

o/064/18

**TRADE MARKS ACT 1994**

**IN THE MATTER OF THE APPLICATION BY  
XVL INTERNATIONAL LIMITED  
UNDER NO 3178584 FOR THE TRADE MARK**

**XVL.COM**

**AND**

**IN THE MATTER OF OPPOSITION NO. 407959 THERETO**

**BY**

**LATTICE TECHNOLOGY, CO., LTD**

## BACKGROUND AND PLEADINGS

1) XVL International Limited (“the Applicant”) applied to register the following trade mark (“the opposed mark”) in the UK on 5 August 2016:

### **XVL.COM**

It was accepted and published for opposition purposes in the Trade Marks Journal on 26 August 2016 in respect of the following services:

**Class 41:** *Teaching; education; training; entertainment services; production of television programs; film distribution; production of shows; production of films; provision of non-downloadable films and television programs via a video-on-demand service; arranging, conducting and organisation of workshops; conducting of seminars and congresses; arranging of exhibitions for cultural purposes; organizing and arranging exhibitions for entertainment purposes; organizing and presenting displays of entertainment [relating to style and fashion]; organization of [fashion] shows for entertainment purposes.*

2) Lattice Technology, Co., Ltd. (“the Opponent”) opposes the registration of the trade mark under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) on the grounds that it is similar to earlier trade marks of the Opponent registered for similar services. It also claims under section 5(3) that the similarity between the earlier trade marks (for which a reputation within the meaning of the section is claimed) and the later trade mark is such that the relevant public will believe that they are used by the same undertaking or think that there is an economic connection between the users of the trade marks. It further claims under section 5(3) that use of the Applicant’s Mark in the UK would inevitably trade off the Opponent’s reputation in its earlier Marks, adversely affect and be detrimental to the Opponent’s successful and long-standing business in the UK and EU, reduce the capacity of the Earlier Marks to distinguish their goods and services, and blur the distinctiveness of the earlier marks

3) For the purposes of its claims under sections 5(2)(b) and 5(3) the Opponent relies on the following two registrations (“the earlier marks”):

1. European Union trade mark (“EUTM”) no. 1844620, which is registered for the following mark in respect of the following goods, all of which are relied on:

### **XVL**

**Class 9:** *Computer software; software for two dimensional and three dimensional modeling and design; software for CAM and CAD design; software tools for distributing files over a global computer network; software for allowing users to connect to a global computer network.*

**Class 16:** *Instructional material packaged with software for two dimensional and three dimensional modeling and design.*

2. EUTM no. 2332039, which is registered for the following mark in respect of the following goods and services, all of which are relied on:

### **XVL**

**Class 16:** *Printed matter, namely, manuals and textbooks in the field of computer aided design (CAD) software, computer aided manufacturing (CAM) software, two-dimensional modeling software, and three-dimensional modeling software; printed instructional teaching materials for use with computer aided design (CAD) software, computer aided manufacturing (CAM) software, two-dimensional modeling software, and three-dimensional modeling software.*

**Class 42:** *Computer programming for others, installation of software connections to global computer network programs; technical consultation in the field of electronic data processing.*

4) EUTM no. 1844620 was filed on 7 September 2000 and completed its registration procedure on 9 January 2002. EUTM no. 2332039 was filed on 06 August 2001 and completed its registration procedure on 10 September 2002. The significance of these dates is that (1) the Opponent's marks constitute earlier marks in accordance with section 6 of the Act, and (2) they are subject to the proof of use conditions contained in section 6A of the Act, their respective registration processes having been completed more than five years before the publication of the Applicant's mark.

5) The Applicant filed a counterstatement, denying the claims made. It also put the Opponent to proof of use of the earlier marks in respect of the goods and services relied on. The period during which genuine use of the marks must be proved ("the relevant period") is 27 August 2011 to 26 August 2016. The Applicant is not professionally represented in these proceedings. The Opponent is represented by Withers & Rogers LLP. The Opponent filed evidence. No hearing was requested. The Applicant filed brief written submissions in lieu of attendance at a hearing. I therefore give this decision after a careful review of all the papers before me.

