BL O/0584/24

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF APPLICATION NO. UK3609386
BY MICRO-STAR INT'L CO., LTD.
AND
IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 425981
BY MALTA GAMING AUTHORITY

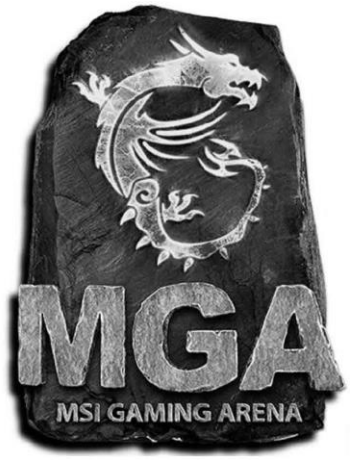
AND
IN THE MATTER OF UK TRADE MARK REGISTRATION NO. UK3728778
IN THE NAME OF MICRO-STAR INT'L CO., LTD.
AND
THE APPLICATION FOR INVALIDATION THEREOF UNDER NO. 505024
BY MALTA GAMING AUTHORITY

AND
IN THE MATTER OF UK TRADE MARK
REGISTRATION NO. UK00913496419
IN THE NAME OF MALTA GAMING AUTHORITY
AND
THE APPLICATION FOR REVOCATION THEREOF UNDER NO. 504410
BY MICRO-STAR INT'L CO., LTD.

BACKGROUND AND PLEADINGS

1. These consolidated proceedings consist of one opposition matter, one invalidation and one revocation between the same parties: MICRO-STAR INT'L CO., LTD ("Micro-Star") and Malta Gaming Authority ("MGA").

2. The opposition (425981) is against Micro-Star's application for UK3609386 to register the following mark:



As Micro-Star had an application for an EU Trade Mark pending at the end of the transition period, it was able to file an application under Article 59 of the Withdrawal Agreement between the UK and the European Union within the nine months following the end of the transition period and retain its EU filing date. Consequently, for the purposes of determining prior rights, this mark is deemed to have the same filing date as the EU mark, being the 13 August 2018.

Publication date: 4 June 2021

Registration is sought for the following goods and services:

> Class 9: Computer servers; laptop computers; computer peripherals and parts namely, computer hardware, computer software, computer memories, hard discs, CD-ROM drive, CD burner, scanner, host case, wireless access point (WAP) devices, router, media players; computer motherboards; video display cards; computer mouse; computer keyboards; computer TFT-LCD monitors; networking devices.

Class 41: Organization of electronic game competitions; organization of competitions [education or entertainment]; organisation of sports competitions.

3. The application was opposed by MGA on 4 August 2021 and is based on section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). The opposition is against the class 41 services only. MGA is relying on its following registration:

UK913496419

Filing date: 25 November 2014

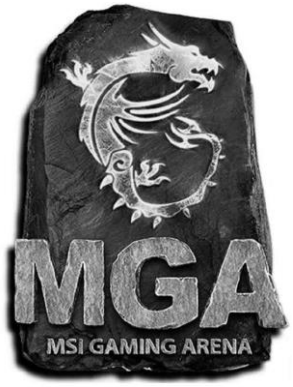
Registration date: 6 April 2015

Relying on all services for which the mark is registered which are as follows:

Class 41: Entertainment services; arranging, organising, provision, management and administration of gambling, gaming, lottery, amusement and entertainment services; gambling and gaming services; lottery services; arranging, organising, provision, management and administration of competitions including lotteries; entertainment services; provision of the aforesaid services in electronic or computerised form; provision of the aforesaid services on-line from a computer database, the Internet or other telecommunications; provision of information relating to gambling, gaming and lottery services accessible via the internet or other telecommunications; provision of information on line from a computer database or from the internet in relation to gambling, gaming, lottery, amusement and entertainment education; providing of training; entertainment sporting; cultural activities and lotteries.

4. The invalidity proceedings (505024) are brought by MGA against Micro-Star's registration shown below:

UK00003728778



Filing date: 3 December 2021

Publication date: 11 February 2022

Registration date: 20 May 2022

The goods and services for which the mark is registered are identical to the list in paragraph 2 and the two marks are also identical. MGA brought the invalidity claim on 24 June 2022. Once again, it is based on section 5(2)(b) of the Act, they rely upon the earlier mark as shown in paragraph 3 above and it is once again aimed at the class 41 services.

