## World Trademark Review.

Daily

## SKYPE loses to SKY before General Court European Union - NJORD

Examination/opposition International procedures

## May 19 2015

Despite evidence and arguments that the trademark SKYPE had coexisted with the SKY mark for 11 years, in *Skype Ultd v Office for Harmonisation in the Internal Market* (OHIM) (Cases T-183/13, T-184/13 and T-423/12, May 5 2015) the General Court has affirmed decisions of the Fourth Board of Appeal of OHIM finding that SKYPE was similar to SKY for identical goods/services.

The decisions concerned three Community trademark (CTM) applications filed by Skype, which Sky plc (formerly British Sky Broadcasting Group plc) had opposed.

The three SKYPE applications were as follows:

- the word mark SKYPE for services in Class 38 of the Nice Classification, filed on February 6 2004; and
- the word mark and the design mark SKYPE for goods and services in Classes 9, 38 and 42, filed on June 28 2005.

The oppositions were based on the word mark SKY, which was filed on April 30 2003 and registered on October 14 2008, for a broad list of goods and services in Classes 9, 38, 41 and 42. The grounds relied on in support of the opposition were those referred to in Article 8(1)(b), (4) and (5) of the Community Trademark Regulation (40/94), now the Community Trademark Regulation (207/2009) - that is, a likelihood of confusion and the reputation of the SKY mark.

Both the Opposition Division and the Fourth Board of Appeal OHIM upheld the oppositions in their entirety, finding that the SKY mark enjoyed a high degree of distinctiveness in the United Kingdom at least in respect of some of the relevant goods and services in Classes 9, 38 and 41, and that the degree of distinctiveness was average for the remaining goods and services at issue. Both found that there was a likelihood of confusion, and that the conditions for a reduction in the likelihood of confusion on account of a peaceful coexistence of the marks on the market were not fulfilled in these cases.

The General Court affirmed. It was undisputed at all three instances that the goods and services were identical.

As regards the similarity of the marks, Skype argued that the Board of Appeal had artificially split 'skype' into 'sky' and 'pe', even though it was a unitary word. However, the court agreed with the board that the possibility could not be ruled out that the relevant public would recognise the term 'sky' in the mark applied for, thus giving rise to a medium conceptual similarity between the two signs.

Skype also argued that its own mark SKYPE had acquired secondary meaning, which served to counteract any similarity between the signs at issue, in the context of assessing the likelihood of confusion. The court was not impressed with this argument, noting that, at the time of filing of the oppositions, the goods and services covered by the applications had been sold or provided for a short period of time (namely six months for the Class 38 application and 20 months for the Classes 9, 38 and 42 applications). The court also reminded Skype that, when considering the likelihood of confusion, acquired distinctiveness is relevant only for the earlier mark, and not the mark applied for.

Skype also argued that the Board of Appeal had erred in finding that the SKY mark was not weak for services in Class 38. The court agreed that Skype could have a point, at least as regards satellite broadcasting. However, the court stated that it would not make a difference, as the weak distinctiveness of the SKY mark for such services and related goods would be overridden by its enhanced distinctiveness due to the fact that the mark is well known for those services and related goods.

Finally, Skype argued that the marks had co-existed peacefully in the United Kingdom without any confusion, and that it had even advertised on Sky channels. The court agreed with Sky that there could have been a variety of reasons why Sky did not bring an infringement action prior to these oppositions, and the oppositions proved that the co-existence was anything but peaceful.

These cases are interesting firstly because the applications are more than 10 years old and have only reached the General Court (this is likely because Sky's CTM was first registered in 2008 and the oppositions were likely placed in abeyance until then). Secondly, the cases appear to focus on the situation at the time of filing of the applications, and not on subsequent events, which is not always OHIM's policy -

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for example, when the opponent's registration is attacked, OHIM will place an opposition in abeyance.

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