to it which describe some technical feature. It would in my view benefit from the enhanced reputation which I found has accrued to the SOUND BLASTER mark in relation to sound cards. The registration for SOUND BLASTER AWE32 covers a wide range of goods and I will consider the question under section 5(2) with reference to that mark.

51. The opponents' and applicants' trade marks are reproduced below:

Applicants' trade mark	Opponents' trade mark			
HYPERBLASTER	SOUND BLASTER AWE32			
Class 9	Class 9			
Television and video apparatus and instruments; electrical, electronic and video amusement apparatus, all adapted for use with any of the aforesaid goods; electrical and electronic amusement apparatus; printed and electronic circuits for television and video game machines; computers; computer programmes; tapes, discs, cards, wire and filaments, all being magnetic or encoded and for bearing recorded data; hardware and firmware memory devices and plug-in cartridges; parts and fittings for all the aforesaid goods; program memory cartridges for electronic amusement apparatus adapted for use with liquid crystal displays; parts and fittings for all the aforesaid goods. Class 28	Circuits and circuit boards; circuits and circuit boards for use with computers; computer programs on machine-readable materials, tapes, cards, chips, disks, compact disks and other machine-readable media for bearing computer programs; computer peripherals and software; parts and fittings for all the aforesaid goods; all included in Class 9.			
Toys, games and playthings; electronic amusement apparatus adapted for use with liquid crystal displays; games adapted for use with dot matrix liquid crystal displays.				

- 52. Visually and aurally both trade marks contain elements which would assist the average consumer in differentiating between the marks. The applicants' mark is a single word HYPERBLASTER, the opponents' is made up of several elements, the dominant ones being SOUND BLASTER. As noted above, in my view SOUND is in part descriptive of the goods and so the element BLASTER becomes the distinguishing element of the mark. The applicants' mark also carries some descriptive meaning when used on a light gun; BLASTER would be seen as a gun and HYPER would be seen as a descriptive prefix meaning of excess or best. However, I must consider the likelihood of confusion across the full range of goods for which the applicants seek registration. Conceptually, both make use of the element BLASTER and in relation to some goods this would carry some descriptive connotations so there is some conceptual similarity between the trade marks.
- 53. That said, despite the common element of BLASTER, it is my view that the clear visual and aural differences between the two marks would be sufficient to differentiate between the two marks such that the average consumer would not mistake one for the other. As Mr Tritton stated, one would not enter a shop intending to buy the one and leave with the other. But that is not an end to the matter. Although I have found that there is no likelihood of direct confusion I must also consider whether the average consumer would wrongly believe that goods marked with the two trade marks came from the same or economically linked undertakings. If the trade mark HYPERBLASTER was used on sound cards for use in personal computers, the products on which the opponents' reputation is based, I have little doubt that they would. It seems to me that someone seeing the trade mark HYPERBLASTER used on a package to update the sound capabilities of their computer would, taking into account the opponents' use of SOUND BLASTER AWE 32 and the semi-laudatory element of HYPER wrongly believe that the opponents had produced a new and improved sound card called HYPERBLASTER.
- 54. In my view the same considerations apply when considering any of the opponents' other earlier trade marks. Noting the fact that in my view the opponents have failed to show that their reputation extends much beyond sound cards, and considering notional and fair use of all their trade marks I reach the view that if HYPERBLASTER was used on identical goods for which the earlier trade marks are registered this too would lead the average consumer to believe that the goods came from the same or economically linked undertakings. BLASTER is the dominant element of the mark and the other elements would be seen to a greater or lesser extent as a descriptor. As such I find that there is a likelihood of confusion within the meaning of section 5(2)(b) if the trade marks were used in relation to identical goods and therefore the application should be refused to the extent that it covers goods identical to those covered by the opponents' earlier registrations.
- 55. Under section 5(2)(b), the opponents have succeeded albeit in part. Can they be in any better position under section 5(4)(a)? In my view they cannot. Under section 5(2)(b) I have considered their argument with regard to a family of marks and found insufficient evidence to support a reputation in all but three of their registered trade marks. The same considerations apply here. The requirements for the tort of passing off have been restated many times and can be found in the decision of Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person, in WILD CHILD Trade Mark [1998] RPC 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:
 - (1) that the opponents' goods have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