### **THE OPPONENT'S EVIDENCE**

6) In a witness statement of 30 March 2017 Mr Tatsuya Hirano states that he is the Opponent's CFO. He further states that its use of the mark **XVL** began in 1997 and that for 20 years the Opponent has been, and continues to be, one of Europe's market leaders in the provision of goods and services related to data compression, including the provision of software and development of software related to data compression. He provides sales figures for goods sold and services provided under the mark **XVL** during the years corresponding to the relevant period as follows:

<b>Table 1</b>						
<b>Annual Sales (approximate GBP) of XVL Goods/Services</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016 (up to 25/08/2016)</b>
<b>Austria</b>					7,476	9,948
<b>France</b>			16,200			14,999
<b>Germany</b>	371,374	250,618	299,392	356,491	347,867	249,008
<b>Netherlands</b>				33,769	16,632	31,991
<b>Sweden</b>	2,766	1,365		4,995	14,068	2,999
<b>UK</b>	7,888	3,978	2,811	3,558	7,856	4,008
<b>Total</b>	<b>382,028</b>	<b>255,961</b>	<b>318,403</b>	<b>398,813</b>	<b>393,899</b>	<b>312,953</b>

7) **Exhibit A1** to Mr Hirano's witness statement contains documentation explaining: that XVL is a format used to enable rapid communication, production and collaboration by using 3D throughout the manufacturing supply chain; that it operates as a neutral format in which 3D computer aided design (CAD) data from multiple sources and platforms can be combined, and then reused, simulated, reviewed and animated; and that XVL applications are accompanied by a range of 3D CAD data converters that handle all major 3D CAD formats.

8) **Exhibit A3** describes a series of XVL-branded software tools (*XVL Studio*, *XVL Web Master*, *iXVL for iPad and iPhone*, *XVL Converters*, *XVL Signer*, *XVL Suits*, *XVL Player*, *XVL Player Pro*, and *XVL Integration Toolkit*) to enable documents containing 3D geometry to be linked, for example, to part/assembly data, production information and work instructions, and to be shared securely internally and externally with stakeholders (e.g. suppliers and tooling vendors) and customers.

9) **Exhibit A2** consists of a large selection of invoices issued to customers in the EU during the relevant period and explicitly referring to the XVL-branded software tools mentioned in **Exhibit A3**.

10) **Exhibit A4** consists of two online articles referring to the use of XVL products during the relevant period, both apparently amounting to practical case studies illustrating the actual use by customers of *XVL Studio* and *XVL Player* respectively.

11) **Exhibit A5** consists of a selection of invoices detailing the Opponent's advertising activities and spend in the EU during the relevant period in the course of promoting its XVL products. These are summarised by Mr Hirano as:

- Sponsorship of Siemens PLM Connection 2014 trade show in Berlin, Germany at a cost of approximately £6,500;
- Exhibitor at Tekom 2014 trade show in Stuttgart, Germany at a cost of approximately £2,230;
- Exhibitor at Tekom 2015 trade show in Stuttgart, Germany at a cost of approximately £2,230;
- Marketing assistance for Siemens PLM Connection 2014 trade show in Berlin, Germany at a cost of approximately £270; and
- Attendance at and marketing strategy for Siemens PLM Connection 2015 trade show in Berlin, Germany at a cost of approximately £3,600.

## **SECTION 5(2)(b)**

### **The law on proof of use**

12) In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised (at paragraph 217) the case law on genuine use of trade marks. He said:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

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

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

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use:

*Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

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

Where earlier marks are EUTMs, he added (at paragraph 227) the following further points:

“(9) The territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to genuine use in the Community: *Leno* at [44], [57].

(10) While it is reasonable to expect that a Community trade mark should be used in a larger area than a national trade mark, it is not necessary that the mark should be used in an extensive geographical area for the use to be deemed genuine, since this depends on the characteristics of the goods or services and the market for them: *Leno* at [50], [54]-[55].

(11) It cannot be ruled out that, in certain circumstances, the market for the goods or services in question is in fact restricted to the territory of a single Member State, and in such a case use of the Community trade mark in that territory might satisfy the conditions for genuine use of a Community trade mark: *Leno* at [50]”.



