

O/517/17

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATIONS NO 3 144 525: LONDON
BEAT RADIO AND NO 3 144 880: BEAT LONDON BY MR IVOR ETIENNE AND
MR CHRIS UBOSI

AND

IN THE MATTER OF CONSOLIDATED OPPOSITIONS THEREO BY BEATS
ELECTRONIC

Background and pleadings

1. Mr Ivor Etiene and Mr Chris Ubosi (the applicants) applied to register the trade marks LONDON BEAT RADIO (No 3 144 525) and BEAT LONDON (No 3 144 880) in the UK on 14th January 2016. The applications were accepted and published in the Trade Marks Journal on 8th April 2016 in respect of radio broadcasting in Class 38.
2. Beats Electronic (the opponent) opposes the trade marks on the basis of, amongst other grounds, Section 5(2)(b) of the Trade Marks Act 1994 (the Act). This is on the basis of, amongst others, its earlier International Trade Mark designating the EU BEATS (No 1 225 897). The following services in Class 38 are relied upon in this opposition:

Streaming of audio content via a global computer network.

3. The opponent argues that the respective services are identical or similar and that the marks are similar.
4. The applicant filed a counterstatement denying the claims made and requesting that the opponent provides proof of use of some of its earlier trade marks relied upon. It should be noted that nothing turns on the proof of use point. This is because the trade mark relied upon detailed above is not subject to the proof of use provisions. It is identical to those subject to proof of use and is registered for identical services. As such, this will be the primary focus of this decision.
5. Both sides filed evidence. This will be summarised to the extent that it is considered appropriate.
6. A Hearing took place on 22nd August 2017, with the opponent represented by Chris Aikens of Counsel, instructed by D Young & Co and the applicant by Charlotte Scott of Counsel, instructed by Freeman Harris Solicitors.

Evidence

7. As already stated, both sides have filed evidence in this decision. From the perspective of the opponent, its evidence has been filed primarily in order to demonstrate that it enjoys a reputation in respect of “headphones” for the purposes of Section 5(3). It is noted that the applicant accepts that the opponent has evidence of significant trade in this regard. The opponent relies upon several earlier trade marks, including that outlined above which is not subject to the proof of use provisions and so must be considered as filed. It is noted that this earlier trade mark includes *Streaming of audio content via a global computer network* in Class 38. Though proof of use in respect of such services is not required as already stated, the applicant (see further below) claims that there have been no instances of confusion between the parties. As such, for the sake of completeness, I will summarise the evidence from the opponent which focusses upon any use it has made in respect of the Class 38 services relied upon.

The opponent’s evidence

8. This is a witness statement, dated 15th December 2016, from Mr Thomas Perle, the Assistant Secretary of the opponent. He explains that the company was established in 2008 as the brainchild of legendary artist Dr Dre and Chairman of Interscope Geffen A&M Records, Jimmy Lovine. Mr Perle emphasises the trade in headphones, earphones and also services such as streaming music. The streaming services appear to have been offered initially via the websites www.beatsbydrdre.com and www.ukbeatsbydrdre.com. Between 2012-2015, the subscription based online music streaming service was available from www.beatsmusic.com. From November 2015, following Apple’s acquisition of Beats, the Beats Music service customers of the website were redirected to the Apple Music service (www.apple.com/music).
9. The Beats branding was also maintained by the introduction of Beats1, a 24/7 live online broadcast to over 100 countries from studios in Los Angeles, New

York and London (available via subscription) to the UK. The broadcast from the London studios is hosted by the well known BBC radio presenter Zane Lowe.

The applicant's evidence

10. This is a witness statement, dated 23rd March 2017, from Mr Ivor Etienne, one of the joint applicants. He explains that he is the CEO and Station Manager of The Beat London. He further explains that the radio show is an expansion of a Nigerian entertainment radio station to the UK. A number of details are provided regarding the success of the station to date, including numerous awards won, sponsorship of live music events, and providing the voice of the Notting Hill Carnival. Mr Etienne relies on these points to explain that there have never been any instances of confusion between the respective trade marks. And furthermore, that there are other instances of BEAT being used in respect of radio stations. A handful of examples are provided: CityBeat, Irvine Beat, Golden Beat Radio and in2beats. I will return to the points raised in this witness statement further below.