5. In both the opposition and the invalidity, MGA claims that the dominant and distinctive elements of the marks are similar to each other and that the services are identical. It states that this would result in a likelihood of confusion. Micro-Star denies the claims made and in the invalidity matter, puts the earlier mark to proof of use.

6. The revocation proceedings were brought by Micro-Star against the earlier mark for all of the services it is registered for under sections 46(1)(a) and 46(1)(b) of the Trade Marks Act 1994 (the Act).

7. In the application for revocation (504410), Micro-Star claims that the earlier mark was not put to genuine use within five years of the date on which protection was granted in the UK (section 46(1)(a)) and, under section 46(1)(b), that use has been suspended for an uninterrupted period of five years between 2 December 2016 and 1 December 2021. MGA denies this and states the mark has been put to genuine use during these periods in the relevant territory for the services listed.

8. Both parties filed evidence and submissions in these proceedings. Neither party requested a hearing and only Micro-Star provided submissions in lieu. This decision is made following careful consideration of the papers.

9. MGA is represented by Bromhead Johnson LLP and Micro-Star is represented by Wilson Gunn.

10. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

Evidence and submissions

11. MGA filed evidence in the form of a witness statement dated 3 June 2022 from James Baldacchino who is the Head of Legal & Enforcement at MGA together with 34 exhibits. The main purpose of the evidence is to prove use of their earlier mark.

12. Micro-Star filed submissions in response to this evidence stating the following points:

> (i) they do not accept the evidence shows use of the earlier trade mark in relation to the class 41 services covered by the registration
>
> (ii) Exhibits JB3 and JB10 are in Italian with no English translation provided and therefore should not be admitted.

13. Micro-Star filed their evidence in the form of a witness statement dated 29 March 2023 by Terry Roy Rundle of Wilson Gunn, the representatives for Micro-Star. This is accompanied by 2 exhibits. The purpose of this evidence is to show that MGA have not provided evidence of use of the class 41 services for which their mark is registered and rather, that the services they do offer should fall within class 45 as they are regulatory in nature.

14. I have read and considered all of the evidence and will refer to the relevant parts at the appropriate points in the decision.

DECISION

Sections 46(1)(a) and 46(1)(b)

15. Section 46 of the Act states:

> "46. - (1) The registration of a trade mark may be revoked on any of the following grounds-
>
> > (a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;
> >
> > (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;
> >
> > (c) […]
> >
> > (d) […]
>
> (2) For the purpose of subsection (1) use of a trade mark includes use in a form (the "variant form") differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also 4 registered in the name of the proprietor), and use in the United Kingdom includes affixing the trade

mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as in referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) […]

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existing at an earlier date, that date".

16. Section 100 of the Act states that:

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

17. In *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:

“105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 W.F. *Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C–720/18 and C–721/18 *Ferrari SpA v DU* [EU:C:2020:854].

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:

> (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].
>
> (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].
>
> (3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial raison d'être of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial

justification for the proprietor. Thus there is no de minimis rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32]."

18. I remind myself that there are two periods of use requested by the Cancellation Applicant. The first is the five years following the date on which protection was granted in the UK. This would therefore be 7 April 2015 to 6 April 2020. There is also the period that the Cancellation Application has noted within its Form TM26N as 2 December 2016 and 1 December 2021.

Evidence

19. Mr Baldacchino states in his witness statement that MGA is a "regulatory body responsible for the governance and supervision of all gaming activities in and originating from Malta" and that they draft the "rules and regulations for online gambling games and supervises their implementation by the licensed companies".

20. Mr Baldacchino confirms that MGA is an acronym for the Malta Gaming Authority and provides photos of the mark as registered being used on a stand at the ICE Conference in London in February 2015. Exhibits JB-A, B, C, D and E all show the mark as registered on these stands. Below is an example:

21. MGA also attended Trade Shows in 2016, 2018 and 2019, some of which were in the UK and have provided social media screenshots showing either advertisements of their stands or picture of the stands themselves.

