

DECISION
of the Fourth Board of Appeal
of 26 March 2020

In case R 1111/2019-4

Submarine Haven B.V.

Arie Biemondstraat 111
1054 PD Amsterdam
The Netherlands

Opponent / Appellant

represented by Matchmark B.V., Herengracht 122, 1015 BT Amsterdam, The Netherlands

v

Submarine, LLC

197 Grand Street 6W
New York New York 10013
United States of America

Applicant / Defendant

represented by Wiggin LLP, 72-74, rue de Namur, 1000 Brussels, Belgium

APPEAL relating to Opposition Proceedings No B 2 414 525 (European Union trade mark application No 13 147 871)

THE FOURTH BOARD OF APPEAL

composed of D. Schennen (Chairman), E. Fink (Rapporteur) and L. Marijnissen (Member)

Registrar: H. Dijkema

gives the following

Decision

Summary of the facts

- 1 By an application filed on 06/08/2014, Submarine, LLC ('the applicant') sought to register the word mark

SUBMARINE

as a European Union trade mark for goods and services in Classes 9, 35 and 41, including the following:

Class 35 – Sales of motion picture films, documentaries and television programs.

- 2 On 06/10/2014, Submarine Haven B.V. ('the opponent') filed a notice of opposition against the application on the grounds of opposition laid down in Article 8(1)(a), (b) and Article 8(4) EUTMR and based, inter alia, on the following earlier rights:
 - a) EUTM No 13 122 791 for the word mark

SUBMARINE

filed on 29/07/2014 and registered on 20/03/2018 for services in Classes 38, 41 and 45, inter alia, the following:

Class 41 – Composing, producing, directing, distribution and exploitation of entertainment, audiovisual, educational, film, photo, music, radio, television and theater; production of audiovisual works, animations, movies, videos, and other electronic or digital data carriers; taking photographs, film and video reports; photography; film studios; film and video rental; leasing of films; services of editorial offices, not for publicity purposes; organizing and arranging conferences, seminars, lectures and other educational activities; organization of sporting, cultural, musical and educational events and demonstrations; organization of fairs and exhibitions for cultural, entertainment or educational purposes; coming up with concepts for entertainment, audiovisual, educational, film, photo, music, radio, television and theater productions, including formats; publishing, lending, publishing and disseminating include entertainment, audiovisual, educational, film, photo, music, radio, television and theater; publishing, editing, lending and distribution of, among other books, magazines, newspapers, brochures and other periodicals, whether in electronic or digital form; publishing, editing, lending and distributing include music, movies, games and content in the field of entertainment, whether in electronic or digital form; providing information and advice relating to the aforesaid services; aforesaid services also provided via the Internet, cable networks or other forms of data transfer.

- b) Benelux trade mark registration No 1 286 810 for the word mark

SUBMARINE

filed on 27/03/2014 and registered on 18/07/2014 for services in Classes 35, 36, 38, 41 and 45, including the following:

Class 35 – Publicity and promotion; business mediation and consultancy relating to commercial affairs for the buying and selling and exploitation of entertainment, audiovisual, educational, movie, photo, music, radio, television and theatre productions and in the delivery of the classes 36, 38 , 41 and 45 mentioned services; setting up and managing databases containing, inter alia, video and audio material and other administrative services to include a film production; merchandising; organization of fairs and exhibitions for commercial purposes; providing information and consultancy relating to the aforesaid services; the aforesaid services also provided via the internet, cable network or other forms of data transfer.

Class 41 – Composing, producing, directing, distribution and exploitation of entertainment, audiovisual, educational, movie, photo, music, radio, television and theater productions; production of audiovisual works, animations, movies, videos, and other electronic or digital data carriers; making photographic, film and video reports; photography; film studios; film and video rental; leasing of films; services of editorial offices, not for advertising purposes; organizing and arranging conferences, seminars, lectures and other educational activities; organization of sporting, cultural, musical and educational events and demonstrations; organization of fairs and exhibitions for cultural, entertainment or educational purposes; devising concepts for entertainment, audiovisual, educational, movie, photo, music, radio, television and theater productions, including formats; publishing, lending and disseminating include entertainment, audiovisual, educational, movie, photo, music, radio, television and theater productions; publishing, editing, lending and distribution of, among other books, magazines, newspapers, brochures and other periodicals, whether in electronic or digital form; publishing, editing, lending and distribution of, inter alia, music, movies, games and content in the field of entertainment, whether in electronic or digital form; providing information and consultancy relating to the aforesaid services; the aforesaid services also provided via the internet, cable network or other forms of data transfer.

