

O-122-14

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2540453
BY
THE EDGE INTERACTIVE MEDIA INC.
TO REGISTER THE TRADE MARK**

EDGE

IN CLASSES 09 AND 41

AND

**THE OPPOSITION THERETO
UNDER NO 101125
BY
FUTURE PUBLISHING LIMITED**

Pleadings and background

1. The Edge Interactive Media Inc (“EIM”) applied to register the trade mark EDGE on 26 February 2010 for:

Class 09: Computer game software and video game software.

Class 41: Entertainment services about interactive computer or video games; providing information and programming regarding interactive computer game software, interactive video game software and interactive computer games and interactive video games via electronic, wireless and computer networks; providing online computer and video games accessed and played via electronic, wireless and computer networks; providing computer and video games accessed and played via mobile and cellular phones and other wireless devices; publication of computer game and video game magazines in electronic form via electronic, Internet, wireless and computer networks; providing news, reviews and information about computer games and videogames via electronic distribution methods including email, Internet websites, wireless and computer networks; providing organizations for online game administrators, namely, entertainment services in the nature of an online computer gaming club; providing public forums for online game administrators, namely, entertainment services in the nature of an online computer gaming club.

2. The application was published for opposition purposes on 30 July 2010. Future Publishing Limited (“Future”) opposes the application under sections 5(1), 5(2)(a), 5(2)(b), 5(3), 5(4)(a) and 3(6) of the Trade Marks Act 1994 (“the Act”). Under section 5(1), Future relies upon the following Community Trade Mark (“CTM”):

(i) 7178973

EDGE

Class 09: Pre-recorded audio tapes, video tapes, audio cassettes, video cassettes, CD-ROMs, DVDs, compact discs, and video discs, computer memory cards or sticks, featuring entertainment related to films, video, games and music; video and audio files; computer memory cards or sticks containing pre-recorded electronic publications; computer game software; computer game software and manuals in electronic format sold as a unit; computer video game software; electronic publications; downloadable electronic publications; computer video game software and manuals in electronic format sold as a unit; interactive video game programs; interactive computer game programs; downloadable computer game software via a global computer network and wireless devices; computer game software for use on mobile and cellular phones, handheld computers, computers and other wireless devices; downloadable interactive entertainment software for playing computer games; downloadable interactive entertainment software for playing video games; digitised data; podcasts.

Class 16: Printed matter and publications, namely, magazines, newspapers, journals, pamphlets and booklets, all in the fields of business, entertainment, and education, relating to toys, games, computers, computer software, computer games, video games, board games, hand-held games, interactive media, television,

interactive music, and video; posters; exterior packaging for software, namely, cardboard cartons; printed paperboard inserts for plastic packaging of software; paper bags; plastic bubble packs for packaging; envelopes; and paper pouches for packaging.

Class 28: Video game consoles, both handheld and free standing.

Class 41: Entertainment services, namely, providing news, information and programming (scheduling) regarding interactive computer game software, interactive video game software and interactive computer games and interactive video games, via electronic, wireless and computer networks; publishing of printed matter relating to computer games software and computer hardware; providing news, information and programming in the field of entertainment relating to motion picture films and science fiction over an electronic network; entertainment services, namely, providing online computer and video games accessed and played via electronic, wireless and computer networks; entertainment services, namely, providing computer and video games accessed and played via mobile and cellular phones and other wireless devices; entertainment services, namely providing a continuing computer game and science fiction show broadcast over television, satellite, audio, and video media; entertainment services, namely, providing a web site featuring musical performances, musical videos, related film clips, photographs, and other multimedia materials; entertainment services in the field of film and television, namely, the creation, production and distribution of films, videos, animation, and computer generated images; entertainment, namely providing a continuing show distributed over electronic media, namely global and local area computer networks, entertainment in the nature of competitions in the field of entertainment trivia, fan club services, production and distribution of motion pictures, providing news and information in the field of entertainment relating to motion picture films via global computer networks; organising, arranging and conducting shows, conferences, seminars, awards ceremonies and competitions all relating to computer games software and hardware.

Class 42: Hosting of websites; design research; illustrating services (design); industrial and commercial design services; design, drawing and commissioned writing, all for the compilation of web pages on the Internet; computer services, namely, designing and implementing network websites, electronic commerce software applications and information technology computer network systems for others; website design services; computer aided design of video graphics; creation, editing and updating of website content; information, consultancy and advisory services, all relating to the aforesaid services.

Filed on 22 August 2008; registration procedure completed 20 February 2012.

3. This earlier mark is also relied upon under section 5(2)(a), as well as the following UK registered mark in Class 16:

1562099B

EDGE

Printed matter, magazines, newspapers, periodicals, all relating to computer games, video games, interactive media, interactive television, interactive video, hand-held games and to related devices and goods, all pertaining to entertainment and education; all included in Class 16.

Filed 11 February 1994; registration procedure completed 11 November 1994.

4. Future claims that as the parties' marks are identical and that the goods and services are either identical or highly similar, there is a likelihood of confusion.

5. Both of the earlier marks are relied upon for the purposes of section 5(3) of the Act. In relation to the CTM, a reputation is claimed for *magazines all relating to computer games, video games, interactive media, interactive video, hand-held games and to related devices and goods, all pertaining to entertainment and education*. In relation to the UK mark, a reputation is claimed for *magazines in the field of entertainment relating to computers, computer software, computer games, video games, hand-held games, interactive media; entertainment services, namely, providing news and information regarding interactive computer game software, interactive video game software and interactive computer games and interactive video games, via electronic, wireless and computer networks; publishing of printed matter relating to computer games software and computer hardware*.

6. Future claims that the reputation in its marks means that the relevant UK public is likely to believe that the goods and services come from the same or an economically linked undertaking. Confusion as to origin would confer an unfair advantage on EIM which is clearly seeking to ride on the coat tails of Future's reputation. Damage to repute is also claimed if the goods and services were to be of a lower quality than those offered by Future.

7. Under section 5(4)(a), Future relies upon its use of the sign EDGE. It states that EDGE magazine was first launched in the UK in 1993 and was distributed generally throughout the UK through retail outlets, including WH Smiths. The Edge website was launched in May 2000. Future claims that the sign EDGE has been used on *printed magazines, provision of entertainment services, namely providing news and information regarding interactive computer game software, interactive video game software and interactive computer games and interactive video games, via electronic, wireless and computer networks; publishing of printed matter relating to computer games software and computer hardware*.

8. Future claims that use of EIM's mark would amount to passing off because of the reputation and goodwill enjoyed by Future in the sign EDGE.

9. In relation to its section 3(6) ground, Future refers to its reputation and goodwill and also claims the following:

12. The Applicant has been aware of the Opponent and their rights in the contested mark for many years. The earlier Registration was assigned for valuable consideration to the Opponent by the Applicant under an agreement dated 15 October 2004.
13. The Applicant is at present a Defendant in High Court proceedings brought by the Opponent against the Applicant for copyright infringement, passing off and breach of contract. Those proceedings commenced before the date of filing of the opposed Application.
14. The Applicant is also the proprietor of UK Trade Mark Registrations numbers 1562099A **EDGE**, 2147008A **EDGE 3D**, 2147013A **THE EDGE**, 2147022A **MAGIC EDGE**, 2147035A **EDGE NET**, 2147040A **GAMER'S EDGE**, all of which are currently the subject of revocation actions (numbers 83419, 83420, 83421, 83422, 83423, 83424) for non-use. Those revocation actions were all filed prior to the filing date of the opposed Application.
15. The Applicant, the Applicant's CEO Dr. Tim Langdell and companies connected with the Applicant are involved in disputes regarding the EDGE Trade Mark with a number of parties around the world. In one of those disputes in the US, namely Edge Games, Inc v Electronic Arts, Inc dated 1 October 2010, the US Judge, William Alsup J, indicated his belief that there was compelling evidence that the EDGE marks of the company related to the Applicant were fraudulently registered.
16. In view of points 12-15 above, it is clear that prior to the filing of the opposed Application, the Applicant was fully aware of the Opponent and their rights in the mark EDGE, having already profited from the sale of the earlier Registration to the Opponent, and the filing of the opposed Application amounts to a calculated act intended to profit the Applicant and/or disrupt the business of the Opponent. Accordingly, the Opponent submits that the Applicant is seeking to acquire registration of the mark of the opposed Application for purposes other than to trade in accordance with honest practices and that his conduct in filing the Application falls short of the standards of acceptable commercial behaviour. Accordingly, the Opponent requests that registration of the mark of the opposed Application be refused under the provisions of section 3 (6) on the grounds that the Application has been made in bad faith.

The High Court proceedings referred to in these pleadings resulted in a decision by Mrs Justice Proudman, handed down on 13 June 2011¹.

10. EIM filed a defence and counterstatement out of time. Following a case management conference on 15 February 2012, the Registrar's Hearing Officer, Mr Edward Smith, allowed the defence to stand, as per the decision dated 23 February 2012, shown at Annex 1 to this decision.

11. I mention at this point that all evidence and correspondence in these proceedings, on behalf of EIM, has come from its Chief Executive Officer, Dr Tim Langdell. It is apparent from the documentation that he is the controlling mind of

¹ *Future Publishing Limited v. The Edge Interactive Media Inc, Edge Games Inc and Dr Timothy Langdell* [2011] EWHC 1489 (Ch).

EIM. They are, effectively, one and the same. The counterstatement denies all grounds and is shown in full at Annex 2 to this decision. EIM puts Future to proof of use of its earlier mark 1562099B.

12. Following a protracted set of proceedings, I heard oral arguments on the substantive grounds at a hearing on Monday 17 February 2014. Mr Jim Pearson, of Abel & Imray, represented Future via telephone conference. Dr Langdell represented EIM via telephone conference from the US. Dr Langdell expressed reservations as to whether I had read or taken proper notice of all the evidence filed based upon what he said were his experiences in the High Court. I record here that I have indeed read all the evidence and papers filed prior to making this decision.

Preliminary issues dealt with at the hearing

13. A week prior to the hearing, Dr Langdell made a request to cross-examine two of Future's witnesses, Simon Parkin and Dean Roskell. In a letter dated 11 February 2014, I said:

"The request is provisionally refused at this stage. Dr Langdell was allowed to file further written evidence to challenge the evidence and took that opportunity, so he has had the chance to challenge the evidence from Messrs Parkin and Roskell. Furthermore, the proximity of the request to the date of the hearing suggests that it is a delaying tactic of the kind noted by Mr Geoffrey Hobbs QC in his recent decision dated 8 January 2014, BL O/043/14.

However, at Monday's hearing, as a preliminary point, Dr Langdell may renew his application to cross-examine if he still wishes to do so. It will be clear from this direction that Monday's main hearing will go ahead regardless of the outcome of the request for cross-examination. If I allow the request, I will agree to a further hearing in principle, but dependent on whether the evidence in question is necessary to reach a final decision on the merits of the substantive issues. I direct, under rule 62(3) of the Trade Mark Rules 2008, that all of this is on the condition a) that Dr Langdell is willing to attend a further hearing in person for the purposes of cross examination; and b) that he has complied with Tribunal Practice Notice 3/2010; in particular, he must:

- Give reasons why cross-examination of each witness is requested;
- Set out the specific issues to which cross-examination would, if allowed, be directed;
- Explain the relevance of those issues to the matters to be decided;
- Give an estimate of the time any cross-examination is expected to take;
- Copy the request to the opponent.

I will not consider any request at the hearing on Monday unless confirmation of (a) and information for (b) has been sent to the Tribunal and copied to the opponent by **12 noon UK time on Thursday 13 February 2014**. In relation to point (a), Dr Langdell is required to conduct cross-examination on UK soil owing to jurisdictional issues in conducting a hearing from overseas.

However, if he were to obtain agreement from US authorities, the position may be reconsidered. In the event that Dr Langdell renews his request for cross-examination, that I decide that cross-examination may take place and that the evidence is necessary to decide the substantive issues, Dr Langdell will be allowed one month to obtain the necessary agreement from the US authorities, should he wish to pursue this option. He must address this in his response by 12 noon Thursday 13 February either by confirming that he is willing to attend any further hearing in person in the UK for cross-examination, or by indicating that he will obtain agreement from the US authorities to conduct it from the US.”

It should be understood that cross-examination is at the discretion of the Registrar, as per rule 64 of the Trade Mark Rules 2008. The registrar has to be satisfied that it is appropriate in all the circumstances.”

14. Nothing was received from Dr Langdell by the deadline of 12 noon on Thursday 13 February 2014. An email was received from him later that day, at 16.49 UK time, after Mr Pearson had timeously submitted his skeleton argument for the hearing (the skeleton argument being due by 2pm). Some reasons were given for cross examination and Dr Langdell said that he would employ UK Counsel to deal with any cross examination. He apologised for the late response, but gave no real reasons for being late. Mr Roskell lives in Canada. His witness statement, to which there were no exhibits, effectively stated that he had brought together information from bloggers about ‘Edge’ disputes involving Dr Langdell and one or more of his companies. Some of the bloggers’ comments, which were exhibited to Simon Parkin’s statement, were anonymous. I took the view that cross-examination of Mr Roskell would serve no useful purpose and refused the request. In relation to Mr Parkin, I reserved a final decision on whether a further hearing will be needed for cross-examination, dependent on whether I find that I need to rely on Mr Parkin’s evidence in reaching a decision on the substantive grounds. If I do not, then calling a further hearing would be disproportionate to the benefits.

15. In an email dated 7 February 2014, Future also raised issues regarding missing exhibits H, I, J and K to Dr Langdell’s witness statement of 20 December 2013. Dr Langdell had made two attempts to send these exhibits by email to the Tribunal on 20 December 2013; the second attempt was successful. The email indicated that the exhibits were copied to various individuals at Abel & Imray; however, in an email dated 12 February 2014, Abel & Imray stated that they had checked the email records of the individuals and there was no trace of such emails having been received. In my letter of 11 February 2014, I said that the Tribunal would forward copies of the exhibits (which was done on 12 February 2014) so as not to compromise the hearing date. If Future considered that it had had insufficient time to consider the exhibits, I would allow a period of time for it to make written submissions about the content, if it wished. Mr Pearson said that he wanted to keep things as simple as possible and that he would deal with the exhibits at the hearing, if necessary to do so, and that he would not require further time to make written submissions.

16. Attached to Mr Pearson’s skeleton argument (filed on Thursday 13 February 2014) was a witness statement made by Mr Pearson in relation to two emails filed as

exhibit A to Dr Langdell's witness statement of 20 December 2013. Mr Pearson asked for admittance of his witness statement because he had discovered, in preparing for the hearing, that one of the emails was fabricated and the other was doctored. On the Friday (14 February 2014), Dr Langdell responded by electing, unconditionally, to remove the exhibits. Mr Pearson asked that I nevertheless admit his evidence because it was relevant to the weight of all the evidence (in the sense that it casts doubt on probity of all of Dr Langdell's evidence). Dr Langdell said that he must have a right of reply if the evidence was admitted.

17. Seeing as the two exhibits had been withdrawn, and to keep matters as simple as possible in what has been a procedurally very protracted set of proceedings, I refused to admit Mr Pearson's evidence.

Other proceedings between the parties

18. Throughout the instant proceedings, Dr Langdell has repeatedly prayed in aid his purported appeals against the decisions of Mrs Justice Proudman and of the Registrar's Hearing Officer Mr David Landau, reference BL O/283/12. The latter appeal has recently been the subject of a written decision by Mr Geoffrey Hobbs QC, sitting as the appointed person, reference BL O/043/14, in which he made an order for security for costs against EIM, of £12,500. The substantive appeal has not yet been heard, but it concerns two trade mark registrations belonging to Future which are not relied upon in these proceedings and which Dr Langdell sought to assign to EIM. Mr Landau rejected the assignments as falsely made. Dr Langdell repeatedly submitted that these proceedings should be stayed pending the outcome of that appeal because it concerns an agreement, called the CTA, between the parties, made in 2004. The same agreement was partly the subject of Proudman J's judgment in 2011, along with the successful revocation actions on the grounds of non-use filed by Future against all of EIM's UK trade mark registrations. Dr Langdell sought to have the current proceedings stayed pending the outcome of a purported appeal to the Court of Appeal. It transpired that the grounds of appeal related only to the revocations. In a decision dated 7 February 2012², Lewison LJ refused EIM permission to appeal Proudman J's decision. Dr Langdell sought to persuade the Tribunal that he would be successful in reversing Lewison LJ and that the issues were relevant. However, as the appeal related solely to the decision in the revocation proceedings, this was clearly wrong. The stay requests were refused.