22. Revenue figures were provided in some exhibits. Exhibit JB14 is the annual report from 2017. From the extracts it appears their revenue was just over 66 million Euros in 2017 and just over 62 million in 2016.

23. The number of licences granted is shown in Exhibit JB17 in the top row of the table shown below for the years 2016-2019:

	2016		2017		2018		2019
	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun
Number of licences	500	523	568	635	672	286	287
Number of companies in operation	259	268	284	296	301	283	283
Gross Value Added (€m)	574.3	578.2	634.6	637.5	710.6	713.2	779.6
Employment - full-time equivalent (FTE) jobs	6,150	6,193	6,407	6,673	6,849	6,794	7,011
Online	5,295	5,327	5,542	5,861	6,021	5,950	6,142
Land-Based	855	866	865	812	828	844	869
Compliance contribution, licence fees, levies and consumption tax (€m)	30.8	31.0	31.9	33.4	31.3	42.6	39.9

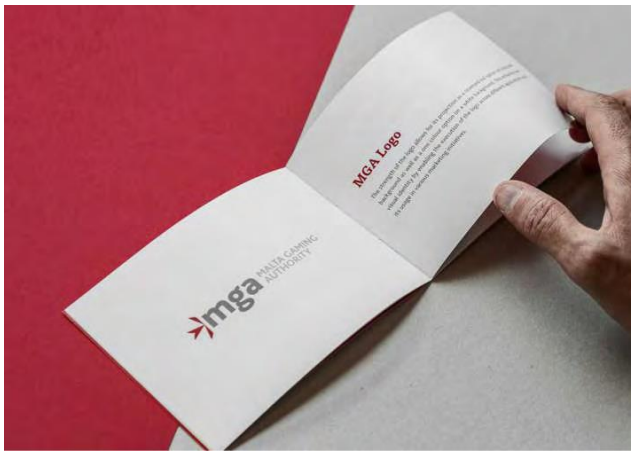
24. Exhibits JB-H and JB-K includes samples of invoices of licence fees to British and European Union licensed companies between 2020 and 2022. I have extracted the following details:

Date	Country address	Amount (Euros)
1/3/2019	Spain	25,000
10/12/2019	Bulgaria	25,000
10/6/2020	Lithuania	25,000
23/12/2020	Austria	25,000
22/01/2021	Gibraltar	25,000
22/02/2021		25,000
24/05/2021	Malta	25,000
25/12/2020	United Kingdom	25,000
21/10/2021	Malta	25,000

25. Mr Baldacchino has provided numerous articles relating to MGA in Exhibits JB1 through 8. In the 'Betting Sport' article dated 29 August 2019 it refers to MGA's new 'Sports Betting Integrity Unit' and says "The MGA is one of the most progressive and proactive online casino and sport betting licensing jurisdictions in the world and licenses many of Europe's top online bookmakers and casinos".

26. In Exhibit JB4 the article from eegaming.org from 14 May 2018 states that "BetConstruct announces that it has been granted two Class I licences by the Malta Gaming Authority. With these licences the company is now enabled to provide gaming products of the well-known Malta-based casino providers".

27. From Exhibit JB5 is an extract of an article from ESOP, Inc dated 14 February 2020 and I note the following quote: "Malta Gaming Authority is an important organization that drafts the rules and regulations for online gambling games." I also note all the above articles feature pictures of the mark as registered for example:



28. The title from the next article in Exhibit JB6 is "The Malta Gaming Authority Launches Online Platform for Suspicious Betting Reporting".

29. In Exhibit JB8, MGA is referred to as a "leading gaming industry regulator" and that it is "known for its work promoting responsible playing and safeguarding players' rights". Again, it is referred to as "one of the most established and respected regulators in the world, licensing the most prestigious online gambling operators and suppliers in

the industry". JB11 comments that MGA is "the single regulatory body responsible for the governance of all gaming activities in Malta" and its mission statement is:

> "To regulate competently the various sectors of the gaming industry that fall under the Authority by ensuring gaming is fair and transparent to the players, preventing crime, corruption and money laundering and by protecting minor and vulnerable players."