## The evidence of use

13) The invoices in **Exhibit A2** refer explicitly to the *XVL*-branded software tools mentioned in **Exhibit A3**, together with plug-ins and maintenance, which routinely consist of updating software. There is no reference in the invoices to the supply of manuals and textbooks, or of printed instructional materials, or of instructional material packaged with software for two dimensional and three dimensional modeling and design. Nor is there any mention of the provision of Class 42 services consisting of computer programming, installation of software or technical consultation. Accordingly, there is no evidence that the mark has been used in respect of any of the Class 16 goods or Class 42 services of EUTM no. 2332039 or in respect of the material covered by the Class 16 specification of EUTM no. 1844620.

14) The evidence provided in the exhibits to Mr Hirano's witness statement shows a series of *XVL*-branded software tools which facilitate, for example, the creation of 3D models and 2D views using a format in which 3D computer-aided design data from multiple sources and platforms can be combined, used and shared securely internally and externally with stakeholders and customers. These *XVL*-branded software tools thus exhibit features involving CAM and CAD design, two and three dimensional modeling and design, and the distributing of files over, and allowing users to connect to, a global computer network.

15) The picture that emerges from the invoices in **Exhibit A2**, taken together with the figures given by Mr Hirano in his witness statement and the evidence of the Opponent's advertising activities in **Exhibit A5**, is of a company with a fairly strong foothold of sales of software in the field of computer-aided manufacturing and design under the earlier mark EUTM no. 1844620 in its base market within the EU, i.e. Germany, but also using the mark, albeit to a much lesser extent, in five other EU countries. Though the figures for the other EU countries are certainly more modest, they show a certain geographic spread and consistency of purpose. Viewing the evidence as a whole, I consider it has been shown that the use of the earlier mark was warranted in the marketplace to create and maintain market share for the Opponent's software products in the fields of CAM and CAD design, two and three dimensional

modeling and design, and the distributing of files over, and allowing users to connect to, a global computer network.

### **A fair specification**

16) In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law on framing a fair specification as follows:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

17) In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summarised the General Court’s decision in *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46 as follows.

“... vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them.”

18) Use of the mark on the particular range of software for which I have found use in paragraph 15 above would not justify a specification for *computer software* at large. I must therefore consider what would constitute a fair specification. My task in so doing is not to cut the Opponent's protection down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods which the average consumer would consider belong to the same group or category as those for which the mark has been used and which are not in substance different from them. But conversely, if the average consumer would consider that the goods for which the mark has been used form a series of coherent categories or sub-categories then the registration must be limited accordingly. In my view, the remaining terms in the Class 9 specification of EUTM no. 1844620 do form such a series of coherent categories or sub-categories which provide the Opponent with fair protection in the light of the goods for which I have found genuine use in paragraph 15 above. Accordingly, I find that the following represents a fair specification, on which the Opponent can rely for the purposes of this opposition:

**Class 9:** *Software for two dimensional and three dimensional modeling and design; software for CAM and CAD design; software tools for distributing files over a global computer network; software for allowing users to connect to a global computer network.*

### **Section 5(2)(b)**

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

"5(2) A trade mark shall not be registered if because – [...]

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark".

20) The following principles are gleaned from the decisions of the Court of Justice of the European Union ("CJEU") in *Sabel BV v Puma AG*, Case C-251/95, *Canon*

*Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

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

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

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

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

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

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

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

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

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Comparison of goods and services**

21) In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

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

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

a) The respective users of the respective goods or services;

- b) The physical nature of the goods or acts of services
- c) The respective trade channels through which the goods or services reach the market
- d) In the case of self serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

22) *Boston Scientific Ltd v Office for Harmonization in the Internal Market* (Trade Marks and Designs) (OHIM) Case T- 325/06 provides guidance on when goods are to be regarded as complementary:

“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”

23) When it comes to understanding what terms used in specifications mean and cover, the guidance in the case-law is to the effect that “in construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of the trade”<sup>1</sup> and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning<sup>2</sup>. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

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<sup>1</sup>*British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] R.P.C. 281

<sup>2</sup> *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

"... 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."

24) I also note that in *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated 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."

25) I note at this point that in the tabular comparison of goods and services which the Opponent included its statement of grounds it attributed to the specification of the opposed mark certain services in Class 42. Neither the register of trade marks nor the certificate of filing of the opposed mark show its specification as containing any services in Class 42. The Applicant's counterstatement addresses only the specification of its mark as shown on the register. This was not challenged by the Opponent. I must therefore assume that the Class 42 services attributed to the specification of the opposed mark in the Opponent's statement of grounds were included in error.