19. I also refused to allow the proceedings to be suspended whilst EIM/Dr Langdell attempted to assign and then attack Future's registered CTM at the Office for Harmonisation of the Internal Market ("OHIM"). Dr Langdell's letter dated 24 April 2012 claimed that he had the power to withdraw the instant opposition and that the majority of CTM 7178973 had been assigned to EIM from Future, by virtue of claimed power of attorney. The Tribunal replied, attaching copies of correspondence from OHIM which rejected the validity of the said assignment. All of these actions were rejected by OHIM and there were, therefore, no grounds for altering the status of the instant opposition proceedings.

² Case number A3/2011/2022, exhibited at JRC-5 to Joanna Clayton's first witness statement.

20. In a letter dated 8 February 2013, following a case management conference held the previous day, I said (footnotes included):

“2. In March 2012, I separated these proceedings under rule 62(1)(h) of the Trade Mark Rules 2008 (“the Rules”). I took this step because the opponent has a section 5(1)/5(2)(a)³ ground based on a registered CTM which is not subject to proof of use whilst the other grounds are a section 5(2)(a) ground based on a registered UK mark which is subject to proof of its use, and grounds under sections 5(3), 5(4)(a) and 3(6) of the Act. These grounds require evidence, whilst the CTM ground did not. Both parties’ marks are EDGE, so there is no doubt that they are identical. The evidence rounds started smoothly enough; the opponent filed brief submissions and the applicant filed evidence, in July 2012, under cover of an affidavit, as directed by me, because the High Court had found Dr Langdell’s evidence, in another action between the parties, to have been forged. However, it then transpired that the applicant had not sent the evidence to the opponent, which meant that it had not been filed (rule 64(6)(b)). Added to that, I understand that the applicant’s evidence also contained privileged material. Delays then ensued whilst this procedural hiccup was addressed, followed by a cross-application for security for costs. The security for costs issue was set down for a hearing before me on 8 November 2012 (setting a date itself was not without its issues). However, on 6 November 2012, Dr Langdell withdrew his application for security for costs and withdrew his request for a hearing to resist the Tribunal’s decision to award the opponent security⁴ for £3,500, which was subsequently paid to the IPO.

3. In parallel with the UK proceedings, the applicant has, since March 2012, directed a series of attacks, via several different firms of trade mark attorneys, at the opponent’s CTM. The applicant filed two assignment (recordal) applications (firstly via Ladas and Parry and then via Forresters) to assign the opponent’s mark to itself. OHIM refused the assignment applications in June 2012. In August 2012, via Keltie, the applicant filed an application to cancel the opponent’s CTM. Keltie withdrew its representation on 2 November 2012. On 22 November 2012, Mathys and Squire filed an application under Article 18 to have the CTM compulsorily transferred to the applicant and, the following day, withdrew the application for cancellation which Keltie had filed. During this period, Dr Langdell, through his claim to have power of attorney and that the applicant is, in fact, the owner of the opponent’s earlier CTM, repeatedly requested that the Tribunal withdraw the opposition on his authority.

4. Unsurprisingly, Dr Langdell has pressed for a suspension of these proceedings, whilst the opponent has pressed for them to be decided from the papers on the basis of the section 5(1)/5(2)(a) CTM ground. In several letters, Dr Langdell variously referred to it being usual for the registrar to grant a suspension, that it is the applicant’s right to be granted a suspension and that

³ Trade Marks Act 1994.

⁴ Mr Pearson referred at the CMC to the (approx.) £400,000 costs which the applicant still owes to the opponent from the court actions.

suspensions in such a circumstance are automatic. None of that is correct. As I pointed out at the CMC, suspensions and stays are at the registrar's discretion (rule 62(1)(f)). It is therefore for me to decide whether a suspension will be allowed. Dr Langdell's letter of 5 February 2013, just prior to the CMC, said:

“Even in the very unlikely event that the OHIM do not grant our Article 18 assignment, Edge would just re-file its invalidity application and have the CTM removed from the EU register. In either event, the outcome of the OHIM issues governs the outcome of the instant opposition proceedings.”

5. There are two points here. The first is that it is of serious concern that Dr Langdell contemplates re-filing the cancellation action if the latest attack on the CTM is unsuccessful. The pattern of behaviour since March 2012 and this statement gives rise to a question as to whether there is harassment and abuse of process. The second point is that even if the applicant were to be successful in its latest Article 18 application, that would not dispose of the UK proceedings because there is another section 5(2)(a) ground, and also grounds under sections 5(3), 5(4)(a) and 3(6) of the Act. If the opponent were to be unsuccessful under its CTM ground, the focus would switch to the other grounds.

6. A further point emerged at the CMC. Dr Langdell said that, in the event that the applicant was successful in its Article 18 application and that the opponent's CTM was transferred to the applicant, which he considered undoubtedly to be the result, he nevertheless fully expected the opponent to retain a small part of the class 16 goods covered by the CTM. When I asked him what that small part was, he said magazines related to computer games. This is important because the CTM is supporting a section 5(2)(a) ground (in addition to section 5(1)). Section 5(2)(a) is concerned with identical marks and similar goods. The applicant has applied in classes 9 and 41 for:

Computer game software and video game software.

Entertainment services about interactive computer or video games; providing information and programming regarding interactive computer game software, interactive video game software and interactive computer games and interactive video games via electronic, wireless and computer networks; providing online computer and video games accessed and played via electronic, wireless and computer networks; providing computer and video games accessed and played via mobile and cellular phones and other wireless devices; publication of computer game and video game magazines in electronic form via electronic, Internet, wireless and computer networks; providing news, reviews and information about computer games and videogames via electronic distribution methods including email, Internet websites, wireless and computer networks; providing organizations for online game administrators, namely, entertainment services in the nature of an online computer gaming club; providing public forums for online

game administrators, namely, entertainment services in the nature of an online computer gaming club.

7. Even if the applicant were to be successful in getting the CTM transferred to itself, if Dr Langdell's assumption that the opponent would be left with computer game magazines is correct, I would still have to assess the likelihood of confusion between the application and the opponent's CTM, registered for these limited goods. This is an argument against suspending the proceedings.

8. Dr Langdell submitted that it would be less costly to the parties and the Tribunal for the proceedings to be suspended. The first point to make here is that the Tribunal has a duty to ensure legal certainty. Dr Langdell said that there would be no prejudice to third parties, but then later said that several other entities were awaiting the outcome of the applicant's attack on the opponent's CTM. The second point to make is that if the applicant were to be successful at OHIM, the other grounds would need to be run (in addition to whatever was left of the opponent's CTM). These grounds are evidential. The section 5(2)(a), 5(3) and 5(4)(a) grounds require the opponent to file evidence of genuine use, reputation and goodwill. It is already two and a half years after the date of publication (in relation to the genuine use evidential burden) and three years after the date of application (in relation to the reputation and goodwill evidential burden). Thirdly, there is also an ironic potential prejudice to the opponent if I decide to proceed to determine the substantive merit of the opposition based solely upon the CTM (5(1)/5(2)(a)). If I found for the opponent and the applicant were to appeal my decision (based on the history of previous disputes an appeal would appear to be more than likely) and my decision to press ahead rather than suspend was to be reversed on appeal, the other grounds would then need to be decided. Such a course of action could potentially put the opponent in a worse evidential position, the further away in time the proceedings travel from the relevant dates. Mr Pearson said that this was a risk that the opponent was prepared to take.

9. I have looked at the Article 18 application filed by Mathys and Squire at OHIM and it is not clear to me how much or how little is being attacked by the applicant. Notwithstanding Dr Langdell's admission that the opponent is likely to be left with the limited class 16 goods, I am not content to proceed to determination of these proceedings solely on the basis of the CTM, which is under attack, with the scope of the attack being unclear. In view of this, and taking into account the potential evidential prejudice to the opponent, I have decided that all the grounds now will run. There will be no suspension to await the outcome of the Article 18 application. I realise that this will increase the opponent's costs. The opponent has already asked for an award above the scale. It is the applicant's prevarication and repeated changes of direction at OHIM which has led to the necessity for the other grounds to run. There will be costs implications to the applicant at the conclusion of the proceedings.

10. Dr Langdell submitted that evidence would run to "hundreds of pages". There is no reason why it should. Dr Langdell informed me that evidence in

proceedings between the parties in the High Court had run to hundreds of pages, on both sides. This is part of the problem in the instant proceedings. The registrar's Tribunal is designed to give access to low cost, swift and efficient resolution of trade mark disputes, for all types of parties. As I said yesterday, and as will be clear from this letter, there will be no further overloading of these proceedings with irrelevance, nit-picking and distractions away from the main event."

21. I record here that, based on what had taken place to date and current projected expenses, the Tribunal made a security for costs order against EIM for £3,500 on 14 November 2012. This was paid. Since that date, Mr Hobbs has said in his decision BL O/043/14:

"Events as they have unfolded since EIM filed its Notice of Appeal on 21 August 2012 make it abundantly clear that EIM and Dr. Langdell are not willing to comply with costs orders made against them for the benefit of Future by courts of competent jurisdiction in the United Kingdom. On the contrary, they are determined to make it as difficult and expensive as they can for Future to enforce orders for costs that have been made in its favour. That is amply borne out by: (1) their failure to comply with Proudman J's order of 7th July 2011 in High Court claim number HC 09 C022265 requiring them to pay £340,000 to Future on account of costs; (2) their failure to comply with Lewison LJ's order of 7th February 2012 requiring them to pay £36,500 to Future in respect of its costs of their unsuccessful application for permission to appeal and a stay of execution in relation to Proudman J's order of 7th July 2011; (3) their unwillingness to abide by the order for summary judgment made against them on 20 November 2013 by the Honorable Justice Goldstein of the Los Angeles Superior Court, providing for enforcement of Proudman J's order for payment of £340,000 on account of costs; and, (4) their application of 19th December 2013, returnable before the Los Angeles Superior Court on 29th January 2014, seeking reconsideration of the order for summary judgment made by the Honorable Justice Goldstein on 20th November 2013, or in the alternative, for a stay of enforcement of her order for summary judgment."

Format of Evidence

22. I made a direction early in the evidence rounds (on 27 March 2012) that if EIM wished to file evidence, this must be in the form of an affidavit (under Rule 62(2)(b) of the Trade Mark Rules 2008). I made this direction as a consequence of the Order of Mrs Justice Proudman, [2011] EWHC 1489 (Ch), in which she stated, at paragraph 9:

"Contempt of Court

The Claimant [Future Publishing Limited] has permission to bring proceedings against the Third Defendant [Dr Timothy Langdell] for contempt of court by reason of the Third Defendant's false statements in his witness statements dated 17 September 2010 and 29 November 2010."

23. In considering EIM/Dr Langdell's request for leave to appeal Proudman J's judgment, Lewison LJ said:

"2. In the course of her judgment the judge found that Dr Langdell had lied in evidence and had concocted document and materials in support of his and his company's case. In particular he had concocted a computer disc and when that was exposed as a concoction he concocted another to cover his tracks."

24. Mr Hobbs, in the decision already referred to, said:

"It can be seen from the judgment delivered by Proudman J under reference [2011] EWHC 1489 (Ch.) on 13th June 2011 and from the brief assessment of it given by Lewison LJ in his judgment of 7th February 2012, that Dr. Langdell has been prepared to resort to forgery and perjury in an effort to thwart enforcement by Future of its legal rights against him and his company EIM."

25. Mr Landau, for the Registrar, found EIM's/Dr Langdell's purported assignments of Future's registrations 2552136 and 2552147 to have been fabricated.

26. EIM's evidence in these proceedings, from Dr Langdell, has been filed in affidavit form.

27. Much of EIM's/Dr Langdell's evidence and argument is based upon the agreement, known as the Concurrent Trading Agreement ("CTA"), between the parties, dated 15 October 2004. At the date on which Future opposed the application (28 October 2010), the agreement had already been terminated as of 20 August 2010, as per Proudman J's order dated 7 July 2011, paragraph 6, and paragraphs 59 to 70 of her decision handed down on 13 June 2011. The decision of the registrar's hearing officer, Mr Smith, referred to above and shown at Annexe 1 to this decision, records that he found that Future was not estopped from opposing EIM's application. Leave to appeal that interim decision prior to any appeal against this substantive decision was refused.

28. As can be seen from my letter of 8 February 2013, there is a ground which does not depend upon evidence: section 5(1) of the Act. The ground under Section 5(2)(a) is based upon a mark which had been registered for more than 5 years at the date on which EIM's application was published, so is subject to the proof of use provisions⁵. EIM put Future to use. Evidence was filed by Future to prove use, and in relation to its section 5(3), 5(4)(a) and 3(6) grounds. I consider it proportionate firstly to deal with the grounds under section 5(1) and 5(2)(a), since these are the more straightforward grounds. The evidence summary which follows relates to Future's use. I deal with EIM's evidence of use later in the decision. Future is required to establish that it made genuine use of its mark 1562099B in the five year period ending on the date on which EIM's application was published; i.e. from 31 July 2005 to 30 July 2010.

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

Future's evidence of use

First witness statement of Joanna Clayton, 5 April 2013

29. Ms Clayton is Future's Head of Legal, having previously been Future's Senior Commercial Solicitor. The facts in her witness statement come from her personal knowledge or are taken from Future's records.

30. The first edition of EDGE magazine was published in October 1993. Ms Clayton states that, since that date, an edition of Edge has been published and made available to the public every four weeks, via retail outlets throughout the UK and Northern Ireland, including WH Smith. Ms Clayton exhibits back copies of Edge magazine as exhibit JRC-7 from March 2005, February 2006, February 2007, January 2008, January 2009 and January 2010. The cover price was £4, rising to £4.50 from 2007.

31. Circulation figures are given in a table, shown below. I note that these are combined figures for the UK and the Republic of Ireland:

Total Average Net circulation per issue in UK and Republic of Ireland

Release Date	Period	Edge Magazine Circulation per issue
February 11	1 Jan 10 to 31 Dec 10	20,563
February 10	1 Jan 09 to 31 Dec 09	21,101
February 09	1 July 08 to 31 Dec 08	22,404
August 08	1 Jan 08 to 30 June 08	23,928
February 08	1 July to 31 Dec 07	24,993
August 07	1 Jan to 30 June 07	23,692
February 07	1 July to 31 Dec 06	27,507
August 06	1 Jan to 30 June 06	26,646
July 06	1 July to 31 Dec 05	26,662
August 05	1 Jan to 30 June 05	26,509
February 05	1 July to 31 Dec 04	25,283
July 04	1 Jan to 30 June 04	24,197

32. Ms Clayton puts these figures in some trade context by comparing them with the circulation figures for Games™ magazine, which won the Games Magazine of the Year award at the Games Media Awards in 2007:

Total Average Net circulation per issue in UK and Republic of Ireland

Release Date	Period	Games™ Magazine (competitor) Circulation per issue
February 11	1 Jan 10 to 31 Dec 10	14,701
February 10	1 Jan 09 to 31 Dec 09	16,656
February 09	1 Jan 08 to 31 Dec 08	18,498
August 08	1 Jan 07 to 31 Dec 07	19,400
February 07	1 Jan 06 to 31 Dec 06	18,367
April 06	1 Jan 05 to 31 Dec 05	20,257
February 05	1 Jan 04 to 31 Dec 04	18,183

33. Ms Clayton states that annual turnover was at least as high as the following figures:

2005	£1,391,000
2006	£1,381,000
2007	£1,684,000
2008	£1,611,000
2009	£1,300,000
2010	£544,000

(first half)

34. The amount spent on advertising was as follows:

2005	£45,000
2006	£62,000
2007	£86,000
2008	£90,000
2009	£71,000
2010	£54,000

(first half)

35. Ms Clayton states that, in the financial year 2008/2009, examples of the advertising and promotional activities carried out include distribution of free copies of Edge magazine at industry events, display and on-line advertising, promotional gifts for subscription sales, Edge magazine posters for gaming events, and the Edge magazine website.

36. Exhibit JRC-9 includes advertisements for Edge magazine which appeared in the May 2006 and January 2007 editions of PC GAMER magazine, and the December 2007 edition of GAMES MASTER magazine. These magazines were sold throughout the UK.