30. There is an advertisement in JB12 within 'Gaming Malta Industry Yearbook & Business Directory 2016 Edition'. The advertisment referred to MGA being recognised as "a world class authority in terms of innovation, governance and diligence" and shows the mark below:

31. Exhibit JB13 is the 2018 issue of the Gaming Malta handbook and includes an article detailing the application process with the MGA to obtain a gaming licence. I include an extract below as an example:

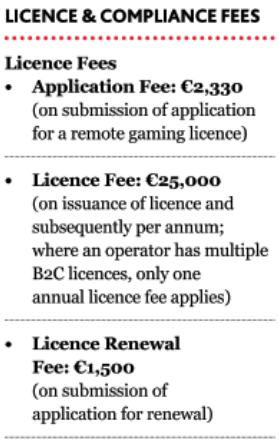
Currently, there are four different classes of licence, and companies setting up in Malta will need to obtain a licence to the class appropriate to their operations. Licences are valid for a period of five years. Once Malta enacts its new Gaming Law during 2018, this will change as it is being proposed to shift from multiple licence types to a simplified system with two types of licence: business-to-business (B2B) and/or business-to-consumer (B2C) licences. Once granted, a licence will then be valid for ten years.

MGA receives Remote Gaming Application

In the application stage the MGA assesses whether an applicant:

1. Is fit and proper to conduct gaming business.
2. Is correctly prepared from a business strategy perspective.
3. Has the operational and statutory requirements to meet the obligations prescribed by law and policy.
4. Has correctly implemented what has been applied for, on a technical environment before going live.

32. Also shown in that exhibit are the fees that are charged by MGA:



LICENCE & COMPLIANCE FEES

Licence Fees

- **Application Fee: €2,330** (on submission of application for a remote gaming licence)
- **Licence Fee: €25,000** (on issuance of licence and subsequently per annum; where an operator has multiple B2C licences, only one annual licence fee applies)
- **Licence Renewal Fee: €1,500** (on submission of application for renewal)

33. Mr Baldacchino claims that Exhibit JB22 shows that MGA provides training, orientation services and sports entertainment with screenshots from their social media profiles of the following:

(i) A Facebook post inviting members of a University to visit their stand at Freshers' Week in 2018.

(ii) A post advertising MGA's internship programme on Facebook.

(iii) A Facebook post from MGA showing photographs with the caption "The MGA's Team 'Smells Like Team Spirit' participated in the annual The Grid Sprint obstacle course, specifically in the 7km team race. The event is one of the numerous initiatives organised by the Authority's Sports & Social Committee."

Analysis

34. The mark, as registered, has been shown throughout the evidence, on the exhibition stands, website and advertisements as shown above.

35. Whether the use shown is sufficient will depend on whether there has been real commercial exploitation of the registration, in the course of trade, sufficient to create or maintain a market for the goods at issue in the relevant territory during the relevant

five-year periods. In making this assessment, I am required to consider all relevant factors, including:

- The scale and frequency of the use shown;
- The nature of the use shown;
- The goods for which use has been shown;
- The nature of those goods and the market(s) for them; and
- The geographical extent of the use shown.

36. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.

37. The evidence provided shows that MGA received significant revenue in 2016 and 2017 which has likely continued when considering the number of licences granted each year and knowing the costs of those applications. The invoices show that the companies applying for licences are UK and EU registered but their addresses are actually in the spread of other countries shown in the table. This geographical spread is supported by the numerous places that MGA attends events and they are often referenced in articles as being “Europe’s leading regulator”.

38. The mark is used on promotional matter, including the exhibition stands and is shown on the invoices to clients as well.

39. As mentioned above, it is clear from the evidence that MGA are a regulator for gaming and gambling companies. I would consider that gaming and gambling etc would be forms of entertainment. However, the evidence is clear that they do not organise, arrange or provide those sorts of services themselves. I note the Facebook post showing a photographs with the caption “The MGA’s Team ‘Smells Like Team Spirit’ participated in the annual The Grid Sprint obstacle course, specifically in the 7km team race. The event is one of the numerous initiatives oragnised by the Authority’s Sports & Social Committee”. However, this shows only one event with no

further information about who is able to take part, if it is arranged for the company or other consumers to take part in and therefore, this on its own is not enough to persuade me that MGA makes use of its mark in order to organise such events to the level required for me to find use has been made out. Therefore, I cannot find them to have shown use of: Entertainment services; arranging, organising, provision, management and administration of gambling, gaming, lottery, amusement and entertainment services; gambling and gaming services; lottery services; arranging, organising, provision, management and administration of competitions including lotteries; entertainment services; entertainment sporting; cultural activities and lotteries.