26) I will make the comparison with reference to the Applicant's services. I will go through them term by term (but grouping them when it is useful and reasonable to do so – see the comments of the Appointed Person in *Separode*, BL O-399-10).

27) There is no similarity between the Applicant's *production of television programs, film distribution, production of shows, production of films and provision of non-downloadable films and television programs via a video-on-demand service* and the Opponent's *software for two dimensional and three dimensional modeling and design, software for CAM and CAD design, software tools for distributing files over a global computer network or software for allowing users to connect to a global computer network*; their nature, purpose and method of use are in all cases different, nor is there any competition or complementarity between them. Moreover, the average consumer of the Applicant's *production of television programs, film distribution, production of shows and production of films* will consist of television companies and cinema and theatre operators. The average consumer of the Opponent's products in Class 9 consists of businesses and professionals engaged in the field of computer-aided commercial design and manufacture. These two sets of consumers do not overlap. Where there is no user overlap, there can be no confusion. Only the public common to the goods/services at issue is to be taken into consideration in the context of their comparison (see case T-742/14, *Alpha Calcit Füllstoffgesellschaft mbH v EUIPO* at paragraph 44, and the case law cited there).

28) The Applicant's *Entertainment services, arranging of exhibitions for cultural purposes, organizing and arranging exhibitions for entertainment purposes, organizing and presenting displays of entertainment [relating to style and fashion] and organization of [fashion] shows for entertainment purposes* relate to the provision of entertainment or cultural services, whether to business or private clients. There is no similarity between these services and the Opponent's *software for two dimensional and three dimensional modeling and design, software for CAM and CAD design, software tools for distributing files over a global computer network or software for allowing users to connect to a global computer network*. Their respective nature, purpose and method of use are all manifestly different; nor is there any competition or complementarity between them; any coincidental overlap of users would be at too broad a level of generality to give rise to any similarity.

29) There is no similarity between the Applicant's, *teaching, education, training, arranging, conducting and organisation of workshops and conducting of seminars and*



congresses, which all relate broadly to the provision of education and training, or to professional or personal development and interchange, and the Opponent's *software for two dimensional and three dimensional modeling and design, software for CAM and CAD design, software tools for distributing files over a global computer network or software for allowing users to connect to a global computer network*. Their respective nature, purpose and method of use are different, there is no competition between them, and any coincidental overlap of users would be at too broad a level of generality to give rise to any similarity. I have received no evidence or submissions bearing on complementarity. It may be possible to offer training in the use of the Opponent's products, for example, but I have received no evidence of such training. Moreover, such evidence would have needed to show that dedicated training supplied independently of the supply of the products is customarily provided by those who provide the products, in order to establish, as required by the case law<sup>3</sup>, that customers may think that the responsibility for the respective products and training lies with the same undertaking. This also applies in principle with regard to teaching and education and the conducting of workshops, seminars and congresses. I find no complementarity has been established within the meaning of the case law.

30) I have found no similarity between any of the Applicant's services and the goods for which the Opponent has proved use. Where there is no similarity between the goods and services, neither identity between the marks nor a good degree of distinctive character in its earlier mark will help the Opponent's case; as the CJEU pointed out in case C-398/07, *Waterford Wedgwood plc v OHIM*, neither of these make up for the total absence of similarity. Since I have found no similarity between any of the Applicant's services and the Opponent's goods, one of the conditions necessary to establish a likelihood of confusion is lacking. Accordingly, **the Opponent's claim under section 5(2)(b) fails in its entirety.**

### **SECTION 5(3)**

31) Section 5(3) provides:

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<sup>3</sup> See *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06 cited at paragraph 22 above.

“(3) A trade mark which-

..... (a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EU), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

## **Reputation**

32) With regard to the requirement for reputation the CJEU has given the following guidance in *General Motors v Yplon* [1999] E.T.M.R. 950:

“23. Such a requirement is also indicated by the general scheme and purpose of the Directive. In so far as Article 5(2) of the Directive, unlike Article 5(1), protects trade marks registered for non-similar products or services, its first condition implies a certain degree of knowledge of the earlier trade mark among the public. It is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks, even when used for non-similar products or services, and that the earlier trade mark may consequently be damaged.