37. The Edge website edge-online.com was launched in May 2000; prints from the Internet Archive are shown in exhibit JRC-10 from September 2005, September 2006, September 2007, July 2008 and April 2009. The website carries news,

reviews and features relating to interactive computer and video games and game software. Data relating to website visits is as follows:

Month	Page Views	Visits	Uniques
Jul-08	718,162	263,470	164,862
Aug-08	1,056,647	453,468	278,461
Sep-08	1,344,975	487,346	295,661
Oct-08	1,406,570	570,632	356,576
Nov-08	1,158,178	507,634	324,700
Dec-08	1,467,190	582,179	401,077
Jan-09	1,703,734	718,531	503,707
Feb-09	1,554,350	726,614	511,467
Mar-09	1,783,877	651,946	409,487
Apr-09	1,194,325	611,593	407,429
May-09	1,055,701	510,929	324,665
Jun-09	1,266,138	637,153	423,122
Jul-09	978,886	487,036	306,006
Aug-09	934,598	464,865	288,570
Sep-09	952,269	459,411	278,583
Oct-09	1,139,119	523,585	319,654

Nov-09	1,078,889	511,547	329,329
Dec-09	1,026,093	500,363	333,260
Jan-10	1,267,214	603,726	395,887
Feb-10	1,030,933	493,041	307,793

38. Ms Clayton states that in the more recent years, about a quarter of the visits and views were from the UK. Ms Clayton states that, in March 2009, Edge magazine celebrated its 200th issue by issuing the magazine in a selection of 200 different covers, with a print run of 200 editions per cover, which she states created considerable interest. Ms Clayton exhibits at JRC-11 copies of news articles, from 6 March 2009, from Campaign magazine online, Computer and Video Games magazine online and from a blog called Chewing Pixels, which the content in exhibit JRC-12 shows is written by a journalist called Simon Parkin, who is a columnist and critic on games for *The Guardian* newspaper.

39. Ms Clayton states that Edge magazine and the Edge website are regularly cited on gamers' blogs and websites; an example is shown in exhibit JRC-12 from the Chewing Pixels blog, on which Edge magazine is described as "The British videogames bible Edge magazine". A print out from the blog Eurogamer.net includes numerous postings referring to their writers' long-standing reliance on Edge magazine: "I still use Edge as the go to for reviews", "they certainly have years of kudos they can leverage to get great access to otherwise secretive corners of the industry" and "I sub to Edge and GamesTM, they're the only magazines I trust really". These are after the relevant date (dating from 2013), but they all refer to having been customers of Edge for years, e.g. "I've been buying Edge since the ... 3rd issue, I think it was? I remember the Rise of the robots on the cover. I still think

it's the best magazine around" and "The latest Edge just dropped through my letterbox. Hard to believe I've been buying and hoarding it since 1993."

40. Ms Clayton states that Edge magazine has received numerous awards and widespread industry recognition, including:

- (i) InDin: Magazine of the Year in 1993, 1997 and 2002;
- (ii) MCV Industry Excellence Awards: Magazine of the Year 2006
- (iii) Games Media Awards: Games Magazine of the Year 2008 and 2009

41. News and press articles are included within exhibit JRC-13. One, from intentmedia.co.uk dated 8 April 2006, refers to the MCV Industry Excellence Awards 2006, in which the £2 billion UK games industry applauds the very best in the business:

"And Future's Edge Magazine finally threw off its 'ever the bridesmaid, never the bride' tag by comfortably winning Magazine Team of the year following many a fine edition."

Decision

Section 5(1)

42. Section 5(1) of the Act states:

"5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

43. Dr Langdell has not denied that both parties' marks are the identical mark EDGE for identical goods and services. His defence is based upon the CTA agreement compelling Future to assign the CTM to EIM. However, for the sake of completeness, I will assess the 5(1) ground. As per the judgment of the General Court ("GC") in *Gérard Meric v Office for Harmonisation in the Internal Market (OHIM)* Case T-133/05, goods and services can be considered as identical when the goods and services of the earlier mark are included in a more general category, included in the specification of the trade mark application. Vice versa, if the goods or services of the application are included in a more general category included in the specification of the earlier mark, they must be identical. The respective specifications are:

Future's CTM 7178973	EIM's application
Class 09: <i>Pre-recorded audio tapes, video tapes, audio cassettes, video cassettes, CD-ROMs, DVDs, compact discs, and video discs, computer memory cards or sticks, featuring entertainment related to films, video, games and music;</i>	Class 09: Computer game software and video game software. Class 41: Entertainment services about interactive computer or video games; providing information and

video and audio files; computer memory cards or sticks containing pre-recorded electronic publications; **computer game software**; computer game software and manuals in electronic format sold as a unit; computer video game software; electronic publications; downloadable electronic publications; computer video game software and manuals in electronic format sold as a unit; interactive video game programs; interactive computer game programs; downloadable computer game software via a global computer network and wireless devices; computer game software for use on mobile and cellular phones, handheld computers, computers and other wireless devices; downloadable interactive entertainment software for playing computer games; downloadable interactive entertainment **software for playing video games**; digitised data; podcasts.

Class 16: Printed matter and publications, namely, magazines, newspapers, journals, pamphlets and booklets, all in the fields of business, entertainment, and education, relating to toys, games, computers, computer software, computer games, video games, board games, hand-held games, interactive media, television, interactive music, and video; posters; exterior packaging for software, namely, cardboard cartons; printed paperboard inserts for plastic packaging of software; paper bags; plastic bubble packs for packaging; envelopes; and paper pouches for packaging.

Class 28: Video game consoles, both handheld and free standing.

Class 41: **Entertainment services, namely, providing news, information and programming (scheduling) regarding interactive computer game software, interactive video game software and interactive computer games and interactive video games,**

programming regarding interactive computer game software, interactive video game software and interactive computer games and interactive video games via electronic, wireless and computer networks; providing online computer and video games accessed and played via electronic, wireless and computer networks; providing computer and video games accessed and played via mobile and cellular phones and other wireless devices; publication of computer game and video game magazines in electronic form via electronic, Internet, wireless and computer networks; providing news, reviews and information about computer games and videogames via electronic distribution methods including email, Internet websites, wireless and computer networks; providing organizations for online game administrators, namely, entertainment services in the nature of an online computer gaming club; providing public forums for online game administrators, namely, entertainment services in the nature of an online computer gaming club.

*via electronic, wireless and computer networks; publishing of printed matter relating to computer games software and computer hardware; providing news, information and programming in the field of entertainment relating to motion picture films and science fiction over an electronic network; entertainment services, namely, providing online computer and video games accessed and played via electronic, wireless and computer networks; entertainment services, namely, providing computer and video games accessed and played via mobile and cellular phones and other wireless devices; entertainment services, namely providing a continuing computer game and science fiction show broadcast over television, satellite, audio, and video media; entertainment services, namely, providing a web site featuring musical performances, musical videos, related film clips, photographs, and other multimedia materials; entertainment services in the field of film and television, namely, the creation, production and distribution of films, videos, animation, and computer generated images; entertainment, namely providing a continuing show distributed over electronic media, namely global and local area computer networks, entertainment in the nature of competitions in the field of entertainment trivia, **fan club services**, production and distribution of motion pictures, providing news and information in the field of entertainment relating to motion picture films via global computer networks; organising, arranging and conducting shows, conferences, seminars, awards ceremonies and competitions all relating to computer games software and hardware.*

Class 42: Hosting of websites; design research; illustrating services (design); industrial and commercial design services; design, drawing and

<p><i>commissioned writing, all for the compilation of web pages on the Internet; computer services, namely, designing and implementing network websites, electronic commerce software applications and information technology computer network systems for others; website design services; computer aided design of video graphics; creation, editing and updating of website content; information, consultancy and advisory services, all relating to the aforesaid services.</i></p>	
--	--

44. I have emboldened the parts of the specifications which are identical:

(i) Future's *computer game software* is identical to EIM's *computer game software*;

(ii) Future's *software for playing video games* is identical to EIM's *video game software*;

(iii) Future's *entertainment services, namely, providing news, information and programming (scheduling) regarding interactive computer game software, interactive video game software and interactive computer games and interactive video games, via electronic, wireless and computer networks* is identical to EIM's *entertainment services about interactive computer or video games; providing information and programming regarding interactive computer game software, interactive video game software and interactive computer games and interactive video games via electronic, wireless and computer networks*;

(iv) Future's *entertainment services, namely, providing online computer and video games accessed and played via electronic, wireless and computer networks* is identical to EIM's *providing online computer and video games accessed and played via electronic, wireless and computer networks*;

(v) Future's *entertainment services, namely, providing computer and video games accessed and played via mobile and cellular phones and other wireless devices* is identical to EIM's *providing computer and video games accessed and played via mobile and cellular phones and other wireless devices*;

(vi) Future's *publishing of printed matter relating to computer games software and computer hardware* is identical to EIM's *phones and other wireless devices; publication of computer game and video game magazines in electronic form via electronic, Internet, wireless and computer networks*;

(vii) Future's *entertainment services, namely, providing news, information and programming (scheduling) regarding interactive computer game software,*

interactive video game software and interactive computer games and interactive video games, via electronic, wireless and computer networks are identical to EIM's providing news, reviews and information about computer games and videogames via electronic distribution methods including email, Internet websites, wireless and computer networks;

(viii) Future's entertainment services, namely, providing online computer and video games accessed and played via electronic, wireless and computer networks; organising, arranging and conducting shows, conferences, seminars, awards ceremonies and competitions all relating to computer games software and hardware; fan club services appear to cover EIM's providing organizations for online game administrators, namely, entertainment services in the nature of an online computer gaming club; providing public forums for online game administrators, namely, entertainment services in the nature of an online computer gaming club and are identical.

With the possible exception of point (viii), all of EIM's goods and services are 'a dead ringer' for Future's goods and services in classes 9 and 41. **The opposition succeeds under section 5(1) of the Act in relation to the whole of EIM's application.** However, and despite EIM's lack of denial that the services are identical, in case I am wrong about point (viii) in relation to section 5(1), I will look at it again in the context of section 5(2)(a) of the Act.

Future's proof of use

45. In the High Court decision cited above, Proudman J said this about Future's Edge magazine:

"3. The claimant is a well-known publisher of magazines and it sells approximately 3.6m magazines per month. For present purposes its speciality is computer gaming magazines, in particular the magazine EDGE, which has been distributed in the United Kingdom since 1993. EDGE magazine has a large circulation. Its website is visited by over 400,000 visitors per month. Many jobs in the computer gaming industry are advertised in its pages, it has many corporate subscribers and it has won a number of awards over the years, including Games Magazine of the Year 2008. It is plainly a substantial enterprise engendering a substantial following and substantial respect in the gaming industry."

46. Proudman J said this in June 2011. The trial took place in December 2010. There is no material difference between what she said in 2011 and the relevant period in this case which is the five year period before 30 July 2010; for instance, Proudman J referred to use since 1993 and to the award in 2008, to which I have referred in my evidence summary. Her finding can be applied to the present case as regard's Future's proof of use. Even without the support I derive from Proudman J's decision, I would have come to the same conclusion based upon the evidence filed in these proceedings, notwithstanding the combined turnover figures for the UK and Eire. There is enough UK specific evidence which shows use, goodwill and reputation in at least magazines relating to computer games, video games, interactive media, interactive television, interactive video, hand-held games and to

related devices and goods, all pertaining to entertainment and education. For example, Ms Clayton states that sales took place through retail outlets throughout the UK and Northern Ireland, including WH Smith; the cover prices of the back copies provided in exhibit JRC-7 are in sterling; exhibit JRC-12, from the Chewing Pixels blog, describes Edge magazine as “The British videogames bible Edge magazine”; and exhibit JRC-13 which includes the reference to Future’s success at the MCV Industry Excellence Awards 2006, in which the £2 billion UK games industry applauds the very best in the business. There is more than enough evidence of use in the UK to satisfy the criteria cited by Mr Justice Arnold in *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch):

“In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

“(1) Genuine use means actual use of the mark by the proprietor or a third party with authority *Ansul*, [35] and [37].

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(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, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and

frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating 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: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]"

47. Further, despite putting Future to proof of use in its notice of defence, EIM/Dr Langdell's counterstatement said this:

"14. The application should not be refused under section 5(3) of the Act since Applicant's use in UK commerce of the mark substantially predates that of Opponent by over a decade, and Applicant's use of the mark in the past 26 years has been for a vastly greater array of goods and services relating to computer games than the use of the mark by Opponent – which has been limited to the publication of a game magazine..."

Dr Langdell's skeleton argument said this, on page 8:

"It is well established and not disputed by the parties that Future's sole use of the mark EDGE is for a computer game magazine named "Edge" and the print and electronic versions of this magazine, together with the promotion of it."

48. This is clear acceptance by EIM/Dr Langdell of Future's use of Edge on its magazines. I further note that Dr Langdell's affidavit of 10 June 2013 refers to Future's reputation in its magazine, in paragraphs 72 and 73 (under the heading section 5(3)), which is an acceptance of Future's reputation.

49. I will approach the section 5(2)(a) ground on the basis of Future's CTM and, in relation to its earlier mark 1562099B, its use on its magazines, as these goods represent its best prospect of success. It is not necessary to make a finding in relation to the wider term 'printed matter', or in respect of newspapers or periodicals.

Section 5(2)(a)

50. Section 5(2)(a) of the Act states:

"(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, ...

.....

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

51. As the marks are identical, there is no need to set out the case-law relating to the comparison of marks. In terms of the other factors relevant to likelihood of confusion, I note the well-established principles from the CJEU (Court of Justice of the European Union) in *Sabel BV v Puma AG* [1998] RPC 199 and *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,

(b) 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*,

(c) 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*,

(d) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(e) the matter must be judged through the eyes of the average consumer for the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant.

(f) 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*,

(g) 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 and Adidas Benelux BV*,

(h) 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*.

Comparison of goods and services

52. In comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*. where the CJEU stated at paragraph 23 of its judgment:

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

53. ‘Complementary’ was defined by the General Court (“GC”) in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-325/06*:

“82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking...”

54. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited (“Treat”)* [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

55. In *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16 Jacob J held that:

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

56. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch) at [12] Floyd J said:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

57. I have already set out the specification of the CTM. Below is a table showing the magazine part of the specification in Future’s earlier mark 1562099B and the applicant’s specification.

Future’s 1562099B	Applicant
magazines relating to computer games, video games, interactive media,	Class 09: <i>Computer game software and video game software.</i>

interactive television, interactive video, hand-held games and to related devices and goods, all pertaining to entertainment and education.

Class 41: Entertainment services about interactive computer or video games; providing information and programming regarding interactive computer game software, interactive video game software and interactive computer games and interactive video games via electronic, wireless and computer networks; providing online computer and video games accessed and played via electronic, wireless and computer networks; providing computer and video games accessed and played via mobile and cellular phones and other wireless devices; publication of computer game and video game magazines in electronic form via electronic, Internet, wireless and computer networks; providing news, reviews and information about computer games and videogames via electronic distribution methods including email, Internet websites, wireless and computer networks; providing organizations for online game administrators, namely, entertainment services in the nature of an online computer gaming club; providing public forums for online game administrators, namely, entertainment services in the nature of an online computer gaming club.

58. Future filed evidence relating to marketplace overlap between games and gaming magazines. This came from Joanna Clayton in the form of a witness statement to adduce exhibit JRC2-2. This is a printout from Future's website (as of the date of the statement, 8 October 2013) outlining details of Future's various printed magazines. The following titles are included:

- Xbox 360: The Official Magazine (UK)
- PlayStation: The Official Magazine
- Nintendo: The Official Magazine
- Official Pokemon Magazine

59. The printout says:

"Future Games holds a unique position in the global games media market, combining the strongest games industry partnerships with an innovative multi-channel approach. We are the only games media owner with audience reach

across print, digital editions, online, social, video, coverdiscs, mobile, on-console and events.

...

Future publishes official titles for Xbox, PlayStation and Nintendo and licenses these titles into further territories. In 2012 we revamped the website for Official Nintendo Magazine to coincide with the launch of Nintendo's Wii U games console, whilst OfficialPlayStationMagazine.co.uk and OXM.co.uk both recorded significant increases in traffic.

All three games consoles carry our content. On PlayStation 3 we have extended our Sony partnership to produce Access – weekly HD video content. On Xbox 360 we publish the monthly OXM Report and we publish Nintendo TV via Nintendo platforms.”

60. In *Sanco SA v OHIM*⁶ the General Court indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different; in that case, chickens against transport services for chickens. The GC accepted that chickens and chicken transport services are complementary because professional businesses that purchase chickens may expect the same provider to provide both chickens and specialist transportation services for chickens. I must assess whether the average consumer is liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander QC, sitting as the appointed person, noted in *Sandra Amelia Mary Elliot v LRC Holdings Limited*⁷:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.

...