40. I consider the services 'provision of information on line from a computer database or from the internet in relation to gambling, gaming, lottery, amusement and entertainment education' from MGA's specification to be rather broad services. However, I cannot see any specific evidence within the exhibits provided by MGA that shows them providing information in these formats to their consumers. There are invoices and certificates showing that licences have been granted, there is a significant amount of literature about the regulatory services they provide from third parties but nothing that amounts to showing that they provide the information to consumers that would fall within the above terms. Therefore, I consider what was said by Mr Daniel Alexander Q.C. (as he then was) as the Appointed Person in *Awareness Limited v Plymouth City Council*, Case BL O/236/13 to apply here:

> "22. The burden lies on the registered proprietor to prove use..... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the

proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public."

41. I therefore find that MGA have not shown use of the terms: provision of information relating to gambling, gaming and lottery services accessible via the internet or other telecommunications; provision of information on line from a computer database or from the internet in relation to gambling, gaming, lottery, amusement and entertainment education.

42. Finally, I will consider the term 'providing of training'. I note the Facebook post advertising internship opportunities within MGA. However, I consider the providing of internships to be internal use, rather than trade mark use where they are providing training for the benefit of third parties. Therefore, once again, I do not believe that MGA has shown genuine use of this term.

Conclusion for the Revocation

43. MGA have failed to show use of their mark for the services as registered. Therefore, the revocation matter under section 46(1)(a) is successful in its entirety and the date of revocation of the earlier mark will be 7 April 2020 as requested.

Conclusion for the Invalidity

44. The effect of the earlier mark being revoked in its entirety means that it can no longer be relied upon as an earlier mark in relation to the invalidity proceedings brought by MGA against Micro-Star. Subject to any appeal, registration no 3728778 will remain registered in its entirety.

The Opposition

45. As explained in paragraph 2 above, the deemed filing date for application no 3609386 is 13 August 2018 which is almost two years prior to the date from which the earlier registration is revoked. Consequently, as MGA's mark was operative and valid on 13 August 2018, it can still be relied upon in the opposition proceedings.

Section 5(2)(b)

46. Section 5(2)(b) is being relied upon and is as follows:

> "5(2) A trade mark shall not be registered if because-
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark".

47. 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,
>
> (2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered".

48. In these proceedings, the opponent is relying upon the trade mark shown in paragraph 3, above, which qualifies as an earlier trade mark under the above provisions. As this trade mark had not completed its registration process more than 5 years before the filing date of the application in suit, it is not subject to proof of use, as per section 6A of the Act. The opponent can, as a consequence, rely upon all of the services it has identified.

Case law

49. 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 Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM),* Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH,* Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM,* Case C-334/05P and *Bimbo SA v OHIM,* Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a 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 Services

50. Section 60A of the Act provides:

"(1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the ”Nice Classification” means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1975.”

51. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

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

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

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for

instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

53. In *Gérard Meric v OHIM* ('Meric'), Case T-133/05, the General Court ("the GC") stated that:

> "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 für Lernsysteme v OHIM- Educational Services* (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark".

54. For the purposes of considering the issue of similarity of services, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons (see *Separode Trade Mark* (BL O/399/10) and *BVBA Management, Training en Consultancy v. Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs 30 to 38).

55. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the GC stated that "complementary" means:

> "...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking".