DECISION

Section 5(2)(b)

11. Sections 5(2)(b) of the Act is as follows:

“5(2) A trade mark shall not be registered if because-

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

Comparison of services

12. In the judgment of the Court of Justice of the European Union 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”.

13. 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.

14. It is noted that the later services are radio broadcasting. This is transmission by radio waves intended to reach a wide audience. The same is true of the earlier services, albeit using an alternative means to radio waves. It is commonplace for radio programmes to be transmitted via the internet in addition or as an alternative to the traditional means. It is considered that these services are clearly highly similar.

Comparison of marks

15. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

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

17. The respective trade marks are shown below:

BEATS	LONDON BEAT RADIO BEAT LONDON
Earlier trade mark	Contested trade marks

18. It is noted that the earlier plural word BEATS appears in the later trade marks in singular form BEAT. The remaining elements: LONDON and RADIO are relatively less distinctive though they are not negligible within the trade marks. The marks must be compared as wholes.

19. Visually, the marks coincide and differ as already described. There is a low to medium degree of visual similarity in respect of the later LONDON BEAT RADIO and a medium degree of similarity in respect of BEAT LONDON.

20. Aurally, the matter is comparable: low to medium similarity in respect of LONDON BEAT RADIO as BEAT would be articulated in the middle of two other words and medium similarity in respect of BEAT LONDON as BEAT is articulated at the start.

21. Conceptually, one of the meanings of the earlier BEATS that would be understood is as the main rhythm a piece of music has. Collins English Dictionary provides the following as an example: “the dance beats of the last two decades” or in respect of beat (singular): “the thumping beat of rock music”. In the later LONDON BEAT RADIO trade mark, it is noted that LONDON and RADIO are included. In this regard, it is considered that these are likely to convey that this is (geographically) a London Radio station. Beat

is likely to be understood as referring to rhythm in music as already described. The additional elements have an impact, but this is not considered significant enough to create a conceptual gap and so, there is a degree of conceptual similarity here. This is pitched as being medium to high.

22. In the later BEAT LONDON trade mark, it is considered that at least some will understand BEAT in the manner already described with the addition of London denoting the geographical place. The addition of LONDON does not create a dissonant overall concept which is immediately understood. The marks are conceptually similar, to a medium degree.

Average consumer and the purchasing act

23. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

24. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

25. The average consumer is the public at large. The choice of a radio program can be spontaneous on the one hand or follow a recommendation on the other. The latter can lead to a loyal following. There is potentially therefore for a sliding scale in respect of the level of attention one would expect to be displayed. The average degree of attention therefore, is considered to be reasonable.

Distinctive character of the earlier trade mark

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

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

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

27. Some evidence of use has been provided in respect of various versions of BEATS, most notably in conjunction with Dr Dre. In respect of headphones, the applicant has already accepted that the opponent enjoys a significant trade in this regard. However, there is no information to lead to the view that it has extended beyond this. It is considered that this a reasonable conclusion to reach is that any impact on the degree of distinctive character extending beyond headphones is therefore negligible and so the earlier trade mark's degree of distinctiveness is to be assessed *prima facie*. It is noted that BEATS has a meaning in respect of music as already described. It has a certain allusive quality. However, it is solely the noun BEATS, without any further qualification (for example, DANCE, ROCK, REGGAE). As such, it is imprecise and no more than allusive. It is considered to have an average degree of distinctive character.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.

28. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v 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.