.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

The complementary relationship between goods and services is but one aspect of the similarity assessment which should not be given undue weight or be applied too rigidly.

61. Future publishes the official magazines relating to the games consoles. The extract refers to game industry partnerships. Despite the difference in nature between games, games services and printed magazines, the evidence indicates that there is a complementary relationship in that there is a close connection between them, in the sense that one is indispensable or important for the use of the other in

⁶ T-249/11.

⁷ BL O/255/13.

such a way that customers may think that the responsibility for those goods lies with the same or a related undertaking.

62. EIM has cover for publication of gaming magazines in electronic form. The users of games, information and services about games, and games magazines will be identical. Future's publications carry news, information, reviews etc in relation to games. There is a high level of similarity between Future's printed gaming magazines and EIM's *computer games software and video game software; entertainment services about interactive computer or video games; providing information and programming regarding interactive computer game software, interactive video game software and interactive computer games and interactive video games via electronic, wireless and computer networks; providing online computer and video games accessed and played via electronic, wireless and computer networks; providing computer and video games accessed and played via mobile and cellular phones and other wireless devices; publication of computer game and video game magazines in electronic form via electronic, Internet, wireless and computer networks; providing news, reviews and information about computer games and videogames via electronic distribution methods including email, Internet websites, wireless and computer networks; providing organizations for online game administrators, namely, entertainment services in the nature of an online computer gaming club; providing public forums for online game administrators, namely, entertainment services in the nature of an online computer gaming club.*

63. In relation to EIM's *providing organizations for online game administrators, namely, entertainment services in the nature of an online computer gaming club; providing public forums for online game administrators, namely, entertainment services in the nature of an online computer gaming club*, for all of the above reasons, there is a high level of similarity with Future's *entertainment services, namely, providing online computer and video games accessed and played via electronic, wireless and computer networks; organising, arranging and conducting shows, conferences, seminars, awards ceremonies and competitions all relating to computer games software and hardware; entertainment services, namely providing a continuing computer game and science fiction show broadcast over television, satellite, audio, and video media; entertainment services in the field of film and television, namely, the creation, production and distribution of films, videos, animation, and computer generated images; entertainment, namely providing a continuing show distributed over electronic media, namely global and local area computer networks, entertainment in the nature of competitions in the field of entertainment trivia, fan club services, production and distribution of motion pictures, providing news and information in the field of entertainment relating to motion picture films via global computer networks;*

Average consumer and purchasing process

64. The average consumer is reasonably well informed and reasonably circumspect and observant, but his level of attention is likely to vary according to the category of goods or services. Although I bear in mind that there may be an aural aspect to the purchasing process, the goods and services will be purchased primarily visually after examination of e.g. websites, magazines and games covers. On a notional view, most of the goods and services of the parties are of ordinary cost which will cause

some degree of care to be used (e.g. new games release or payment for an online gaming service), but not the highest level of care.

Distinctiveness of the earlier mark

65. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*⁸ 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).”

66. Proudman J said, in June 2011, of Future’s Edge magazine:

“Many jobs in the computer gaming industry are advertised in its pages, it has many corporate subscribers and it has won a number of awards over the years, including Games Magazine of the Year 2008. It is plainly a substantial enterprise engendering a substantial following and substantial respect in the gaming industry.”

The relevant date in these proceedings for assessing the distinctive character of Future’s mark EDGE is the date of EIM’s application, 26 February 2010. Future had already won the Games Magazine of the Year Award in 2008. By February 2010, Edge Magazine was selling substantially more copies than GamesTM Magazine⁹, which won the award in 2007¹⁰. Already inherently distinctive to a reasonably high degree because Edge does not describe or allude to the goods or services of Future’s registrations, I also find that it is entitled to claim an enhanced level of

⁸ Case C-342/97

⁹ See the table reproduced in paragraph 32 of this decision.

¹⁰ See page 5 of exhibit JRC-13.

distinctive character for gaming magazines, as of 26 February 2010, because of the use made of the mark.

Likelihood of confusion

67. In deciding whether there is a likelihood of confusion between the marks, I must weigh the various factors I have identified. This includes the principle of interdependency, whereby a lesser degree of similarity between the goods/services may be offset by a greater degree of similarity between the trade marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*). In these proceedings, the marks are identical and the goods and services are identical or highly similar.

68. Dr Langdell sought to persuade me that despite Future's CTM being registered in Future's ownership on the OHIM register, it in fact belongs to EIM and that I should treat it as having been assigned to EIM, notwithstanding OHIM's failure to record the assignment. He based this upon clause 2.8 of the CTA agreement. That argument is misconceived. OHIM issued a refusal of the assignment ("recordal") application on 5 February 2013 and it became final on 5 July 2013, no appeal having been filed. Also misconceived is Dr Langdell's reliance upon the CTA agreement as preventing success by Future (and preventing its opposition). Proudman J's order of 7 July 2011 stated:

"Declaration

6. It is hereby declared that the Concurrent Trading Agreement (as defined in Annex 1 hereto) terminated with effect from 20 August 2010".

Proudman J said in her decision of 13 June 2011:

"Contract

39. In October 1993 Dr Langdell issued proceedings against the claimant for passing off, alleging that he had unregistered rights in the mark EDGE. On 11th February 1994 Dr Langdell applied to register the trade mark EDGE in the class 16 (printed matter) category in respect of various items including gaming magazines. The action was stayed pending payment by Dr Langdell of security for costs but was then settled by an agreement dated 4th December 1996 ("the 1996 Agreement"). By that date, the claimant as well as EIM had applied to register the name EDGE in the class 16 (printed matter) category.

40. The thrust of the 1996 Agreement was that EIM would keep its registered mark and would be given the claimant's trade mark application in return for a royalty-free licence for the claimant to use the mark EDGE in relation to EDGE magazine in any form, electronic, on-line or otherwise. The claimant paid EIM the sum of £20,000. All rights and goodwill arising out of the mark EDGE were to vest in EIM. EIM was prohibited from publishing or licensing anyone else to publish a magazine substantially similar to EDGE magazine under the name EDGE or any colourably similar mark. EIM was prohibited from claiming any association or connection with EDGE magazine or with the claimant, save that in response to an unsolicited request EIM could confirm that it had licensed the mark EDGE to the claimant in relation to EDGE magazine.

41. The claimant's case is that thereafter, as EDGE magazine's success grew, Dr Langdell's behaviour became increasingly burdensome. The claimant wanted to abrogate the licensing agreement and buy all necessary trade marks from the defendants.

42. Agreement was reached in 2004, both with EIM and with Dr Langdell. The result was a Concurrent Trading Agreement ("CTA") with EIM and a Deed with Dr Langdell. Each was paid a substantial sum of money in consideration of entering into the deeds, \$250,000 to EIM and \$25,000 to Dr Langdell, although the total sum was paid into Dr Langdell's bank account.

43. I should say at this juncture that Dr Langdell relied before me on Recital F to the 1996 Agreement, saying (although this was not pleaded) that it barred the claimant from bringing these present proceedings against EIM. Recital F provided (the emphasis is mine),

"EIM Softek and Future wish to settle the Proceedings and all actual and potential disputes between them relating to the publication by Future of EDGE Magazine upon the terms hereinafter appearing."

This contention is misconceived as it ignores the fact that the 1996 Agreement was expressly (see Recital 4 of the CTA) terminated and replaced by the CTA.

44. The primary effect of the CTA was to assign to the claimant those parts of the trade marks owned by EIM which included the word EDGE and which covered EDGE magazine. Because Class 16 includes not only magazines but also other printed matter such as posters, booklets and instruction manuals the agreements provided that EIM would assign to the claimant that part of each mark in Part 16 which covered:

"Printed matter and publications, namely magazines, newspapers, journals, columns and sections within such magazines, newspapers and journals, all in the field of business, entertainment and educations relating to computers, computer software, computer games, video games, hand-held games and other interactive media."

The Register of Trade Marks was duly amended accordingly, with a suffix "A" for EIM's marks and a suffix "B" for the claimant's marks.

45. The assignment included all rights in the agreed part of the trade marks,

"including all goodwill attaching to the use of the Agreed Part of the Trademarks in class 16 and all rights of action, powers and benefits arising from ownership of the Agreed Part..."

"Trademarks" was defined as including not only the registered marks but also "all unregistered trademark rights of EIM in those marks."

46. Under clause 2.1.2 of the CTA, EIM granted the claimant certain licensed rights, making it clear that EIM could not object to claimant using the mark EDGE in relation to electronic publications. By Clause 2.9, the claimant undertook not to use the mark EDGE outside the publication of computer games magazines, their associated marketing and promotion and the uses covered by clause 2.1.2.

47. Importantly, both agreements provided as follows:

CTA clause 2.4:

"EIM further undertakes that it shall not use or permit the use by any other person of any Trade marks in a way which is or could reasonably be confusing with Future's use of the same in accordance with this Agreement and Deed."

The Deed clause 2.1.6:

"Not [to] use or permit the use by any other person of any of the Trademarks in a way which is or could reasonably be confusing with Future's use of the same in accordance with the [CTA]."

....

67. Termination of a contract by acceptance of repudiation can be effected notwithstanding the prior acquisition of rights unconditionally acquired. Accordingly the assignment to the claimant of goodwill and registered trade mark rights in the name EDGE and the payments to EIM and Dr Langdell of consideration under the agreements do not prevent termination. Each side is entitled to retain those benefits: see *Chitty on Contracts* (30th Edition) at 24-051 and cases therein cited.

68. The only outstanding question is whether the claimant can be said to have unequivocally affirmed the CTA in such a manner as to debar it from terminating it through acceptance of fundamental breach. I have in mind that in August 2009 the claimant brought these proceedings for breach only. The claimant only purported to accept the defendants' repudiatory breaches by amendment to its pleading on 19th August 2010.

69. However this was a case in which the breaches were persisted in by the defendants. In those circumstances the fact that the claimant continued to press for performance should not preclude it from treating itself as discharged from its obligations under the contract. The claimant is not discharging on account of the original repudiation and trying to go back on an election to affirm. It is instead treating the contract as being at an end on account of the continuing repudiation reflected in the other party's behaviour: see *Chitty* (above) at 24-004 and cases therein cited.

70. I therefore find that the claimant has accepted the defendants' repudiatory breaches and validly terminated the CTA."

69. Dr Langdell's skeleton argument contains the following submission:

"25. The fact that the Court terminated the 2004 CTA as at August 20, 2010 has no bearing on these proceedings other than solely the fact that at that point Future became freed of the constraint on them not to oppose Applicant's attempts to apply to register the mark EDGE."

Of course, Future filed its opposition on 28 October 2010, after the effective date of termination of the CTA. In his interim decision of 23 February 2012, Mr Smith, the hearing officer, decided that Future's opposition was properly launched and that the CTA was no bar to Future bringing its opposition after the termination of the CTA.

70. Dr Langdell sought to persuade me that even Future's Counsel in the High Court case, Mr Iain Purvis QC, agreed that EIM had licensed Future's use of EDGE irrevocably and that this prevented Future from owning a registration for EDGE in classes 9 and 41. He exhibited to his affidavit of 10 June 2013 a single page from Mr Purvis' closing submissions and a single page from the transcript of Day 8 of the proceedings before Mrs Justice Proudman, where Mr Purvis was making oral submissions. In reply, Future has filed the full transcript of Day 8 and a full copy of Mr Purvis's written closing submissions. To support his case, Dr Langdell put a highlighter pen through certain parts of paragraph 48 of Mr Purvis' written closing submissions, like this (I have used bold lettering):

“48. The first element is a one off assignment to Future of all goodwill and registered trade mark rights in the name EDGE in consideration for the payment of £250,000¹¹. See clause 2.1. That assignment (**which includes the irrevocable and perpetual licence** to use the name in respect of purely ancillary matters in clause 2.1.2) **is unaffected by termination**. Neither is the right of EIM to retain the money, since both the money and the assigned rights were **unconditionally acquired** – see the summary of the law in **Chitty on Contracts at 24-051**.

71. Clause 2.1 of the CTA stated:

“2. ASSIGNMENT AND GRANT OF RIGHTS

2.1 In consideration of EIM and Future hereby agreeing to terminate the Softek Agreement (including the EIM Licence) with effect from Completion, and in consideration of EIM assigning to Future all right, title an interest in the Assigned Rights with effect from Completion, and in consideration for Future as a condition of the transfer of rights herein paying to EIM the sum of \$250,000 in accordance with Clause 3.1 below, EIM:

2.1.1 shall at Completion provide the duly executed Trademark Assignments set out in Schedule 2 (the “Assignments”) to Future and all other documents reasonably required by Future so that Future can register the assignment to Future of all right, title and interest in the Assigned Rights with full title guarantee under the terms of this Agreement and Deed; and

2.1.2 grants Future on Completion a non-exclusive, royalty free, world-wide perpetual and irrevocable licence to use and sub-license the use of the mark and brand EDGE and those rights assigned to EIM pursuant to clause 2.6 (if any) in relation to:

- (a) electronic publication versions of its Edge Magazine;
- (b) covermounts and other promotional items which are used to promote the Edge Magazine (including, without limitation, posters) or included with or on or inserted in the Edge Magazine or its packaging, but which are not sold commercially as separate items;
- (c) the packaging of the Edge Magazine and the packaging of any covermounts and any other promotional items referred to in clause 2.1.2(b); and
- (d) magazine branded merchandise, which are provided free of charge as part of the promotion of Edge Magazine

together known as the “Licensed Rights”;

...”

The “Assigned Rights’ were defined in the CTA as “all rights, title and interest in the Agreed Part of the Trademarks (whether registered, unregistered and/or the subject of an application for registration) in class 16, in each case in whatever country including, without limitation, all goodwill attaching to the use of the Agreed Part of the Trademarks in class 16 and all rights of action, powers and benefits arising from ownership of the Agreed Part...”.¹²

72. Dr Langdell’s highlighting of certain words in Mr Purvis’ paragraph distorts the meaning of what was said. It is clear from the pages in the transcript of Day 8, which Dr Langdell did not exhibit but which Future did, that Mr Purvis had submitted that

¹¹ The CTA states \$250,000.

¹² As set out by Proudman J at paragraph 45 of her judgment.

the CTA assigned to Future certain rights to EDGE in class 16 and that the ancillary matters, which were irrevocably licensed, were such things as electronic versions of the magazine, promotion of it, 'freebies' inserted in the magazine, magazine packaging and branded merchandise, not covered by the assigned part of Class 16.

73. Future's earlier registrations are considered validly registered by virtue of section 72 of the Act¹³ and Article 99(1) of the Community Trade Mark Regulations¹⁴ and may be relied upon for the purposes of an opposition under sections 5(1) and 5(2)¹⁵ of the Act. An opposition raised under Sections 5(1) and/or 5(2) of the Act operates on the basis of the 'first to file' UK trade mark registration system, as per section 6 of the Act:

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

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(b) a Community trade mark or international trade mark (EC) which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK),

(ba) a registered trade mark or international trade mark (UK) which-

(i) has been converted from a Community trade mark or international trade mark (EC) which itself had a valid claim to seniority within paragraph (b) from an earlier trade mark, and

(ii) accordingly has the same claim to seniority, or

(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.

(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.

¹³ “In all legal proceedings relating to a registered trade mark (including proceedings for rectification of the register) the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity of the original registration and of any subsequent assignment or other transmission of it.”

¹⁴ Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark: “The Community trade mark courts shall treat the Community trade mark as valid unless its validity is put in issue by the defendant with a counterclaim for revocation or for a declaration of invalidity.”

¹⁵ And, of course, section 5(3).

(3) A trade mark within subsection (1)(a) or (b) whose registration expires shall continue to be taken into account in determining the registrability of a later mark for a period of one year after the expiry unless the registrar is satisfied that there was no bona fide use of the mark during the two years immediately preceding the expiry.”.

74. Dr Langdell submitted that EIM had rights which predate Future’s. This argument is misconceived, as per the Registrar’s Tribunal Practice Notice 4/2009, which states:

Trade mark opposition and invalidation proceedings - defences

Defences including a claim that the applicant for registration/registered proprietor has a registered trade mark that predates the trade mark upon which the attacker relies for grounds under sections 5(1) and 5(2) of the Act.

1. A number of counterstatements in opposition and invalidation actions have sought to introduce as a defence that the applicant for registration/registered proprietor has a registered trade mark (or trade mark application) for the same or a highly similar trade mark to that which is the subject of the proceedings that predates the earlier mark upon which the attacker relies.