- 3 The opposition was directed against all the goods and services of the contested application and based on all the services of the earlier marks.
- 4 By decision of 19/03/2019, the Opposition Division upheld the opposition for part of the contested goods and services, namely those in Classes 9 and 41, under Article 8(1)(a) and (b) EUTMR. For the services in Class 35, as indicated in para. 1 above, the opposition was rejected. Each party was ordered to bear its own costs.
- 5 The Opposition Division found the contested services in Class 35 for which the opposition was rejected to be dissimilar to the services of the earlier marks. It reasoned that the sale of goods was not a service within the meaning of the Nice Classification. The activity of retail in goods, for which protection could be obtained in Class 35, comprised services rendered around the actual sale of the goods, namely the bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods. These services were dissimilar to any of the opponent's services. They differed in purpose, nature and method of use as well as in their distribution channels and regular providers/manufacturers. The services were not in competition. Therefore, no likelihood of confusion existed under Article 8(1)(b) EUTMR. The opposition also failed for these services in Class 35 on the grounds of Article 8(4) EUTMR.

Submissions and arguments of the parties

- 6 On 20/05/2019, the opponent filed an appeal against the contested decision, followed by a statement of grounds on 18/07/2019. The appellant requests that the Board annul the contested decision to the extent that it rejected the opposition for the contested services in Class 35, reject the contested application in its entirety and order the defendant to bear the costs.
- 7 The appellant claims that it is a well-known production studio that produces, develops and distributes films, documentaries, motion comics, online games in collaboration with broadcasters, distributors and publishers and submits evidence for its film and documentary productions and distributions of its films to cinemas and through the internet (Annexes 5 – 10).
- 8 The contested services in Class 35 also included services such as providing information and advice related to the distribution and exploitation of entertainment, films and television as well as to publishing and disseminating entertainment, films and television. They were not only identical to the services in Class 35 of the earlier Benelux mark, but also at least highly similar to the services in Class 41 of both earlier marks. This was all the more so as the defendant had initially applied for ‘entertainment services, namely development, creation, production, distribution and sales of motion picture films, documentaries and television programs’ in Class 41, which then had been re-classified by the examiner in Class 35. The services had the same nature and their purpose was the same, namely the promotion, distribution and sale of films and audiovisual productions. Both parties were active in the same market sector. The services were offered through the same distribution channels and to the same customers, namely television networks, broadcasters and media platforms and they could substitute each other.
- 9 As the signs were identical, the opposition had to be upheld pursuant Article 8(1)(a) EUTMR, or at least in accordance with Article 8(1)(b) EUTMR because a likelihood of confusion existed.
- 10 The defendant requests the Board to dismiss the appeal and to order the appellant to bear the costs of the appeal proceedings.
- 11 It argues that the evidence submitted by the appellant at the appeal stage should be disregarded as belated. It supports the contested decision in that the conflicting services are dissimilar and no likelihood of confusion exists. The appellant had failed to specify among the numerous services covered by the earlier marks any service which could be considered to be similar to the contested services in Class 35; for example, ‘photography’ was clearly dissimilar to the contested services. The nature and purpose of the contested services was the facilitation of the sale of motion picture films, documentaries and television programs. None of the services of the earlier marks shared the same nature and purpose. The contested services were offered via the internet, a catalogue or mail order or via a fixed retail location. To the extent that some of the services of the earlier marks shared the same distribution channels, this single coincidence could only lead to a very low degree of similarity since it applied to almost any services. The relevant

public of the contested services was the public at large, whereas the earlier services were directed at the professional public. The appellant erred when it based the comparison on the services actually offered by the defendant and not on the services as applied for.