The principles

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well

informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

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

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

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

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

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

29. It has been found that the services are highly similar. This is important as the interdependency principle is in full operation here. The level of attention one would expect to be displayed is reasonable and the earlier trade mark is also distinctive to an average degree. The respective trade marks have also been found to be similar, to varying degrees: LONDON BEAT RADIO is similar to BEATS visually and aurally to a low to medium degree and BEAT LONDON is similar to BEATS to a medium degree. Conceptually in respect of LONDON BEAT RADIO, the additional elements do not have the effect of creating a conceptual gap. BEAT LONDON does not create a dissonant overall concept. The addition of (singular) BEAT in the later trade mark, bearing in mind its meaning in common with the plural BEATS is likely to provide the coincidental idea in the minds of the average consumer. It is considered that the differences between the marks is insufficient prevent a likelihood of direct confusion.

30. Further, the following is taken into account:

In *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, Mr Iain Purvis Q.C. as the Appointed Person noted that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from

the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

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

31. For those who notice the differences between the trade marks, it is considered that the trade marks in these proceedings are likely to fall within category b) as described above. As such, there is also a likelihood of indirect confusion.

32. The opposition under Section 5(2)(b) therefore succeeds.

Final Remarks

Parallel trading

33. Evidence of parallel trading is a factor which could, potentially, assist in deciding whether there exists a likelihood of confusion. This is because if the evidence establishes that the respective marks have actually been put to use

in the same market without the consumer being confused regarding economic origin, then this can inform the tribunal's decision. I take into account the following:

In *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220, Kitchen L.J. stated that:

“80.the likelihood of confusion must be assessed globally taking into account all relevant factors and having regard to the matters set out in *Specsavers* at paragraph [52] and repeated above. If the mark and the sign have both been used and there has been actual confusion between them, this may be powerful evidence that their similarity is such that there exists a likelihood of confusion. But conversely, the absence of actual confusion despite side by side use may be powerful evidence that they are not sufficiently similar to give rise to a likelihood of confusion. This may not always be so, however. The reason for the absence of confusion may be that the mark has only been used to a limited extent or in relation to only some of the goods or services for which it is registered, or in such a way that there has been no possibility of the one being taken for the other. So there may, in truth, have been limited opportunity for real confusion to occur.”

34. Some evidence of use in respect of Class 38 services has been provided to this tribunal by both parties, which I have already summarised. Bearing in mind the case-law referred to above, for concurrent trading to play a meaningful role in the assessment of the likelihood of confusion I must be satisfied that the parties have traded in circumstances that suggest consumers have been exposed to both marks and have been able to differentiate between them without confusion as to trade origin. That simply is not the case here, where there has been no evidence at all to this effect. Further, the earlier trade mark in use in respect of such services is either BEATS1 or beatsbydre, neither of which is the primary trade mark under comparison here and for which a likelihood of confusion has been found. As a result, this factor can be given no weight in determining whether or not there is a likelihood of confusion.

Evidence of use of Beat in the marketplace

35. Mr Etienne also asserted that the use of BEAT in the marketplace by other parties adds credence to the applicant view that confusion between the trade marks in conflict is unlikely. In respect of the evidence provided, it is unclear as to the reach of these radio stations as there is no context provided. Further, much of the evidence is dated after the relevant date in these proceedings, namely the filing date: 14th January 2016. In conclusion, the evidence provided is considered to be insufficient to enable a comprehensive view on the commonality of BEAT in the radio industry and as such, the claim of the applicant is dismissed.

36. As this earlier trade mark leads to the opposition being successful in its entirety, there is no need to consider the remaining trade marks or grounds upon which the opposition is based as they do not materially improve the opponent's position.

COSTS

37. The opponent has been successful and is entitled to a contribution towards its costs. In the circumstances I award the opponent the sum of £1750 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Notice of Opposition and accompanying statement plus official fee - £500

Preparing and filing evidence - £500

Preparation for and attendance at Hearing - £750

TOTAL - £1750

38. I therefore order Mr Ivor Etienne and Mr Chris Ubosi to pay Beats Electronic Inc the sum of £1750. The above sum should 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 17th day of October 2017

Louise White
For the Registrar,