2. Sections 5(1) and 5(2) of the Act turn upon whether the attacker has an earlier trade mark compared to the mark under attack, as defined by section 6 of the Act. Whether the applicant for registration/registered proprietor has another registered trade mark (or trade mark application) that predates the earlier mark upon which the attacker relies cannot affect the outcome of the case in relation to these grounds.

3. The position was explained by the Court of First Instance in *PepsiCo, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) T-269/02*:

"24 Nor did the applicant claim, and even less prove, that it had used its earlier German mark to obtain cancellation of the intervener’s mark before the competent national authorities, or even that it had commenced proceedings for that purpose.

25 In those circumstances, the Court notes that, quite irrespective of the question whether the applicant had adduced evidence of the existence of its earlier German mark before OHIM, the existence of that mark alone would not in any event have been sufficient reason for rejecting the opposition. The applicant would still have had to prove that it had been successful in having the intervener’s mark cancelled by the competent national authorities.

26 The validity of a national trade mark, in this case the intervener’s, may not be called in question in proceedings for registration of a Community trade mark, but only in cancellation proceedings brought in the Member State concerned (Case T 6/01 *Matratzen Concord v OHIM - Hukla Germany (MATRATZEN)* [2002] ECR II 4335, paragraph 55). Moreover, although it is for OHIM to ascertain, on the basis of evidence which it is up to the opponent to produce, the existence of the national mark relied on in support of the opposition, it is not for it to rule on a conflict between that mark and another mark at national level, such a conflict falling within the competence of the national authorities."

The position with regard to defences based on use of the trade mark under attack which precedes the date of use or registration of the attacker’s mark

4. The viability of such a defence was considered by Ms Anna Carboni, sitting as the appointed person, in *Ion Associates Ltd v Philip Stainton and Another*, BL O-211-09. Ms Carboni rejected the defence as being wrong in law.

5. Users of the Intellectual Property Office are therefore reminded that defences to section 5(1) or (2) grounds based on the applicant for registration/registered proprietor owning another mark which is earlier still compared to the attacker's mark, or having used the trade mark before the attacker used or registered its mark are wrong in law. If the owner of the mark under attack has an earlier mark or right which could be used to oppose or invalidate the trade mark relied upon by the attacker, and the applicant for registration/registered proprietor wishes to invoke that earlier mark/right, the proper course is to oppose or apply to invalidate the attacker's mark.

Reliance on the Absence of Confusion in the Marketplace

6. Parties are also reminded that claims as to a lack of confusion in the market place will seldom have an effect on the outcome of a case under section 5(2) of the Act.

7. In *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 Laddie J held:

"22. It is frequently said by trade mark lawyers that when the proprietor's mark and the defendant's sign have been used in the market place but no confusion has been caused, then there cannot exist a likelihood of confusion under Article 9.1(b) or the equivalent provision in the Trade Marks Act 1994 ("the 1994 Act"), that is to say s. 10(2). So, no confusion in the market place means no infringement of the registered trade mark. This is, however, no more than a rule of thumb. It must be borne in mind that the provisions in the legislation relating to infringement are not simply reflective of what is happening in the market. It is possible to register a mark which is not being used. Infringement in such a case must involve considering notional use of the registered mark. In such a case there can be no confusion in practice, yet it is possible for there to be a finding of infringement. Similarly, even when the proprietor of a registered mark uses it, he may well not use it throughout the whole width of the registration or he may use it on a scale which is very small compared with the sector of trade in which the mark is registered and the alleged infringer's use may be very limited also. In the former situation, the court must consider notional use extended to the full width of the classification of goods or services. In the latter it must consider notional use on a scale where direct competition between the proprietor and the alleged infringer could take place."

8. (In *Rousselon Freres et Cie v Horwood Homewares Limited* [2008] EWHC 881 (Ch) Warren J commented:

"99. There is a dispute between Mr Arnold and Mr Vanhegan whether the question of a likelihood of confusion is an abstract question rather than whether anyone has been confused in practice. Mr Vanhegan relies on what was said by Laddie J in *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 at paragraphs 22 to 26, especially paragraph 23. Mr Arnold says that that cannot any longer be regarded as a correct statement of the law in the light of *O2 Holdings Ltd v Hutchison 3G Ltd* [2007] RPC 16. For my part, I do not see any reason to doubt what Laddie J says..."")

9. In *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283 Millett LJ stated:

"Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark."

The test in this case is whether there is a likelihood of confusion 'notionally', i.e. whether all the factors I have discussed throughout this decision combine to lead to a conclusion that there is, or is not, a likelihood of confusion, on the part of the average consumer, between the marks. Given that the marks are identical and cover identical and highly similar goods and services, and that Future's earlier marks are already inherently distinctive to a reasonably high degree, and that

distinctiveness is enhanced through use, **a likelihood of confusion is inevitable**. The average consumer will assume that the marks belong to the same or linked undertakings.

75. Dr Langdell relied upon alleged use of EIM's mark to persuade me that there was no confusion. The relevant date is the date of EIM's application, 26 February 2010. The High Court action between the parties commenced in 2009, with Proudman J giving judgment on 13 June 2011. She revoked all of EIM's UK registered marks¹⁶ on the grounds of non-use, stating:

"De-registration through non-use

76. The claimant contends that all of EIM's registered trade marks in the UK are invalid for non-use under s. 46 (1) (b) of the Trade Marks Act 1994, namely:

"that such use has been suspended for an uninterrupted period of five years and there are no proper reasons for non-use".

The burden of proof lies on the proprietor to show that his marks have been used: s.100 of the Act.

77. Use for the purposes of s. 46 must be genuine use. In **La Mer Technology Inc v. Laboratoires Goemar SA** [2004] Case C-258/02 at [21]-[22], the European Court of Justice explained that use as follows,

"...use of the mark may in some cases be sufficient to establish genuine use within the meaning of the Directive, even if that use is not quantitatively significant. Even minimal use can therefore be sufficient to qualify as genuine, on condition that it is deemed to be justified, in the economic sector concerned, for the purpose of preserving or creating market share for the goods or services protected by the mark.

The question whether use is sufficient to preserve or create market share for those products or services depends on several factors and on a case-by-case assessment which is for the national court to carry out. The characteristics of those products or services, the frequency or regularity of the use of the mark, whether the mark is used for the purpose of marketing all the identical products or services of the proprietor or merely some of them, or evidence which the proprietor is able to provide, are among the factors which may be taken into account."

78. This action was started in 2009 but until the end of November 2009 the only evidence produced by Dr Langdell in support of trade mark use in the UK was by way of assertion in his witness statements. He says there that his annual turnover in the UK has never fallen below £100,000 and that he has consistently sold the game "Bobby Bearing" and other games for mobile phones and personal computers throughout the relevant period.

79. A number of points arise. First, there is no suggestion that these games have been advertised or promoted for sale in the UK in the relevant period. The only evidence of anyone finding and purchasing them in the UK is evidence of "trap" orders placed by the claimant for the purposes of the proceedings. Indeed when such orders were placed EIM did not even deliver the games. The only outlets through which any of the games could be purchased are Dr Langdell's websites which redirect to amazon.com and another website. On both websites the games are priced in dollars. Amazon shows no instance of feedback from any buyers. There is therefore nothing to show that the marks "preserve or create market share for the goods or services protected by the mark". The mere placing of the mark on the defendants' websites is

¹⁶ 1562099A, 2147008A, 2147013A, 2147022A, 2147035A and 2147040A.

not genuine use in the absence of active promotion of the website since it is insufficient to establish a market for the goods.

80. Secondly, Dr Langdell seeks to rely on the claimant's use of the mark. He cannot do this for the simple reason that he has no registered marks in relation to computer gaming magazines. They belong to the claimant alone.
81. Thirdly, Dr Langdell seeks to rely on sales of goods by others whom he claims are licensees of EIM. One matter relied upon is 20th Century Fox's movie "The EDGE". I would need cogent supporting evidence to convince me that this company is EIM's licensee and no such evidence has been forthcoming. In any event it is doubtful whether the name of the movie fulfils the function of a trade mark in indicating the origin of goods. Another supposed licensee is Datel, which who sells a Wii game controller called "the Edge" in the US and over the internet. Again there is no evidence in support of trade mark use in the UK. A third supposed licensee is NIS which sells a Playstation 3 game called "Cross Edge". Again there is no corroborative evidence and the relevance of this product is dubious in any event since "Cross Edge" is not one of the registered marks.
82. The defence, drafted at a time when the defendants were legally represented, did not give particulars of use. On 7th October and again on 22nd October 2010 the claimant served a request for further information asking for particulars of all uses relied on in relation to each mark including turnover figures and requesting support from accounts. The request was sent by recorded delivery to Dr Langdell's address for service in Regent Street and also to Dr Langdell's email address. No response was received and Dr Langdell claims he did not receive any such request. By contrast, the documents in Dr Langdell's list on disclosure which might relate to use were not actually provided with the covering letter purporting to enclose them. They were still not provided despite a letter from the claimant's solicitors of 19th October 2010 informing him of the omissions.
83. Just before the trial Dr Langdell served a supplemental list of documents. They include alleged sales figures in the UK for a number of the defendants' games. However no underlying records were produced and it was plainly too late to investigate the position in any event. No evidence of payments has ever been offered even though it is claimed that all payments were made through Paypal. No person who is said to have purchased a game has given evidence. It is not explained how sales could have been achieved in the absence of marketing or distributorship. I observe that although the games are offered on Amazon at \$24.99 each the sale price on the document is less than \$10. No explanation has been given as to why Dr Langdell has disclosed only one order ID from Amazon, although he alleges that he sold 471 copies of the game "Racers".
84. Another document shows sales of Bobby Bearing by a Polish company, Artegence. No evidence is tendered as to how such sales could have been effected in the UK. In any event, the sales shown are inconsistent with the contract that the defendant had with Artegence, which was in evidence. The contract does not require breakdown of sales by country, it requires payment of 30% gross revenue less sales tax and commission and there is no reference in the sales document to the exchange to dollars. The sales document does not in any event identify the number of units alleged to have been sold.
85. One of the documents disclosed by Dr Langdell shortly before trial was an EIM invoice and shipping notice dated 26th November 2010 addressed to Creative Distribution Ltd, a video game distributor in Croydon, for 50 copies of the Racers game. Dr Langdell offered no reason at all for not having disclosed documentation about this sale as soon as it was available. The invoice was a very recent one, bearing the date of only some 10 days before trial. However, under cross-examination, Dr Langdell was unable to recall the name of the person to whom he had dealt at Creative Distribution, whether the communication was by telephone or email, when the transaction had occurred, how Creative Distribution is said to have seen the game or what were the terms and conditions of sale. The invoice is in these circumstances insufficient proof of the sale it purports to record.

86. Importantly, Dr Langdell sought to rely on sales in the UK by his licensee Velocity Micro Inc. Apparently in response to the claimant's Part 18 request on 7th October 2010 Dr Langdell emailed the claimant's solicitors on 30th November 2010 with two emails, comprising an exchange with Randall Copland of Velocity Micro. Dr Langdell claims that he had sent hard copies of these documents to the claimant's solicitors twice by post but they were not received.

87. The first email was an alleged email from Dr Langdell to Mr Copland timed at 10.26 am on 11th June 2010, requesting UK sales figures for Velocity Micro's "Edge" and "Gamer's Edge" products for the years 2006-9. The second email is the alleged response timed at 6.34 am on 14 June 2010, saying simply,

"The figure is way over \$1m for each year".

88. The claimant contacted Mr Copland and he made a witness statement dated 3rd December 2010 attaching his correspondence with Dr Langdell. He said that the emails disclosed were not in the form sent and received. He attached the true copies of the emails he sent and received, explains how the disclosed emails appear to have been altered and confirms that the actual UK sales figures for the years in question were nil. Dr Langdell did not disclose the email dated 11th June that he had actually sent, nor did he disclose the email from Randall Copland in unredacted form which he actually received. His explanation for these omissions was totally unconvincing.

89. Having been served with Mr Copland's statement on the following working day Dr Langdell wrote to the claimant's solicitors saying that he had never alleged that Mr Copland's 14th June email was in response to his 11th June email. In cross-examination he insisted that he sent the email to Mr Copland. His explanation was that,

"...we have been let down by Velocity Micro, who said they were selling to the UK."

90. He elaborated on the Velocity Micro position by saying that he found Mr Copland's statement that he sold nothing in the UK market "surprising" as he had done some test purchases from Velocity Micro system during the years in question and had them shipped to his UK office. Again, however, there was no evidence whatsoever of this.

91. Instead, crucially, the claimant called Dr Langdell's bluff and offered to tender Mr Copland for cross-examination on his witness statement. The court explained to Dr Langdell that if he did not accept Mr Copland's evidence he would be well-advised to cross-examine him or else the court would be likely to accept his evidence as unchallenged. Dr Langdell then made the deliberate and informed choice not to take up the offer to explore his case with Mr Copland in cross-examination.

92. In all the above circumstances there is no cogent evidence that the defendants have had any presence in the UK market during the relevant period. I reject the sales figures contended for by Dr Langdell.

93. I would add that Dr Langdell contended that the claimant's allegations of passing off were inconsistent with their claims that he had not used his registered mark. However representations can still be made on websites directed into the UK in the absence of the conduct of a genuine business under that mark: see **Euromarket Designs Inc v. Peters** [2001] FSR 20."

76. For the concurrent use argument to run, there needs to be evidence to suggest that the relevant public has shown that it distinguishes between the undertakings' goods and services. Without such evidence, it is not possible to demonstrate an absence of actual confusion. For Dr Langdell's reliance on use to even get off the ground, there needs to be evidence of EIM's use in the UK in the years running up to

26 February 2010. Given Proudman J's findings, that seems unlikely. She found that by the end of November 2009 (only three months before the relevant date in these proceedings), the only evidence produced by Dr Langdell was assertion. The only outlets through which games could be bought were Dr Langdell's websites which redirected to Amazon.com and another website, on which the games were priced in dollars, with no feedback from buyers. Just before the High Court trial, so after the relevant date in the current proceedings, Dr Langdell served a supplemental list of documents alleging UK sales of games, but without any underlying records, such as payments. Proudman J rejected the evidence.

77. EIM/Dr Langdell has filed evidence to show UK use in these proceedings. Some of his evidence relates to the 1980s, much too long ago to be of benefit to Dr Langdell's argument. His affidavit of 13 June 2013 contains the following:

"96. In her 2011 judgment Mrs. Justice Proudman mistakenly stated that Applicant had failed to supply any evidence of websites in the UK, accessible by UK consumers, selling Applicant's goods in UK Pounds Sterling. I accept that this mistake by the judge was caused in large part because Edge had no legal representation and I was forced to try to represent the company myself before the Judge. Apparently I perhaps did not adequately bring the Judge's attention to the copious evidence in the trial binders before her of numerous UK websites selling our EDGE games in the UK in British Pounds – and specifically, proving sales in the five year period in question in the trial."

78. Dr Langdell attaches a number of prints which he states are from the Wayback Machine (exhibit TL16) from 2005, 2006, 2007, 2009 and 2010. He states that these show that at all times EIM's EDGE branded game Bobby Bearing was on sale in the UK through UK websites for mobile games Prints from edgeworks.com are exhibited, which Dr Langdell states shows "extensive use" of EDGE on games and games hardware from 2005 to 2010. Proudman J dealt with 'Bobby Bearing' evidence in paragraphs 78 and 79 of her decision, reproduced above. The prints before me comprise the following:

- A page from smiliegames.com, said to be dated from 12 March 2005, which shows the Bobby Bearing game for mobile phones priced at £4.50. There is no mention of EDGE.
- A page said to be dated 24 May 2005 from phonegamesdirect.co.uk which shows Bobby Bearing, but no mention of EDGE. The developer is recorded as "Mobile Entertainment Europe". There is no price.
- A page which does not appear to be from the WayBack Machine and which bears a printing date of "9/24/2010", from funmyfon.com/uk. It is just possible to see the words "Licence Edge Games" underneath the picture of the game. There is no price except "Choose your operator to hear information of the order Vodafone, T-mobile, Orange, Three, O2 send a sms report on an number 84242 with a text GO 0015578355 Cost: 3GBP. There is "0" feedback left.