56. The goods and services to be compared are shown in the table below:

Contested services	**Earlier services**
Class 41: Organization of electronic game competitions; organization of competitions [education or	Class 41: Entertainment services; arranging, organising, provision, management and administration of

entertainment]; organisation of sports competitions.	gambling, gaming, lottery, amusement and entertainment services; gambling and gaming services; lottery services; arranging, organising, provision, management and administration of competitions including lotteries; entertainment services; provision of the aforesaid services in electronic or computerised form; provision of the aforesaid services on-line from a computer database, the Internet or other telecommunications; provision of information relating to gambling, gaming and lottery services accessible via the internet or other telecommunications; provision of information on line from a computer database or from the internet in relation to gambling, gaming, lottery, amusement and entertainment education; providing of training; entertainment sporting; cultural activities and lotteries.

57. I find that all of the applicant's services listed in the above table fall within the opponent's wider 'organising, provision, management and administration of competitions including lotteries' and therefore consider the services to be identical as per the principles set out in *Meric.*

Average consumer and the purchasing act

58. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary

according to the category of services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

59. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. (as he then was) 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 word "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

60. I consider the most likely end consumers to be members of the public however, the services might be procured by other businesses and professionals also. I consider the costs will again vary from low to possibly fairly high and that the services will be purchased fairly regularly by frequent gamblers and more infrequently by a more casual purchaser. The average consumer will likely consider cost, suitability, chances of winning and potential returns. I therefore find they will pay a medium degree of attention. Once again, I consider that the visual considerations will dominate the selection process likely on websites or see the mark on signage but do not discount aural word of mouth recommendations.

Comparison of marks

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

62. 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 trade 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.

63. The marks to be compared are as follows:

Contested mark	**Earlier mark**
	

64. The contested mark consists of the letters 'MGA' in upper case which are made to look like rock above smaller writing that states 'MSI GAMING ARENA', both of which are presented on a large almost rectangular rock. Above the writing is a stylised depiction of a dragon type creature which is lighter than the writing and the rock. Whilst the letters 'MGA' are presented in a larger way than the other wording, it is that following wording that gives meaning to the letters (i.e. it explains the acronym). I

therefore consider that the letters ‘MGA’ together with the wording ‘MSI GAMING ARENA) together are the most dominant and distinctive elements of the mark. The dragon and the rock background are not negligible but do play smaller roles in the overall impression of the mark as verbal elements tend to be more distinctive.

65. The earlier mark comprises of the letters ‘MGA’ in lower case. To the left hand side of the mark is a device element which consists of a geometric arrowhead pointing to the right accompanied by two triangular shapes positioned vertically, one above the other, with all three points meeting in the middle (I note that Micro-Star have identified this within their submissions as being the left half of a Maltese cross, however, I consider that the average consumer, upon seeing the mark in the market place would not necessarily be able to identify it as such). I consider the letters ‘MGA’ to be the dominant and distinctive element of the mark with the device playing a much smaller role.

66. Visually, the marks share the letters ‘MGA’ although presented slightly differently, as explained above. The contested mark has extra elements which have no replica in the earlier mark, such as the further wording, the rock background and dragon device. The earlier mark also has its own device which differs to the contested mark. I therefore find the marks to be visually similar to between a low and medium degree.

67. Aurally, I consider that the earlier mark will be pronounced letter by letter. These letters also appear at the beginning of the contested mark and will, in my view, be articulated and I consider that a significant proportion of consumers will also verbalise the words ‘MSI Gaming Arena’, giving them their ordinary everyday pronunciations. Therefore, there is a considerable difference in length between the two. I therefore find the marks to be aurally similar to between a low and medium degree.

68. Turning next to the conceptual comparison, I consider that there is not much conceptual content that the average consumer will be able to assign to the earlier mark other than the letters are probably an acronym but with no further information, then they will not know what the letters stand for. The contested mark does provide further context for the letters with the wording ‘MSI Gaming Arena’ which gives the idea of a place where people can take part in gaming together. The dragon and rock elements

perhaps hint towards to theming and content and this is not present in the earlier mark. I therefore find the marks to be conceptually dissimilar.

Distinctive Character of the Earlier Mark

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

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

70. Registered trade marks possess varying degrees of inherent distinctive character, being lower where they are allusive or suggestive of a characteristic of the goods and/or services, ranging up to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use made of it. I have been provided evidence of use of the mark but as I have determined above that MGA have not sufficiently shown evidence

of use, it follows that they have not shown any enhancement of the distinctiveness of the mark. I therefore only have the inherent position to consider.