Reasons

- 12 The appeal is well founded. The contested services in Class 35 are similar to the services of the earlier marks and there exists a likelihood of confusion under Article 8(1)(b) EUTMR based on the earlier EUTM and the earlier Benelux trade mark ‘SUBMARINE’ (marks under para. 2 a) and b)).
- 13 Pursuant to Article 8(1)(b) EUTMR, upon opposition of the proprietor of an earlier trade mark, the trade mark applied for shall not be registered if, because of its identity with or similarity to the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks, there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected. The risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, constitutes a likelihood of confusion (22/06/1999, C-342/97, Lloyd Schuhfabrik, EU:C:1999:323, § 19; 29/09/1998, C-39/97, Canon, EU:C:1998:442, § 17).
- 14 Since the earlier marks are a European Union and a Benelux trade mark, the relevant territory for analysing the likelihood of confusion is that of the European Union including the Benelux countries, *i.e.* Belgium, the Netherlands and Luxembourg.
- 15 With regard to the relevant public, it has to be noted that from the wording of the contested services ‘sales of motion picture films, documentaries and television programs’, it cannot be inferred that they are only directed at the public at large as argued by the defendant. The services may address the public at large but may also be directed at the professional public, such as TV broadcasters, cinemas or internet movie platforms.

Comparison of the signs

- 16 The signs are identical.

Comparison of the services

- 17 In assessing the similarity of goods and services, all the relevant factors should be taken into account, including their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary (29/09/1998, C-39/97, Canon, EU:C:1998:442, § 23). This has to be examined in respect of whether the relevant public would conclude that the goods or services concerned have a common commercial origin (04/11/2003, T-85/02, Castillo, EU:T:2003:288, §§ 32, 38) and whether the consumers consider it normal that

these goods are marketed under the same trade mark, which normally implies that a large number of producers or distributors of these products are the same (11/07/2007, T-150/04, Tosca Blu, EU:T:2007:214, § 37).

- 18 Since the earlier marks are not subject to a proof of use request, the comparison is to be based on the conflicting services as registered.
- 19 The contested services are ‘sales of motion picture films, documentaries and television programs’ in Class 35. They are highly similar to the services of the earlier marks in Class 41 ‘distribution and exploitation of audiovisual, film, television; film and video rental; leasing of films; lending, disseminating include audiovisual, film, television; lending and distributing include movies and content in the field of entertainment, whether in electronic or digital form; aforesaid services also provided via the Internet, cable networks or other forms of data transfer’.
- 20 The contested decision rightly stated that the sale of goods as such is not considered to be a service in itself but only the activities classified in Class 35 that relate to the bringing together, for the benefit of others, of a variety goods enabling customers to conveniently view and purchase (Explanatory Note to Class 35 of the Nice Classification). The contested services thus are destined to enable the public to view and purchase motion picture films, documentaries and television programs. The earlier services, on the other hand, are in essence ‘distribution and exploitation of films and television; film and video rental; leasing of films’ in Class 41. ‘Distribution and exploitation of films and television’ is the process of making movies or television programs available for viewing by an audience. This is commonly the task of professional film distributors, who determine the marketing strategy for the film and the media by which a film is to be made available for viewing. Films may be presented to the public directly via cinemas or television channels, or in the form of personal home viewing, such as on recorded media or by video-on-demand. This means that the earlier film or television distribution services are closely connected to the contested services as the subject-matter of all the services is the same. They relate to films and television programs and to services destined to promote and facilitate their distribution. Retail of motion picture films, documentaries and television programs, film rental or leasing of films are merely different ways of film distribution. The services have the same purpose of distribution of films or television programs, either by way of selling, renting or leasing.
- 21 The services are directed at the same public, namely at the professional public in case of film releases to the cinema market, internet movie platforms or to TV broadcasters or at the general public in case of recorded films on DVDs or videos. The services are also offered by the same providers, namely film distribution companies. Moreover, the services are in competition with each other. In order for goods or services to be regarded as being in competition, there must be an element of interchangeability between them (04/02/2013, T-504/11, DIGNITUDE, EU:T:2013:57, § 42; 01/03/2005, T-169/03, SISSI ROSSI, EU:T:2005:72, § 57; 04/11/2003, T-85/02, CASTILLO, EU:T:2003:288, § 35). This is the case here.