- A page printed on “9/24/2010” which refers to Bobby Bearing, with no picture, unexpanded description and no pricing, from funfoneshop.mobplay.co.uk.
- A page showing a list of games for Nokia phone which includes Bobby Bearing, printed on “9/24/2010”.
- A page from the WayBack Machine said to date from 2005 from www.the-edge.com. It is simply a screen shot of the mark EDGE.
- A page from the WayBack Machine from 2010, with a typed note stating this was the Edge website at the time of applying for the trade mark. There are US and UK flags, “Edge Games”, and a picture of what appears to be a game called “Racers” “coming soon on PlayStation 3” but no more than that.
- A page which looks as though it is the artwork for what is described as a “new game by Edge launched Sept 2009”, but without any evidence of sales or pricing.
- A page which is headed “Coming December 2010 to iTunes UK...from The Edge Bobby Bearing 2: Rebound”. There is no evidence of pricing.
- A similar page relating to a game called Mythora, which is described as having been launched in 2004, on sale continuously in the UK from 2005 to 2010. There is no evidence of any sales or pricing.
- A page from what looks like the iTunes store with a game for sale called EDGEBobby2, which is undated. The game is marked as costing “£0.69”, in contrast to the £4.50 charged on the page I have described at the first bullet point. The page says “no ratings”.
- Similar screen shots of purported games appear in exhibit G to Dr Langdell’s affidavit of 20 December 2013, but with no pricing, no dating, no feedback, and no indication of being able to add them to a basket to purchase.

79. In paragraphs 98 and 99 of his affidavit, Dr Langdell gives figures for visits to the edggames.com website:

Month	Page Views
January 2005	431,564

July 2005	321,078
March 2006	525,011
September 2006	441,969
April 2007	341,099
May 2008	498,252
February 2009	593,121
November 2009	419,534
January 2010	521,197

80. Dr Langdell states that around 25% of the page views to this website were from the UK and Northern Ireland. Ms Clayton, for Future, put in evidence¹⁷ about Dr Langdell's figures, particularly noting that the figures are not very different to Future's own (I note that she also said that a quarter of the visits and views to Future's website were from the UK). Ms Clayton states that her colleague Nina Day (Assistant Company Secretary & Legal Business Manager at Future) conducted some research into the matter to see whether an independent source could be found to provide comparative data as between Future's website and EIM's website. Ms Day looked at information from the Alexa website¹⁸ which holds records of the popularity of websites. Alexa gives details of website traffic, ranking websites using a combination of estimated average daily unique visits and estimated page number views over a three month period. The data is current rather than historic, but gives an indication. The Alexa data shows that EIM's websites have been and still are too small to register any information about them, in contrast to the entries for Future's website, which do show data.

81. Dr Langdell states in paragraph 99 of his affidavit:

"We also kept records of visits to our UK edgegames.co.uk website – however, I note that the WayBack Machine failed to capture this website in the earlier years but attached in Exhibit TL16 is also proof that we registered the domain name edgegames.co.uk in January 2000 and I hereby represent we did have that website live to UK consumers at all times from 2005 to 2009, to the best of my recollection, even though archive.org failed to capture the site."

82. Ms Clayton exhibits at JRC2-3 some screen shots taken from the WayBack Machine from EIM's/Dr Langdell's website edgegames.co.uk on 29 November 2009, which she states is the date of the earlier archived page, 13 April 2010 and 14 August 2010. It is clear from the prints that they are holding pages with no content.

83. Dr Langdell gives some figures for 2005 which he believes come partly directly from EIM's websites, partly from numerous UK websites selling EIM's mobile games and through EIM's European marketing and sales partner Artegence¹⁹. The highest

¹⁷ Witness statement dated 8 October 2013.

¹⁸ Exhibit JRC2-3

¹⁹ Proudman J refers to Artegence in paragraph 84 of her decision.

monthly figure is £863. Dr Langdell does not give UK figures for any other years, but describes them as “modest but consistent”. In exhibit G, there is a page which purports to be an amazon.co.uk invoice to someone in Devon for a single copy of the Racers game on 25 May 2010 (after the relevant date for assessing likelihood of confusion).

84. Dr Langdell states that the EDGE branded game Bobby Bearing has “won numerous awards”, but this appears to be in the early 1990s (exhibit TL17).

85. None of this evidence gets EIM/Dr Langdell anywhere with the argument about concurrent use/lack of confusion. Much of it is resonant of the findings of Proudman J, but even without the support of her judgment, there is nothing which points to use. The website data has been challenged, in my view successfully, by Future. The items in the evidence do not corroborate each other or the assertions in the affidavits. The evidence does not assist EIM’s defence.

86. The end result is that there is a likelihood of confusion. In addition to Future’s full success under section 5(1), the opposition also succeeds in full under section 5(2)(a) of the Act.

87. Owing to strength of the section 5(1) and 5(2)(a) grounds, for economy of process, I do not propose to address the other grounds of opposition or the evidence pertaining thereto. In particular, the request to cross-examine Mr Parkin is now moot and refused. I doubt that it would be particularly enlightening owing to the hearsay/anonymous nature of some of the Chaos Edge website content; and because Dr Langdell wished to cross-examine Mr Parkin on his Eurogamer article including in relation to clear journalistic hyperbole, such as “[i]n this moment the seeds of a thousand lawsuits were sown”²⁰.

88. The day after the hearing, Dr Langdell sent an email to the Tribunal to deal with two points which he said Mr Pearson had unfairly made in his submissions in reply. The first was that Mr Pearson alleged bad faith by the application having been made in the light of the UK registrations being revoked, which Dr Langdell wished to deny; and the second was that Dr Langdell wished to record that EIM requires the application in addition to the CTM, if he is successful in getting OHIM to record the CTM as being in EIM’s ownership. I do not need to deal with either of these points.

89. Eight days after the hearing, Dr Langdell sent a further email to the Tribunal, requesting summary judgement on two separate bases.

90. In a nutshell, the first basis for the summary judgment request is that Dr Langdell claims that Future is estopped from opposing EIM’s application owing to abuse of process:

“5. The instant application matured to advertisement on July 30th 2010, substantially before Opponent amended its Claim before the High Court in August 2010, and substantially before the trial commenced in December

²⁰ Dr Langdell devoted nearly 3 pages in his evidence and 3 pages in his skeleton argument to challenging that hyperbole.

2010. Certainly, well before the time of the trial Opponent had indicated to the UK IPO that it intended to oppose Applicant's application.

...

7. As stated by Lord Bingham in *Johnson v. Gore Wood & Co* ([2000] UKHL 65; [2002] 2 AC 1), "*The underlying public interest is ... that there should be finality in litigation and that a party should not be twice vexed in the same matter.*" Clearly it is obvious now that this dispute between Opponent and Applicant over whether Applicant may rightly have registration of this trademark herein applied for, is part of the general dispute between the parties that was heard at trial in December 2010. As such, Opponent had an obligation in law to include any dispute of or objection to Applicant being permitted registration of the instant mark in the 2010 proceedings before Mrs. Justice Proudman. By failing to include its contention that Applicant should not have registration of this mark in the 2010 proceedings, Opponent thus waived its right to ever challenge Applicant's right to own registration of this mark, and is forever estopped from opposing this registration or challenging it. Applicant has a right in UK not to be vexed twice by this attack by Opponent – since clearly Opponent knew about this trademark application well before the trial in December 2010, and indeed even indicated that it intended to oppose the registration prior to trial, thus Opponent was compelled to either raise this issue at trial (by way of further amendment of its Claim in August 2010, which it specifically failed to do), or be forever estopped from opposing this application."

91. I can deal with this briefly. At the most basic of levels, the argument is misconceived and EIM's/Dr Langdell's request fails. The issue could not have been raised at trial because the Registrar of Trade Marks has sole first instance jurisdiction in UK trade mark opposition proceedings, by virtue of section 38 of the Act²¹, in contrast to revocation proceedings (see section 46(4)) and invalidation proceedings (see section 47(3)) in which applications to revoke or invalidate trade marks can be made either to the Registrar or to the Court.

92. The other basis for Dr Langdell's request for summary judgment is entitled "Dismissal on the grounds a Licensee cannot hold a registration, only a Licensor can" and is expressed as follows:

"9. It was highlighted at the hearing on February 17, 2014 that Opponent's own counsel at trial in December 2010 admitted and accepted on behalf of Opponent that the license which Opponent purchased from Applicant in October 2004 (detailed in clause 2.1.2 of the 2004 Agreement) by virtue of being acquired unconditionally, and by virtue of being styled as "perpetual and irrevocable" therefore survived termination of the contract and therefore still exists to this day. Again, this is Opponent's own counsel's admission and assertion on the record (see Document 55, Exhibit "TL13" of the bundle used at the hearing).

²¹ See the Court of Appeal's decision in *Special Effects Ltd v L'Oreal SA* [2007] ETMR 51, where this point is noted by Lloyd LJ in paragraph 72.

10. At the hearing it was suggested at one point that Applicant had taken wording out of context by highlighting the fact that Opponent's counsel stated that the license is still owned by Opponent and that it survives contract termination. However, this is clearly not true since reading the entire quote by Mr Purvis (Counsel for Opponent) shows that he clear [sic] was stating this even though he was bundling the license rights as what was purchased from Applicant by Opponent along with what Purvis called the Assigned rights. The fact he saw the license as bundled with the assignment purchase does not change one iota the fact that Purvis, on record, committed on behalf of Opponent for all time to the fact that the license survived termination is in effect to this day.

11. It is a basic fact of UK trademark law that where there is a Licensee/Licensor relationship, then only the Licensor may own the registration of the mark under license. Consequently, these proceedings must be dismissed in Applicant's favour since due to the license between the parties whereby Opponent licenses all right in classes 9 and 41 to use the mark EDGE in UK commerce from Applicant, therefore only Applicant has the right (and indisputedly does have the right) to own registration of the mark EDGE in classes 9 and 41, and indisputedly Opponent has no right to registration in these classes, and thus has no grounds for opposition in this very key sense. The fact that Opponent "appears" to own a CTM for the mark that covers these classes and appears to also cover the UK territory is thus clearly in error as the Tribunal must accept since by UK law Opponent may not own registration of the mark EDGE in classes 9 and 41 (and, as proved elsewhere, in any event Applicant is the true owner of the CTM since it acquired ownership by virtue of unconditional transfer of rights per clause 2.8 of the CTA, and that was acquired prior to termination and thus survived termination)."

93. I do not detect any new arguments here that were not raised prior to and at the hearing. I have already dealt with this point at paragraph 68 *et seq.* Proudman J's judgment and order are clear: Future retains the assigned class 16 rights and the licensed right, which cannot be prevented by EIM, to use the mark in relation to the ancillaries and the electronic version of the magazine; EIM retains the money Future paid for these assigned and licensed rights. These retentions were specifically referred to by Proudman J in paragraph 67 of her decision, prior to her determination that, other than these rights, the CTA was terminated (as of 20 August 2010). Termination means the end of obligations. Future's CTM is an earlier right as per section 6 of the Act and its opposition is validly made.

Outcome

94. The opposition succeeds *in full* under sections 5(1) and 5(2)(a) of the Act. EIM's application 2540453 is refused for all goods and services.

Costs

95. Future has been wholly successful in the opposition, which it was entitled to bring. Future is entitled to an award of costs. Both sides asked for costs off the scale²² and I invited written submissions on this basis, to be received by Monday 3 March 2014. I allowed a further week for each side to reply to the other's submissions. Future supplied me with submissions in time and a detailed breakdown of the time spent on each action required in the opposition, together with an hourly attorney rate of £215. The ex-VAT total amount which Future has spent on this opposition comes to (at the date of the submissions) £55,848.86. I have been able to match the sequence of events in Future's itemisation with the documentation on the Registry's own official files. I received no submissions from EIM/Dr Langdell, either in relation to his own request for off-scale costs, or in response to Future's submissions. At the hearing, Dr Langdell submitted that the opposition was vexatious or frivolous. I do not agree. EIM is not entitled to any costs or any costs set-off.

96. Although the Trade Marks Tribunal operates under its own set of rules²³, it looks to the Civil Procedure Rules for support and guidance, where appropriate; in particular, the Overriding Objective at 1.1 and 1.3²⁴:

"1.1

(1) These Rules are a new procedural code with the overriding objective of enabling the court to deal with cases justly and at proportionate cost.

(2) Dealing with a case justly and at proportionate cost includes, so far as is practicable –

(a) ensuring that the parties are on an equal footing;

(b) saving expense;

(c) dealing with the case in ways which are proportionate –

(i) to the amount of money involved;

(ii) to the importance of the case;

(iii) to the complexity of the issues; and

(iv) to the financial position of each party;

(d) ensuring that it is dealt with expeditiously and fairly;

(e) allotting to it an appropriate share of the court's resources, while taking into account the need to allot resources to other cases; and

²² The scale of costs operated by the Registrar is set out in Tribunal Practice Notice 4/2007.

²³ The Trade Marks Rules 2008.

²⁴ I read out some of the Overriding Objective at the beginning of the hearing on 17 February 2014 and, in a letter dated 10 July 2013, EIM's/Dr Langdell's attention was drawn specifically to 1.1(2)(f).

(f) enforcing compliance with rules, practice directions and orders.

....

Duty of the parties

1.3

The parties are required to help the court to further the overriding objective.”

97. A sense of the procedurally convoluted and protracted nature of these proceedings can be gained from my decision. The scale figures are the norm in a normal case, designed to apportion costs on a contributory (rather than compensatory) basis. The Registrar has the ability to award costs off the scale, approaching full compensation, to deal proportionately with wider breaches of rules, delaying tactics or other unreasonable behaviour²⁵. The Courts have long recognised this discretion²⁶, provided it is exercised judicially. Actions which cause the other side to waste costs may amount to unreasonable behaviour.

98. The deluge of paperwork and the procedural twists and turns in this case have added appreciably to Future’s costs, far beyond what would normally be expected in an opposition and far beyond what has been necessary to determine this opposition, which could have been determined, ultimately, upon the same basis some eighteen months ago. Parties to proceedings before the Registrar have a duty to ensure that the part they play is in keeping with the overriding objective. Parties should not burden each other or the Registrar with unnecessary volume and complication of paperwork. There has been a significant amount of lengthy letters and attachments filed by EIM/Dr Langdell; many of them otiose, many of them repetitious, but all of which needed looking at. Parties must cooperate with each other and the Registrar when requesting hearings and responding to the Tribunal’s attempts to arrange hearings and case management conferences.

99. I consider the requisite level of cooperation from EIM/Dr Langdell to have been notable in its absence, despite repeated directions from me and from other officers of the Tribunal. I bear in mind that Dr Langdell’s repeated assertions that he had an appeal pending before the Court of Appeal, and an application for judicial review, meant that the Tribunal’s officers were required to consider whether this opposition should be suspended. Further investigations revealed that Proudman J had only allowed the possibility of appeal from the revocation part of her decision, which does not have any bearing on these proceedings, and that the Court of Appeal denied EIM the right to appeal the revocation part of her decision. This was an attempt to pull the wool over the eyes of the Tribunal. Dr Langdell persisted in maintaining that the matter was not closed and that EIM would be permitted to appeal; in the meantime, Dr Langdell accused the Registry of acting *ultra vires* in revoking EIM’s trade marks. This all caused delay and work for the Tribunal but, more importantly, it caused work and cost for Future. This part of the dispute took up about 12 hours of professional time. I award Future **£2580** for work caused by EIM/Dr Langdell’s actions on this issue.

²⁵ Tribunal Practice Notices 2/2000 and 4/2007.

²⁶ *Rizla Ltd’s Application* [1993] RPC 365.

100. Dr Langdell's arguments about estoppel have surfaced throughout these proceedings, even since Mr Smith's case management decision and his refusal to grant interim leave to appeal, and were still being raised even after the substantive hearing before me had taken place. Highly unusually, there were two occasions when EIM/Dr Langdell wrote to the Tribunal and attempted to withdraw Future's opposition, on the grounds of power of attorney and the purported assignments at OHIM. The latter attempts took up approximately 5 hours (that I can see from the itemisation sheets) of Abel & Imray's professional time. I award Future **£1075** for this work.

101. Future submits:

"The time spent and costs incurred in dealing with the present Opposition are vastly higher than would typically be the case in relation to a standard opposition against registration of a single UK trade mark. Various factors have contributed to the increased cost, including:

- Opposition being filed during pendency of parallel UK court proceedings.
- The inclusion of the grounds of bad faith and passing off. Both grounds needed to be pursued to conclusion in view of attacks made by EIM on the CTM owned by Future.
- The poor behaviour of EIM leading to increased time and cost on our part:
 - correspondence going astray or not being sent or not being copied to us,
 - seeking to change dates of hearings and or/defer proceedings,
 - volume of material submitted, and the number and length of letters/submissions filed, and
 - history of dishonest and/or aggressive behaviour, resulting in greater time needing to be spent in analysing any documents submitted by EIM.
- Disruptive behaviour and a propensity, on repeated occasions, to submit all arguments and explore all avenues of action, no matter how tenuous or irrelevant (including doing so disregarding earlier Case Management Decisions or in the face of no real prospect of success), including by way of example:
 - repeated arguments that Future was prevented (or "estopped") from filing the Opposition by virtue of the now-terminated "CTA",
 - attempts to withdraw the Opposition as if empowered to do so by Future.
 - oral presentation being unnecessarily lengthy,
 - desire to appeal/contest all decisions and case management directions,
 - EIM's insistence on exercising its right to a hearing at every opportunity, some of which being subsequently withdrawn (security for costs hearing for example), and
 - late-filed submissions including written submissions being filed after a Hearing.