- (2) that there is a misrepresentation by the applicants (whether or not intentional) leading or likely to lead the public to believe that goods offered by the applicants are goods of the opponents; and
- (3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicants' misrepresentation.
- 56. Therefore, although in my view the opponents' have shown a reputation and goodwill in the trade marks SOUND BLASTER and VIDEO BLASTER, and as a consequence of such use a reputation in BLASTER, this is limited to the use of these trade marks on sound and video cards and products intended to enhance the sound or video capabilities of a personal computer. In my view the opponents have failed to show that they have a reputation in their other marks or that their reputation extends beyond a narrow range of goods, as such, the opponents can be in no better position than they were under section 5(2)(b) and I need not consider this ground of objection further.
- 57. Taking into account my findings under section 5(2)(b), I must now consider the extent to which the application should be refused. The opponents suggested that the application in Class 9 should be refused in its entirety and that Class 28 should be limited to "Dedicated toy light gun attachments for use exclusively in conjunction with electronic games consoles; allincluded in Class 28". This in my view is too restrictive. Whilst I have found a likelihood of confusion if the applicants' trade mark is used on identical goods, it is my view that the applicants' specification in Class 28 is some way from the opponents' registrations in Class 9 and the goods in Class 28 are not covered by the earlier registrations.. This lesser degree of similarity between the goods in these classes, taken together with degree of similarity between the trade marks is in my view sufficient to avoid a likelihood of confusion or association as to origin. It seems to me that the application can proceed with the specification in Class 28 unamended. If I found for the opponents, the applicants suggested the following specification for Class 9.

"Electronic and video games; dedicated electronic guns; and other external control accessories for use in conjunction therewith."

58. It seems to me that an amendment to this effect would go some way to avoiding a likelihood of confusion. There is, in my view a lesser degree of similarity between electronic and video games and the goods covered by the opponents' specifications. However, this amended specification also contains goods which in my view are covered by the opponents' earlier trade marks. I note that several of the opponents' registrations cover the term 'computer peripherals'. Examples include SOUND BLASTER AWE 32 and GAME BLASTER. If I take into account notional and fair use of these marks, there is in my view a likelihood of confusion if the applicants' trade mark were used on goods covering "other external control accessories for use in conjunction therewith". Both in my view would cover use on goods such as joysticks. That said, the applicants have been using their trade mark on a dedicated toy light gun since May 1997. It could be argued that a light gun also falls within the term computer peripherals. However, taking into account the applicants' use and the absence of any instances of confusion, it seems to me that the applicants' are entitled to a registration which covers that use. Whether such a light gun is proper to Class 9 or Class 28 is a moot point. It seems probable to me that the appropriate class would depend on the game or equipment to which the gun was attached. As such I find that if the applicants' specification in Class 9 is amended as shown below this would overcome the opponents' objection in Class 9. The applicants have one month from the end of the appeal period within

which to file a Form TM21 requesting amendment of the application as shown below. In the event that no Form TM21 is filed, the application will be refused in its entirety. The applicants' specification in Class 9 should be amended to read:

"Electronic and video games; dedicated electronic guns."

59. The opponents have been successful, albeit in part. At the hearing both parties agreed that I should stay my decision on costs until the outcome of these proceedings were known. It was agreed that I should give the parties a period of time within which to file written submissions on costs and that I would then take a decision on costs based on their submissions. Therefore, I give one month from the end of the appeal period for both parties to make submissions on the issue of costs in these proceedings.

Dated this 25th day of September 2001

S P Rowan For the Registrar the Comptroller General

Annex in paper copy