Customers may choose either to buy films or television programs, to lease them or to rent them. Therefore, the services are substitutable and may be provided through the same distribution channels. Therefore, the services are highly similar. The fact that the services appear in different classes under the Nice Classification cannot suffice to regard them as being dissimilar, Article 33(7) EUTMR.

- 22 Moreover, as the contested services in Class 35 include all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction (07/07/2005, C-418/02, Praktiker, EU:C:2005:425, §§ 34, 50) with regard to motion picture films, documentaries and television programs, they comprise information and advice in relation to the sale of motion picture films, documentaries and television programs. Therefore, there is also a high degree of similarity with the earlier services in Class 41 ‘services of providing information and advice relating to the distribution and exploitation of films and television’. The services are closely related in this regard since they serve the same purpose, may be provided by the same providers in the field of film distribution and are directed at the same customers.

Overall assessment of the likelihood of confusion

- 23 Likelihood of confusion on the part of the public must be assessed globally, and that global assessment implies some interdependence between the factors taken into account and in particular similarity between the signs and between the goods or services covered. Accordingly, a lesser degree of similarity between these goods or services may be offset by a greater degree of similarity between the signs, and vice versa (29/09/1998, C-39/97, Canon, EU:C:1998:442, § 17). The more distinctive the earlier mark, the greater the risk of confusion, and marks with a highly distinctive character, either per se or because of the reputation they possess on the market, enjoy broader protection than marks with a less distinctive character (29/09/1998, C-39/97, Canon, EU:C:1998:442, § 18).
- 24 The global appreciation of the likelihood of confusion, in relation to the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components.
- 25 For the purpose of the global appreciation, the average consumer of the category of goods or services concerned is deemed to be reasonably well informed and reasonably observant and circumspect. The consumer’s level of attention is likely to vary according to the category of goods or services in question and the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he/she has kept in his/her mind (22/06/1999, C-342/97, Lloyd Schuhfabrik, EU:C:1999:323, § 26; 30/06/2004, T-186/02, Dieselit, EU:T:2004:197, § 38).
- 26 The contested services in Class 35 address the professional public in the film and television industry who displays an enhanced degree of attentiveness as well as the public at large.

- 27 The inherent distinctiveness of the earlier marks is normal.
- 28 Taking into account the identity of the signs and the normal distinctiveness of the earlier marks there is a likelihood of confusion for the highly similar services in Class 35, even taking into account the enhanced level of attentiveness of the relevant professional consumers. Since the opposition succeeds on the assumption of a normal distinctiveness of the earlier marks, there is no need to assess the appellant's claim of an enhanced distinctiveness due to their intensive use.
- 29 The contested decision had to be annulled in respect of the contested services in Class 35 and the application must be rejected also for these services.

Costs

- 30 As a result of the opposition and appeal proceedings, the opposition is upheld in its entirety. Pursuant to Article 109(1) EUTMR, the applicant (defendant) as the losing party must be ordered to bear the costs of the proceedings.

Fixing of costs

- 31 In accordance with Article 109(7) EUTMR, the Board fixes the amount of the costs to be paid by the defendant as the losing party. These consist of the representation costs for the opposition proceedings of EUR 300 pursuant to Rule 94(7)(d)(i) CTMIR, the representation costs for the appeal proceedings of EUR 550 pursuant to Article 18(1)(c)(iii) EUTMR, the opposition fee of EUR 350 pursuant to Rule 94(6) CTMIR and the appeal fee of EUR 720, in total EUR 1,920.

Order

On those grounds,

THE BOARD

hereby:

- 1. Annuls the contested decision to the extent that it rejected the opposition for the following services:**

Class 35 – Sales of motion picture films, documentaries and television programs.

- 2. Rejects the European Union trade mark application No 13 147 871 also for these services;**
- 3. Orders the defendant to bear the costs and fees of the opposition and appeal proceedings;**
- 4. Fixes the total amount of the costs and fees to be paid by the defendant to the appellant for the opposition and appeal proceedings at EUR 1,920.**

Signed

D. Schennen

Signed

E. Fink

Signed

L. Marijnissen

Registrar:

Signed

H. Dijkema