- Basis of opposition insofar as Future's CTM is concerned being complicated by virtue of a sequence of attacks by EIM (whether seeking to assign away from Future or seeking cancellation).
- Our being led to believe that at least some of the evidence submitted by EIM had been fabricated.

....

We repeat our request that an award of costs is made off the scale in Future's favour. As mentioned in the Hearing of 17 February 2014, Future has very low expectations on the likely success of recovering any such costs (over and above the payment made by EIM by way of security in these proceedings of £3,500), having had no success to date in recovering the amount that Mrs J Proudman ordered be paid on account pending a full costs enquiry by the UK court. Not a penny has been paid by EIM to Future in response to that Order (of the High Court of the UK), despite enforcement proceedings having been initiated in the US.

We ask however, in the event that the Hearing Officer makes an award of costs in Future's favour that is off-the-scale (and greater than the £3,500 already paid to the IPO by EIM as security), that the resulting Decision makes a direction that any appeal lodged by EIM against the Decision of the IPO must be subject to payment into the IPO's bank account of an amount that increases the balance already in that account to an amount that is at least as great as the costs so awarded."

102. I referred to the attacks on the CTM in my case management letter of 8 February 2013, reproduced in paragraph 20 of this decision, including Dr Langdell's assertion that in the light of the failed invalidation attempt, and if the subsequent assignment attempts also failed, he would "just re-file" the invalidity application. The attacks on the CTM gave rise to Dr Langdell's repeated requests that the proceedings be stayed (in addition to requests to stay pending the non-existent appeal in the English courts). The stay requests caused copious correspondence and resulted in the case management conference before me on 7 February 2013 (which Dr Langdell alleged was unnecessary). Dr Langdell was unsuccessful in his application for a stay (as evidenced by my letter). More correspondence ensued in relation to the CMC after it had taken place, including a request from EIM/Dr Langdell for leave to appeal. Looking at Future's itemisation of time spent on these proceedings, approximately 19 hours was spent on the CMC. I award **£4128** in relation to the CMC and the stay requests which caused it.

103. Also contained in my letter is a reference to the security for costs hearing. Future made an application for security which was granted. EIM/Dr Langdell objected and a hearing was appointed for 18 October 2012. On 8 October 2012, Dr Langdell sent an eight-page letter making a cross-application for security against Future. On 10 October 2012, Dr Langdell wrote to say that he could not attend the hearing on 18 October due to a long-standing commitment and stated that he could not attend a hearing in the two weeks after 18 October 2012 either; i.e. until 1 November 2012. Dr Langdell proposed the date for the hearing should be Thursday 8 November 2012. The Tribunal moved the date to 7 November 2012, because the

request for 8 November 2012 could not be accommodated. Abel & Imray had already indicated that, to minimise costs, it would not attend the hearing, but instead filed written submissions, on 8 October 2012. Abel & Imray wrote again to confirm this and asked that the hearing was not delayed any further. More emails from Dr Langdell ensued, including one which stated that he could not attend on 7 November 2012. On 6 November 2012, Dr Langdell wrote to say that EIM withdrew its application for security and also withdrew its request for a hearing. I see from Future's itemisation of actions that this episode cost it at least 3 hours work. I award Future **£645** for this work.

104. In paragraphs 47 and 48 of this decision, I noted that, despite having put Future to the trouble and expense of filing proof of use of its UK mark, the counterstatement referred to Future's use on its magazines and Dr Langdell's skeleton argument said:

“It is well established and not disputed by the parties that Future's sole use of the mark EDGE is for a computer game magazine named “Edge” and the print and electronic versions of this magazine, together with the promotion of it.”

It was unreasonable for EIM/Dr Langdell to require Future to prove use on its magazines. EIM/Dr Langdell clearly knew of the use; this was the reason for the 2004 agreement. I consider it appropriate to award Future the costs of having to produce evidence to prove use on its magazines, particularly since I had originally separated the proceedings to deal with the grounds based on the CTM, so as to avoid the necessity for evidence in relation to the UK registration. From the breakdown, I see that the time spent on this activity was about 29 hours. I will award Future its costs of compiling the evidence, which comes to **£6,235**.

105. It is right to acknowledge the work caused to Future by EIM's/Dr Langdell's repeated failure to copy correspondence, assertions that documents had been sent when they were not received, both of which caused frequent enquiries to be made to the Registry; dealing with EIM's/Dr Langdell's post-substantive hearing correspondence and post-substantive hearing application for summary judgment; the unsuccessful stay request of June/July 2013 pending a decision from the Appointed Person (in relation to Mr Landau's decision, referred to in paragraphs 21 and 24 of this decision); and the belated request for cross-examination. Applying a broad brush, I award Future **£2000** for the extra burdens placed upon it by these issues, which I consider to have been obstructive and unreasonable.

106. It is appropriate to award on-scale costs for the preparation of the notice of opposition, together with reimbursement of the opposition fee. EIM/s counterstatement was unusually lengthy for proceedings before this Tribunal (see Annexe 2). For consideration of this I will make an award at the top of the scale. I award Future the opposition fee of £200 plus £600 for filing the notice of opposition and considering the defence, which comes to: **£800**. In relation to considering EIM's evidence, I will award Future on-scale costs of **£2000**. I award Future on-scale costs of **£800** in relation to preparation and attendance at the substantive hearing.

107. Some of Future's costs are part and parcel of participating in an opposition; I do not suggest that compensation is appropriate for every item on the list submitted. There is a wide spectrum of complexity in oppositions brought before the Tribunal, and the scale allows for this. I also consider that Abel & Imray endeavoured throughout the proceedings to reduce Future's unnecessary costs; as early as February 2012, Abel & Imray's letters contained something along these lines: "In order to prevent any further unnecessary costs being incurred by our client, we intend not to engage in any further correspondence concerning this matter". However, in relation to the specific issues I have outlined above, I consider that they fall outside of what a party would reasonably expect to have to face when it commences an action. The scale is there to signpost to a party the likely costs it will face or expect to receive in a normal case. It is right, since these issues fall outside of the normal case and represent a pattern of behaviour which is unreasonable, to compensate Future for unreasonable costs.

108. Although EIM/Dr Langdell is self-represented, the content of Dr Langdell's letters, submissions and appearances at previous Registry and Court hearings show that his grasp of legal issues is not that of a novice. I am, therefore, not inclined to regard self-representation as an ameliorating factor.

109. The sum of all the individual awards amounts to **£20,263**.

110. In Future's submissions on costs, it said:

"We ask however, in the event that the Hearing Officer makes an award of costs in Future's favour that is off-the-scale (and greater than the £3,500 already paid to the IPO by EIM as security), that the resulting Decision makes a direction that any appeal lodged by EIM against the Decision of the IPO must be subject to payment into the IPO's bank account of an amount that increases the balance already in that account to an amount that is at least as great as the costs so awarded."

EIM/Dr Langdell has not responded to this submission. Taking into account previous history between the parties in respect of non-payment of costs, including the comments of Mr Hobbs QC in BL O/043/14, this appears to me to be a reasonable request on Future's part. EIM/Dr Langdell has been given an opportunity to respond to it and has been silent on the matter. The amount of security ordered by Mr Hobbs in the pending appeal, which centres on the CTA agreement, was £12,500, additional to the £1000 already ordered by the Registrar: a total of £13,500. This amount was ordered in relation to the costs of the appeal. This seems to me to be comparable to the case before me. **If EIM wishes to appeal my decision, I direct under rule 68(1) of the Trade Marks Rules 2008 that it may do so only if it gives security for costs so that the amount increases to £20,263 plus an additional £13,500 for the costs of the appeal. The amount of security which must be given in the event of EIM lodging an appeal is £30,263 and must be paid into the account at the Intellectual Property Office which already holds the £3,500.**

111. In the absence of an appeal, I order The Edge Interactive Media Inc to pay Future Publishing Limited the sum of **£20,263**. This sum is to be paid within seven days of the expiry of the appeal period.

Dated this 18th day of March 2014

**Judi Pike
For the Registrar,
the Comptroller-General**

Annexe 1: Mr Smith's decision of 23 February 2012



Intellectual Property Office
Trade Marks Registry

Abel & Imray
20 Red Lion Street
London
WC1R 4PQ

Cardiff Road
Newport
South Wales
NP10 8QQ

Switchboard: 01633 814000
Fax: 01633 811175
Minicom: 0645 222250

Our ref Opp 101125
Your ref CPB/DMC/15623
Date: 23rd February 2012

Please quote our complete reference on all correspondence

Dear Mr Pearson,

Trade Mark Application No: 2540453

Applicant: The Edge Interactive Media, Inc ('EIM')

Opposition: 101125

Opponent: Future Publishing Ltd ('Future')

1. I refer to the above mentioned proceedings and to the case management conference ('CMC') held via telephone conference on 15th February 2012. The applicant was not legally represented; instead Dr Langdell spoke on its behalf. John Pearson of Abel & Imray represented the opponent. Also present were Mr Tim Lingard, Solicitor Advocate who had represented Future in High Court proceedings, Mr Mark Millar, Company Secretary of Future and Ms Danielle Cooksley, also of Abel & Imray. At the CMC I reserved my directions and decision and now give them, along with further directions as to these proceedings.

Late filed TM8 and counterstatement.

2. At the CMC I invited comments in respect of two possible legal bases under which I may allow the late filed TM8 and counterstatement into proceedings:- rule 76 (delay or failure of communications), and rule 18(2) (direction not to treat the application as abandoned) of the Trade Marks Rules 2008 ('TMR').
3. Dr Langdell has provided a witness statement dated 25th July 2011 which states he posted and faxed the relevant documents on 9th February 2011, with the deadline being 16th February 2011. Dr Langdell was not cross-examined on his witness statement, and given the legal bases under which I give my directions below, neither do I consider that would have been appropriate in any event.
4. Mr Pearson nonetheless invited me to take into account Dr Langdell's previous history with regard to service of documents specifically, and



truthfulness generally.¹

5. In his witness statement, and as regards the fax transmission, Dr Langdell has exhibited an accompanying letter which is dated 9th February 2011, including the words "Via Facsimile and Airmail" and, handwritten, the words "Sent OK Feb 9,11". Whilst the Facsimile Confirmation Sheet, also exhibited, does not clearly show *receipt* by the registry, and nor is there any other evidence that the registry received the fax and, finally, despite the fact the registry has not been able to trace the original or any record of it, I nevertheless accept the fax was sent when Dr Langdell said it was, in his witness statement, and it simply failed to reach us.
6. As far as the posting by airmail is concerned, this too was not received by the registry and has not been subsequently traced.
7. It is not, then, a case of 'delay' in the post, but of complete and inexplicable failure of *both* communication services, facsimile and airmail. However, again, I accept the witness statement of Dr Langdell, together with the exhibited postal certificate, as being true. I have no evidence to the contrary, in particular, as I have said, the registry has been unable to trace the originals.
8. *On that basis I give notice and hereby direct under rule 76 TMR that, due to failure of both the facsimile transmission and the airmail postage, the period for filing the TM8 and counterstatement is extended to the date the documents were actually received by the registry on 4th March 2011.*
9. As I have said, at the CMC, I also mentioned the possibility that in these circumstances a potentially more general power and direction under 18(2), that I would not treat the application as abandoned, may also come into play. I stress this is plainly not intended as a 'general discretion' to extend an otherwise inextensible time limit, but it is a power which recognises what has been termed, 'extenuating circumstances'². Such circumstances may, for example, be the failure to receive, and therefore act upon, a notice of opposition. To my mind this has potentially broader application than delay or failure of communications covered specifically by rule 76 TMR.
10. Mr Pearson was opposed to any such direction under rule 18(2), saying his clients were considerably prejudiced by any non-abandonment of the application. Regrettably (for them), this application had not been caught by the decision in the High Court by Mrs Justice Proudman and as such, they were left with burden (including in costs) of opposing it. But beyond that 'prejudice', he did not highlight any specific action or inaction on his client's part which had been undertaken in reliance upon EIM's failure to file the Form

¹ In, eg recent proceedings before the High Court (Mrs Justice Proudman), permission has been given to bring contempt of court proceedings against Dr Langdell on the basis of false statements.

² These words are used in, eg BL O-035-11 *KIX*, a decision of the Appointed Person (para 9).



TM8 and counterstatement in time.

11. For his part Dr Langdell said he too would be prejudiced by any abandonment and would, in consequence, simply refile the same application.
12. Bearing in mind, in particular, the fatal circumstances of non-receipt of the documents; the overall length of the delay (the misplaced TM8 and counterstatement were filed on 4th March 2011, whereas the deadline was 15th February 2011); the prompt remedy effected by Dr Langdell once he became aware of the problem; the fact the opponents have not been specifically prejudiced by the delay and must also have been aware a defence was likely, and finally; the very real prospect that a fresh application will simply be filed in the event I bring these proceedings to an end, then, and *as an alternative to my direction under rule 76, I direct also under rule 18(2) that the application not be deemed abandoned.*

The Opponent's right to oppose in light of the Concurrent Trading Agreement ('CTA') dated October 15th 2004 and the parties' relationship.

13. As I understand Mr Pearson's primary position, regardless of the status of the CTA or any other contractual agreement between the parties which may or may not subsist, the registrar simply has no jurisdiction to construe any such agreement, or as a consequence to find that it has no right to oppose. Such matters are private as between the parties and must, accordingly, submit only to jurisdictions responsible for matters of contract.
14. At the CMC, Mr Pearson did not support his proposition with case law³. In, for example, BL O-289-09 *OMEGA.CO.UK*, a decision of the Appointed Person at paras 58-77, a co-existence agreement is construed with the object of determining whether an opponent is prevented from opposing an application. In the event, the question of 'estoppel' did not arise since, properly construed, the Appointed Person found that the relevant agreement in that case did not prevent the opponent from opposing.
15. In this regard, plainly, and as implied in the *OMEGA* case, by use of the word 'consent' in section 5(5) of the Act, the legislators (including those at Community level, given equivalent provisions) had in mind that a private agreement (or anything else which may amount to 'consent') between the parties overrides any possible 'public' interest in avoiding likelihood of confusion.
16. An applicant in an opposition may, as a consequence, raise a pleading of 'consent' which would then have to be determined by the registrar by, if necessary, proper construction of any agreement. There is, however, no

³ Although in later correspondence he drew my attention to the case of BL O304-04 *BACTIGUARD*, before the Appointed Person, but this case does not support his proposition as a private agreement *is* construed on behalf of the registrar with a view to the determination of the existence of an estoppel (in revocation proceedings).



express pleading of 'consent' in this case. Instead, Dr Langdell says the opponents cannot oppose since they are contractually obliged not to. As I understand it, this argument amounts to one of 'promissory (or another brand of) estoppel'⁴. The words 'promissory estoppel' were not expressly mentioned at the CMC, but it is my understanding from the pleadings and at the CMC that the basis of Dr Langdell's estoppel claim resides only in the CTA, and not in any other aspect or element of the parties' 'relationship' which may give rise to an estoppel.

