

DECISION
of the Fourth Board of Appeal
of 15 October 2020

In case R 621/2020-4

NetEnt Product Services Ltd

Level One, Spinola Park
Mikiel Ang. Borg Street
SPK1000 St. Julians
Malta

Applicant / Appellant

represented by Advokatbyrån Gulliksson AB, Carlsgatan 3, SE 211 20 Malmö,
Sweden

v

Zitro IP S.à.r.l

17, Boulevard Royal
L-2449 Luxembourg
Luxembourg

Opponent / Defendant

represented by Canela Patentes y Marcas, S.L., Girona, 148 1-2, 08037 Barcelona,
Spain

APPEAL relating to Opposition Proceedings No B 3 070 248 (European Union trade
mark application No 17 946 864)

THE FOURTH BOARD OF APPEAL

composed of D. Schennen (Chairman), R. Ocquet (Rapporteur) and C. Bartos
(Member)

Registrar: H. Dijkema

gives the following

Decision

Summary of the facts

- 1 By an application filed on 23 August 2018, NetEnt Product Services Ltd ('the applicant') sought to register the figurative mark



as a European Union trade mark ('EUTM') for the following list of goods and services:

Class 9 - Games software; Software and applications for mobile devices; Entertainment software; Computer gaming software; Downloadable computer game software;

Class 41 - Entertainment services; Interactive entertainment services; Gambling services; Game services provided on-line from a computer network.

- 2 On 4 December 2018, Zitro IP S.à.r.l ('the opponent') filed an opposition against the trade mark application ('the contested sign') for all the above goods and services.
- 3 The grounds of opposition were those laid down in Article 8(1)(b) EUTMR and it was based on the following earlier marks:
 - a) EUTM No 13 500 053 for the figurative mark



filed on 26 November 2014 and registered on 18 March 2015 for the following goods and services:

Class 9 - Apparatus for recording, transmission or reproduction of sound or images; Magnetic data carriers, recording discs; Data processing equipment and computers; Software; Computer hardware and software, in particular for bingo halls, casinos, automatic slot machines; games programmes; Interactive-game programs; Electronic publications, downloadable; Telecommunications apparatus;

Class 28 - Games, playthings, toys; Automatic slot machines; Automatic games other than those adapted for use with television receivers only; Slot machines (gaming devices); Arcade game machines, including machines for amusement arcades and gaming rooms; Gaming machines operated by coins, tokens or any other means of pre-payment; Automatic amusement machines; Free-standing video games apparatus; Electronic hand-held game units; Games equipment for casinos, bingo halls and other gaming halls; Apparatus for games adapted for use with television receivers only; Automatic gaming machines for amusement arcades and betting establishments; Betting terminals; Cards or counters for games included in this class;

Class 41 - Provision of tuition; Providing of training; Entertainment; Sporting and cultural activities; On-line gaming services; Organization of competitions; Operating of lotteries; Providing gaming house facilities; Provision of gaming services; Entertainment and recreation information, including an electronic bulletin board with information, news, advice, and strategies about electronic, computer and video games; Casino services; Provision of entertainment facilities; Rental of recreational and gaming machines; Amusement park services.

b) EUTM No 17 959 060 for the figurative mark



filed on 20 September 2018 and registered on 11 January 2019 for goods in Classes 9 and 28.

4 By decision of 28 January 2020 ('the contested decision'), the Opposition Division upheld the opposition for all the contested goods and services, rejected the application in its entirety and ordered the applicant to bear the costs. It gave, in particular, the following grounds for its decision:

- Based on earlier EUTM No 13 500 053, all the goods and services are identical. All the contested goods in Class 9 are included in the broad category of the earlier 'software'. The contested 'entertainment services' in Class 41 are identically contained in both lists and the remaining contested 'interactive entertainment services; gambling services; game services provided on-line from a computer network' are included in, or overlap with, the broad category of the earlier 'entertainment' in the same class. They are directed at the public at large and also at specialists, such as IT professionals. The degree of attention varies from average to higher than average.
- The verbal elements 'HALLO' and 'WIN' of the earlier mark are meaningful in some territories, for example where English is understood. For a substantial part of the non-English speaking public, such as for at least part of the Spanish and Italian speakers, both 'HALLO' and 'WIN' are meaningless.
- The word element 'HALLOWEEN' in the contested sign is an English word referring to a celebration in connection with All Saints' Day. It will also be associated with this meaning by the Spanish and Italian public, due to its extensive and common use worldwide. The verbal elements 'HALLO WIN' of the earlier mark are likely to be understood with the same meaning, due to the identical pronunciation and the fact that Spanish and Italian consumers may not be fully aware of the correct spelling of this English word. These elements have no direct meaning in relation to the relevant goods and services.
- The element 'JACK' in the contested sign will most probably be perceived as a foreign given name by the Spanish and Italian consumers and it is distinctive. The word 'ZITRO' of the earlier mark, which appears in much smaller, rather standard letters in red, is meaningless for these consumers and is also distinctive.

- The element ‘HALLO WIN’ overshadows the other verbal element of the earlier mark by virtue of its central position and size and clearly dominates in the visual perception.
 - Visually, the signs coincide in the sequence of letters ‘HALLOW**N’, placed first in both. They differ in the letters ‘I’/’EE’, the space between the two words in the earlier mark and in the additional verbal elements of the signs (‘ZITRO’ and ‘JACK’), as well as in their colour and stylisation. The signs are visually similar to a below average degree.
 - Aurally, at least for a significant part of the Italian and Spanish public, the elements ‘HALLO WIN’ and ‘HALLOWEEN’ will be pronounced almost identically. The pronunciation differs in the sound of the final verbal element of the contested sign ‘JACK’. The element ‘ZITRO’ is unlikely to be pronounced, due to its small size and the secondary role played by it in the earlier sign. The signs are aurally similar to a high degree.
 - Conceptually, the signs are highly similar.
 - The inherent distinctiveness of the earlier mark is normal.
 - There is a likelihood of confusion on the part of the Italian and Spanish public.
 - As the earlier EUTM No 13 500 053 leads to the success of the opposition and to the rejection of the contested sign for all the goods and services, there was no need to examine the other earlier right.
- 5 On 26 March 2020, the applicant filed an appeal against the contested decision requesting that the decision be annulled in its entirety and the opponent be ordered to bear the costs. The statement of grounds of the appeal was received on 28 May 2020 and the arguments raised therein may be summarised as follows:
- The identity of the goods and services is not challenged, even though most of the goods and services do not completely coincide.
 - The relevant public includes consumers in the European Union as a whole. It is not sufficient to focus the comparison between the signs on the Spanish- and Italian-speaking part of the public.
 - The signs are visually dissimilar to such an extent that there exists no likelihood of confusion. The fact that they coincide in the sequence of some letters does not mean that the signs are visually similar. The signs consist of a different number of letters, different shapes, styles, fonts, sizes and colours of the verbal elements as well as different number and positioning of the words. Even the common letters are placed in a different position, the letters ‘HALLO’ and ‘W*N’ are placed in the centre and at the end of the earlier mark, whereas the letters ‘HALLOW**N’ in the contested sign are placed at the beginning.