24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.

25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

Territorially, the condition as to reputation must be considered to be fulfilled when a European Union trade mark, such as the earlier mark in this case, has a reputation in a substantial part of the territory of the European Union. In an appropriate case the territory of a single Member State may suffice for this purpose<sup>4</sup>.

33) Mr Hirano states that for 20 years the Opponent has been, and continues to be, one of Europe’s market leaders in the provision of goods and services related to data compression, including the provision of software and development of software related to data compression. The question as to the existence of a qualifying reputation, however, is a matter for the tribunal to make on the evidence, so I must test this assertion objectively against the evidence provided. The first point to make is that long use does not equate to reputation. Secondly, I have found that the evidence shows use of the earlier mark in respect of software to enable 3D computer-aided design data to be used throughout the manufacturing supply chain and shared internally and externally with, for example, suppliers and customers. The public among whom the Opponent must prove reputation are those concerned by those goods.

34) I have been provided with no evidence as to the Opponent’s market share, or of the size and structure of the market for the goods I have found to be supplied under the earlier mark – and thus of the extent and size of the public concerned by those

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<sup>4</sup> See *Pago International GmbH v Tirolmilch registrierte GmbH*, Case C-301/07, at paragraphs 27-30.

goods. This makes it very difficult to conclude from the sales figures provided by the Opponent in **Exhibit A1** that the earlier mark was known to a significant part of that public at the time when the opposed mark was applied for. The same consideration applies in respect of the Opponent's evidence in **Exhibit A5** of advertising activities and spending in the EU during the relevant period in the course of promoting its "XVL Goods and Services"; it is difficult to judge the impact of these figures without being able to see them in the context of the size and structure of the relevant market. The evidence in **Exhibit A4** consists of two online articles apparently illustrating the actual use by customers of *XVL Studio* and *XVL Player* respectively; I have no evidence as to the potential readership of these articles, or the profile of the firms concerned, among the relevant public in the European Union.

35) The onus is on the Opponent to prove that its earlier mark enjoys a qualifying reputation. I find that the evidence does not establish that at the time when the opposed mark was applied for, the earlier mark was known by a significant part of the relevant public in a substantial part of the territory of the European Union (even bearing in mind that this might, in an appropriate case, consist of the territory of a single Member State). Accordingly, since the existence of a qualifying reputation is an essential condition of a claim under section 5(3), **the claim under section 5(3) fails.**

36) It may perhaps be helpful to add briefly that even if I had found the Opponent to have a qualifying reputation in the European Union, it would still only have benefitted from that reputation if it could have shown that a commercially significant part of the relevant public in the UK was familiar with the Opponent's mark and made a connection between it and the Applicant's mark. This test was laid down by the CJEU in *Iron & Smith kft v Unilever NV*, Case C-125/14. I would not have found it satisfied on the evidence in this case.

## **OUTCOME**

37) **The opposition fails in its entirety.**

## **COSTS**

38) The Applicant has been successful and is entitled to a contribution towards its costs. In a letter of 19 April 2017 the Opponent was warned that the evidence it had filed exceeded the 300-page limit referred to in Tribunal Practice Notice 1/2015, and had been filed without first seeking directions as required by that practice notice. The Opponent was advised that the number of invoices in Exhibit A2 appeared unnecessary, that the Hearing Officer had decided to admit the evidence, but that any additional time and cost required to analyse the large number of invoices would be taken into account in the assessment of the costs awarded at the conclusion of the proceedings. In the event, however, owing to the clear format of the invoices and range of goods covered, I do not consider that in this particular case the additional time and cost required for their analysis was significant. Moreover the Applicant, not being professionally represented in these proceedings, filed a costs pro forma showing a total of eight hours expended on the case altogether. In the circumstances this appears reasonable. Under the Civil Procedure Rules the amount which may be allowed to a self-represented litigant is currently set at a rate of £19 per hour. I therefore order Lattice Technology, Co., Ltd. to pay XVL International Limited the sum of £152. This sum is to be paid within fourteen days of the expiry of the appeal period, or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 26<sup>th</sup> day of January 2018**

**Martin Boyle  
For the Registrar,  
The Comptroller-General**