17. In my view, Dr Langdell is entitled to make such a pleading in proceedings before the registrar, and I am not jurisdictionally unable to decide the question, on what amounts to a pleading of estoppel. This is consistent with the approach of the Appointed Person in, eg the *OMEGA* case and the *LISTERPOWER* case referred to in my footnote.
18. The question however arises, in this case, as to what 'contractual agreement' exactly between the parties is there to be properly construed? By Judgment and Order of the High Court dated 7th July 2011 in Claim HC09 CO2265, the CTA was declared 'terminated with effect from 20th August 2010' by Mrs Justice Proudman. The opposition against this application was lodged on 28th October 2010.
19. I have also been supplied with a copy of an Order dated 7th February 2012, whereby Lord Justice Lewison of the Court of Appeal refused a stay of execution of Mrs Justice Proudman's Order of 7th July 2011 and also refused permission to appeal. This Order cannot be appealed to the Supreme Court. I have also been furnished with an e-mail from a Mark Brown, dated 10th February 2012, in Case Progression Group A in the Royal Courts of Justice, in response to two e-mails from Dr Langdell dated 9th February 2012. The e-mail says that as far as Dr Langdell's application for a judicial review is concerned, the Court of Appeal does not have jurisdiction to consider the application, that the stay of execution of Mrs Justice Proudman's Order has now lapsed, and the e-mail concludes by saying, "Our file on this matter is now closed".
20. Despite this, Dr Langdell disputes that all avenues to overturn Mrs Justice Proudman's Order are exhausted. He says the Civil Procedure Rules ('CPR') 52.15 allow for an application for permission to bring judicial review although he says, in a subsequent e-mail to me dated 16th February 2012, he "understands that this course may not be open to us". He also says there is a possibility, under rule 52.17 CPR, he can pursue an application to 'reopen the final appeal' based on what he claims to be fresh and decisive evidence.
21. There is also the question of EIM's (and others') separate claim against Future. This was lodged in the High Court a day before Mrs Justice

⁴ Such an argument around 'promissory estoppel' was dealt with by the registrar in, eg BL G033-5 *LISTERPOWER*, although the facts were different than in this case and instead, involved a letter of consent from which the opponents sought to resile. Whilst the facts are different, at issue here is the registrar's jurisdiction.



Proudman's Order and seeks, inter alia, 'rescinding', as distinct from termination, of the CTA. As I understand the status of this claim, it is left 'hanging' at the moment with the theoretical possibility that, since service was acknowledged by Future but no defence was timely filed, EIM may file a motion for summary judgment based on default. If granted, Mrs Justice Proudman's Order (including, as regards the CTA) will be overturned says Dr Langdell. For its part, Future disputes that the claim was properly served in any event and therefore it did not file a defence. It also says, and has asked the High Court to be placed on record, that if judgment in default is sought that it will immediately apply for security for costs and if that is provided, to apply also to have this claim struck out for abuse of process.

22. In the face of a copy of the Court of Appeal's Order that permission to appeal is refused, any theoretical possibility that the Court may reopen or overturn Mrs Proudman's declaration that the CTA is terminated provides altogether too vague and uncertain a basis upon which to treat the contractual obligations under the CTA, which Future were under, as remaining, for my purposes, undetermined by the court.⁵
23. Nor, finally, do I agree with Dr Langdell's submission that even if the CTA is terminated, the prior 'perpetual licence' between the parties dated 1996, in some undefined and inexplicable way, 'survives the CTA'. There is simply no legal basis for this. This was, itself, terminated on execution of the CTA.
24. Thus, as far as I am concerned, in light of Mrs Justice Proudman's Order and the Order of the Court of Appeal, there is simply no contractual agreement between the parties and relevant at the time of opposition, for me to construe in any event.
25. *Consequently, I reject the claim by EIM that these proceedings should be stayed pending the outcome of all possible avenues to disturb Mrs Justice Proudman's Order. I also reject the claim by EIM, insofar only as the CTA is concerned, that Future has no right to oppose, or is otherwise estopped from opposing the application. The opposition is therefore properly launched and should continue before the registrar.*⁶

Further proceedings and directions

26. My finding above plainly impacts upon the content of the counterstatement in particular, but prior to giving any directions in that regard, I invite Future to

⁵ Obviously, this is not to deny EIM the right to notify the registrar of action before the Court which may reopen Mrs Justice Proudman's Order. By 'action', I expressly do *not* however include the mere possibility of seeking default judgment in EIM's claim, or any other mere theoretical possibility.

⁶ I regard this as a (fully reasoned) interim decision (in contrast to the directions given in relation to the late filed Form TM8 and counterstatement) under rule 70(2) TMR, and it can accordingly only be appealed independently of any final decision with leave. If leave to appeal is to be sought I ask that this be put in writing within 7 days of this letter and copied to the other side, which has a further 7 days in which to comment. I will then decide the matter.



address the question whether these proceedings would benefit from a separation of the grounds of opposition. Specifically, whether in the light of the status of its earlier marks (unregistered at present) before OHIM, it considers its section 5(4) ground may be best resolved now, as a separate ground, prior to registration of its earlier marks.

27. A period of two weeks from the date of this letter⁷ is allowed for reply, whereupon I will allow Dr Langdell to respond before giving further directions. I do not anticipate any need for an oral hearing in this matter.

Costs

28. I place on record Mr Pearson's request for 'off the scale' costs should Future prevail in these proceedings. I am making no determination of costs at this time in relation to the matters before me. I would just observe that

A letter on exactly the same lines and of the same date is being sent to the other side.

Yours sincerely,

Edward Smith
Assistant Principal Hearing Officer
For the Registrar, the Comptroller General

⁷ I appreciate this period runs concurrently with the period I have set for seeking leave to appeal.

Annexe 2: the counterstatement

MAR-6-11 07:00P FROM:

6268444334

TO:011441633811175

P.5

TRADE MARKS ACT 1994

UK Trade Mark
Application No. 2540453
EDGE in the name of
The Edge Interactive Media Inc

And

Opposition thereto by
Future Publishing Limited

Counterstatement

1. Applicant is owner of UK Trade Mark Registration No. 1562099A (EDGE) as well as a series of other UK Trade Mark Registrations Nos. 2147013A (THE EDGE), 2147008A (EDGE 3D), 2147022A (MAGIC EDGE), 2147035A (EDGE NET), 2147040A (GAMER'S EDGE) as well as the current application for EDGE in classes 9 and 41.
2. Opponent has a contractual agreement dated October 15, 2004 with Applicant prohibiting Opponent from opposing any trademark applications made by Applicant in the UK for the mark EDGE. Opponent is thus contractually bared from filing this Opposition and it is thus moot and should not be considered.
3. The 2004 contractual agreement between the Opponent and Applicant restricts Opponent's ownership of the mark EDGE to a limited subset of Class 16 printed matter rights (computer game magazines). Further, this 2004 agreement expressly prohibits the Opponent from using the mark EDGE for any purposes in classes 41 or 09 other than to use the mark for a very limited range of purposes such as the electronic publication of their print computer game magazine, however according to the 2004 agreement all of Opponent's use of the EDGE mark for such purposes is strictly solely under license from Applicant, with all right, title, interest and goodwill arising from such use of the EDGE mark by Opponent in UK commerce vesting in Applicant (not in Opponent).
4. Under the 2004 agreement between the parties, all trademark applications that Opponent does for the mark EDGE that include goods and services other than in the limited subset of class 16 permitted to Opponent are by contract applied for jointly on behalf of both the Opponent and Applicant. Opponent's cited European Community Trade Mark Application No. 007178973 for the mark EDGE is just such an application since it is for a broad range of goods and services, nearly all of which are those Opponent agreed are to be owned solely by Applicant per the 2004 agreement. Consequently, when this Community Trade Mark matures to registration, the 2004 agreement compels Opponent to assign all of it to Applicant other than the subset of class 16 that deals with

3

computer game magazines in printed matter form. Hence while Opponent cites this Community Trade Mark Application as if it is against us and against our instant application, in fact that application is in real terms mostly our application, not Opponent's. They therefore cannot cite it against us in opposing the instant application.

5. Applicant has been using the marks EDGE and THE EDGE, and a family of EDGE formative marks, in UK commerce since or about 1984 for goods and services relating to computer and video games and sundry other goods and services. Applicant's use of these EDGE marks in UK commerce, and indeed Applicant's ownership of its common law and registered trademark rights in EDGE and THE EDGE substantially pre-date any rights of Opponent, which as we say above are limited to just computer game magazines in class 16.

6. Applicant owns the UK Trade Mark Registration No. 2147013A for the mark THE EDGE for essentially the same goods and services as we have applied for in the instant application (computer games and online services relating to computer games). Since in UK trademark law the word "the" is ignored when comparing marks for similarity or likelihood of confusion, Applicant thus already essentially owns the instant mark "EDGE" since it owns the mark "THE EDGE" in classes 09 and 41 for essentially the same goods and services, and/or for goods and services highly similar to those in the instant application.

7. Opponent thus has no grounds for opposing the instant application since it is contractually forbidden to file any such opposition. The agreement between the parties also governs the trading habits of the two parties and calls upon Opponent to trade such that they will never use the mark EDGE for any of the goods and services listed in the instant application, other than those (such as electronic publication of magazines or similar) where use by Opponent is solely under license from Applicant, all right, title, interest and goodwill arising from all of Opponent's such use vesting in Applicant.

8. There can be no likelihood of confusion, then, since by the 2004 agreement the parties are obliged to trade such that there is no confusion. And in any event the concept of confusion is not relevant here since Applicant uses the mark EDGE for computer game and video game software and has done so continuously in UK commerce since or about 1984. By contrast, Opponent has never used the mark EDGE for such goods and the 2004 agreement prohibits Opponent from ever doing so. As to the class 41 rights, insofar as they relate to electronic publication of game news, game magazines, etc, then while Opponent has made such use in UK commerce, they have only ever done so under license from Applicant since the first ever use by Opponent up to and including the current day (and in perpetuity in the future, according to the 2004 agreement). The rest of the class 41 goods and services refer to goods and services that Applicant has made use of the mark EDGE in respect to, or has a bone fide intention to do make such use, whereas the Opponent has never used the mark EDGE for such goods and services, and is contractually barred from ever doing so by the 2004 agreement with Applicant.

4

9. In the alternate Opponent would has no valid grounds for opposing the instant application since Applicant has priority of use of the marks EDGE and THE EDGE in UK commerce dating back to 1984, with all such use relating to computer and video games being continuous and genuine at all times for the past 26 years.

10. The application should thus not be refused in respect to the alleged identical goods under provisions of Section 5(1) of the Trade Marks Act 1994 ("the Act") since Applicant has priority of ownership of the mark EDGE and the essentially identical mark THE EDGE in UK commerce. There is no basis for refusing the application under these provisions.

11. Similarly, for the reasons stated above, the application should not be refused under provisions of section 5(2)(a) of the Act.

12. While Opponent may have some goodwill in respect to the mark EDGE for the very limited subset of class 16 rights of printed matter game magazines, Opponent does not own any of the rest of the goodwill it lists in paragraph 8 of its Statement of Grounds, since any such use it has made for other goods and services of the mark EDGE in UK commerce have been strictly under license from Applicant, with all goodwill arising from such use vesting in Applicant, not in Opponent. In the alternate, such use that is not covered by the license agreement between the two parties stands as a breach of Applicant's trademark rights, and as such the Opponent cannot claim goodwill arising from use that was made in infringement of another company's rights.

13. The parties have a 2004 agreement that governs the trading of the parties such as to avoid any real possibility of confusion in the minds of any UK consumers, and thus there is no valid grounds for refusing the instant application based on any allegation by Opponent that confusion might arise. Certainly, in the 17 years of the agreement between the parties to-date (since the 2004 agreement back dates Opponents use under license from Applicant to their first ever use of the mark EDGE in 1993), there has been no evidence of any confusion in the minds of the UK consuming public between Applicant's use of the mark EDGE and Opponent's use. Were there such confusion, it would be a breach by Opponent and thus not a basis for Opponent to validly oppose this application.

14. The application should not be refused under section 5(3) of the Act since Applicant's use in UK commerce of the mark substantially predates that of Opponent by over a decade, and Applicant's use of the mark in the past 26 years has been for a vastly greater array of goods and services relating to computer games than the use of the mark by Opponent – which has been limited to the publication of a game magazine, all electronic reproduction of which has been solely under license from Applicant. There can be no question, then, of Applicant taking unfair advantage, or etc, as alleged by Opponent in paragraph 9 of its Statement of Grounds.

15. Applicant has been selling its goods and offering its services all related to the mark EDGE and the essentially identical mark THE EDGE continuously for over 26 years. And this use substantially predates any use by Opponent. It is thus a nonsense for

5

Opponent to suggest that any use by Applicant would tarnish the reputation associated with Opponent's use of the mark, but in any case there is no restriction on Applicant in the agreement between the parties that would confine Applicant to only producing certain goods or services of a certain high or low quality. This ground for opposition or refusal is thus not relevant and not valid, and the application should not be refused under section 5(3) of the Act per paragraph 10 of the Opponents Statement of Grounds.

16. The suggestion that Applicant's use could amount to passing off is absurd. Applicant sued Opponent in the UK High Court in 1994, accusing Opponent of passing off on Applicant and accusing Opponent of infringing Applicants registered and common law trademark rights in the mark EDGE. Those 1990s proceedings were terminated with a 1996 settlement between the parties, which settlement was entirely in Applicant's favor. It is thus absurd for Opponent to suggest 14 years following the settlement that now use by Applicant could ever been seriously considered as passing off on Opponent. Accordingly, the application should not be refused under section 5(4)(a) of the Act.

17. The statement in paragraph 12 of the Opponents Statement of Grounds makes no sense. Of course Applicant is aware that it assigned very tiny portion of its UK registered trademark rights to Opponent, and is also aware that it refused to assign any of Applicant's other registered rights or common law rights in the marks EDGE or THE EDGE to Opponent. Opponent is also aware that there is no contesting of the mark between the parties since all dispute over the mark was settled in 1996 (with that settlement barring either party from commencing any new dispute over the mark in future, ever), and the 2004 agreement governs all use of the mark EDGE in UK commerce by the parties such that there has been no dispute between the parties and, by the terms of the 2004 agreement, cannot be a dispute over the mark EDGE between the parties. This 2004 agreement makes very clear that the goods and services in the instant application can only be registered in the name of the Applicant, thus there is no question of any contested mark here, or any dispute that could permit Opponent to have any valid grounds for opposing the instant application.

18. While Applicant remains confident that the High Court proceedings will find that there is no merit in Opponent's claims regarding copyright infringement, passing-off or breach of contract, even were any of those claims to go against Applicant that would still not impact this instant opposition at all. All of Opponent's claims against Applicant for copyright infringement do not bear on the question of who is the real owner of the trademark rights in the mark EDGE, and that issue is not in dispute between the parties, with Opponent continuing to accept Applicant's priority of rights in the mark. Similarly, the passing-off allegations do not have bearing on this application either, since they too do not go to whether Applicant owns its claimed rights in classes 09 and 41 to the mark, and no decision by the High Court in this regard could impact the instant application. Last, the breach of contract referred to by Opponent also could not lead to any decision by the High Court that could impact Applicant's rightful ownership – and priority of ownership – of the mark for all the goods and services in the instant application.

6

19. The statement in paragraph 14 of Opponent's Statement of Grounds is false, and they knew it to be false when they wrote it. The revocation actions they refer to for our various registered UK EDGE marks were withdrawn in October 2010, well before Opponent filed its Statement of Grounds. Thus while it is true those revocations were filed prior to the filing date of the instant application, that fact is moot given all the revocations were withdrawn with Applicant's UK rights in the EDGE marks being affirmed by the settlement with that party that had filed those revocations.

20. Opponent's statement in paragraph 15 of its Statement of Grounds is deliberately misleading, irrelevant and stated to defame Applicant. The US proceedings referred to by Opponent were with the party referenced in 19 above, and the comments made by the judge were solely in respect to certain US trademark applications and registrations. No such suggestions or statements were made about Applicant's UK trademark registrations or applications, and it is outrageous that the Opponent should try to blur and confuse the two issues. Further, it is stated in the US proceedings that the judge fully acknowledged that (since he had only considered Electronic Arts version of events and preliminary evidence, and had not yet heard Applicant's version of events or seen Applicant's counter-evidence) the decision on such issues might be completely the different at trial. The judge thus confirmed that his initial view regarding any fraud might well be completely changed at trial when Applicant had had the opportunity to respond to the allegations. As it happens, the matter settled and there was no trial, but the observations made by the judge were in fact entirely a mistake caused by the deliberately misleading false presentations made by Electronic Arts that confused the judge. In any event, no one, certainly not the Opponent, has ever suggested that any of Applicant's UK marks were ever fraudulently obtained, and we note that Opponent does not take dare to make that false accusation here.

21. As noted above, Applicant's use of and rights in the mark EDGE substantially predate any rights and use by Opponent, and thus the argument presented in their paragraph 16 is also without merit. Applicant is seeking registration solely to trade in accordance with honest practices and there is no sense in which Applicant's conduct in filing the application falls short of any standards acceptable for commercial behaviour. There are thus no valid grounds for the application to be refused under the provisions of section 3(6) of the Art and the application has certainly not been made in bad faith.

22. Applicant thus respectfully requests that the Opposition be denied in its entirety, the mark be permitted to go forward to registration, and Applicant requests and award of costs in its favour.