71. The earlier mark consists of three letters which appear to be an acronym with no particular meaning immediately apparent. They are not descriptive or allusive to the services at issue and therefore, I consider them to be inherently distinctive to a medium degree.

Likelihood of confusion

72. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. It is necessary for me to keep in mind the distinctive character of the earlier marks, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

73. The following factors must be considered to determine if a likelihood of confusion can be established:

- I have found the dominant and distinctive element of the contested mark to be in the letters the letters ‘MGA’ together with the wording ‘MSI GAMING ARENA). The dragon and the rock background are not negligible but do play smaller roles in the overall impression. For the earlier mark, I have found the letters ‘MGA’ to be the dominant and distinctive element with the device playing a much smaller role.

- I have found the marks to be visually and aurally similar to between a low and medium degree.
- I have found the marks to be conceptually dissimilar.
- I have found the earlier mark to be inherently distinctive to a medium degree.
- I have identified the average consumer for the goods and services to be a combination of members of the general public as well as businesses. The purchasing process is likely to be predominantly visual.
- I have concluded that a medium level of attention will be paid during the purchasing process.
- I have found the services at issue to be identical.

74. Taking all of the above factors into account, in particular the level of visual and aural similarity being between low and medium, I consider that the average consumer will not overlook the extra wording in the contested mark, nor the presentation of it overall. Even though the services are identical, the dissimilar concepts and the low to medium level of visual and aural similarity will counteract that. There will therefore be sufficient distance between the marks and they will not be directly confused.

75. I will now turn to look at indirect confusion. Again, I take guidance from Mr Purvis in *L.A. Sugar Limited* where he stated:

> "17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:
>
> (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ("26 RED TESCO" would no doubt be such a case).
>
> (b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as "LITE", "EXPRESS", "WORLDWIDE", "MINI" etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension("FAT FACE" to "BRAT FACE" for example)".

76. These examples are not exhaustive but provide helpful focus as was confirmed by Arnold LJ in *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207:

> "This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition."

77. I do not believe the letters 'MGA' to be so strikingly distinctive that the average consumer would assume no-one else but the brand owner would be using it as a trademark and therefore the first category does not apply.

78. There is not an addition of any non-distinctive element. The other elements within the contested mark all play a role in the overall impression of the mark. Therefore, the second category does not apply.

79.There is not simply a change of one element here that would be consist with a brand extension- the earlier mark is very simplistic whereas the contested mark is much more detailed and it also includes conceptual content that is not replicated in the earlier mark. It would also not be reasonable to expect that the dominant and distinctive elements of the mark would be changed in respect of a brand variation or extension.

80. I can think of no other reason why the average consumer might view the services as coming from the same undertaking. The fact that a mark may call another mark to mind is not enough in itself for a finding of likelihood of indirect confusion.[1]I therefore find there to be no likelihood of indirect confusion.

[1] *Duebros Limited v Heirier Cenovis GmbH* O-547-17

Conclusion for the Opposition

81. The opposition fails in its entirety. Subject to any appeal, the application may proceed to registration.

COSTS

82. In these consolidated proceedings, Micro-Star has been successful in its application for revocation of the earlier mark and in the defence of the opposition against its own application. Therefore, it is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice ("TPN") 2/2016. Even though the invalidity proceedings have fallen away, Micro-Star filed a form TM8s and I will consider this within my award of costs. They did also provide evidence however, this was of little assistance in determining the non-use claim and therefore I will lower the costs accordingly.

83. Taking all of the above into consideration, and applying the guidance in the TPN, I award Micro-Star the sum of £1700, which is calculated as follows:

Official fee (Application for Revocation):	£200
Preparing the application for revocation and considering the counterstatement	£200
Considering the application for invalidity and opposition and preparing counterstatements	£300
Preparing evidence and considering and commenting on the other side's evidence	£700
Preparation of submissions	£300
Total	**£1700**

84. I therefore order Malta Gaming Authority to pay MICRO-STAR INT'L CO., LTD the sum of £1700. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 21st day of June 2024

L Nicholas

For the Registrar