- The most dominant and distinguishing parts of the respective signs are the figurative elements (stylisation/colours/sizes) of the words/letters, which are clearly visually dissimilar.
 - Since the goods and services at hand target the general public in the computer/online-gaming community in the European Union as a whole, the relevant consumers have a high degree of attention and are well acquainted with the English language. Halloween is a world-known celebration and the word ‘HALLOWEEN’ in the contested sign will be pronounced with a long vowel and in one word, including by the Spanish- and Italian-speaking public. The space between the most dominant words in the earlier mark ‘HALLO’ and ‘WIN’ implies that they will be pronounced as separate words with a short vowel in the word ‘WIN’. The signs are not aurally similar or are aurally similar to a very low degree.
 - Conceptually, the word ‘HALLOWEEN’ in the contested sign alludes to the celebration of Halloween with its ‘trick or treat’ tradition and dressing up as scary characters, which the following word ‘JACK’ alludes to, e.g. the known serial killer ‘Jack the ripper’. The earlier mark consists of the words ‘ZITRO’, ‘HALLO’ and ‘WIN’ (and ‘LINK’). While the word ‘WIN’ may relate to games, it does not bring to mind the holiday Halloween. Neither does the word ‘HALLO’, which is more closely associated with salutations like ‘HELLO’. Both ‘HALLO’ and ‘WIN’ are commonly used terms in the European Union as a whole including but not limited to the Spanish- and Italian-speaking parts. The signs are not conceptually similar.
 - The relevant goods and services are generally chosen visually. The signs are clearly dissimilar. The low degree of phonetic similarity, if it even exists, does not compensate for the differences in the signs, since the consumer primarily will focus on the signs’ visual impression while choosing a game. When comparing the respective figurative marks in their entirety, the signs are not confusingly similar.
 - There is no likelihood of confusion.
- 6 The opponent did not file any observations in reply to the appeal.

Reasons

Article 8(1)(b) EUTMR

- 7 According to Article 8(1)(b) EUTMR, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for must 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. A likelihood of confusion lies in 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 (22/06/1999,

C-342/97, *Lloyd Schuhfabrik*, EU:C:1999:323, § 17; 29/09/1998, C-39/97, *Canon*, EU:C:1998:442, § 29).

Relevant public and territory

- 8 The opposition is based on two earlier EUTMs. The Board will first assess the opposition in relation to earlier EUTM No 13 500 053 (see paragraph 3, letter a) above), in the same way as the Opposition Division did.
- 9 The relevant territory for analysing the likelihood of confusion is the European Union including all its Member States. Contrary to what the applicant argues, for an EUTM application to be refused registration, it is sufficient that the relative ground of Article 8(1)(b) EUTMR exists in only part of the European Union (05/02/2020, T-44/19, *TC Touring Club*, EU:T:2020:31, § 84), for example, for the Italian- and Spanish-speaking public.
- 10 The relevant public for the identical goods and services consists of the public at large and professionals in the field of entertainment. The level of attention of the professional public would be high, whereas that of the average consumer would vary from average to high, depending on the nature of the goods and services concerned, and in particular their price and their technological character (22/02/2018, T-210/17, *Triple Turbo / Zitro Turbo 2*, EU:T:2018:91, § 17-18; 28/11/2017, T-31/16, *Juwel*, EU:T:2017:845, § 20; 19/04/2016, T-326/14, *Hot Joker / Joker*, EU:T:2016:221, § 45; 08/09/2011, T-525/09, *Metronia*, EU:T:2011:437, § 37-39).

Comparison of the goods and services

- 11 Neither of the parties provided particular arguments against the Opposition Division's findings on the identity between the conflicting goods and services in Classes 9 and 41. The Board agrees with the reasoning in the contested decision (see page 3) and refers to it in order to avoid repetition, bearing in mind that it may adopt the grounds of a decision taken by the Opposition Division, which thus make up an integral part of the reasons for the Board's own decision (19/04/2016, T-326/14, *Hot Joker / Joker*, EU:T:2016:221, § 24; 11/09/2014, T-450/11, *Galileo*, EU:T:2014:771, § 35; 13/09/2010, T-292/08, *Often*, EU:T:2010:399, § 48).

Comparison of the signs

- 12 In the comparison of the signs, the likelihood of confusion must be determined by means of a global appraisal of the visual, phonetic and conceptual similarity of the signs, on the basis of the overall impression given by them, bearing in mind in particular their distinctive and dominant components (11/11/1997, C-251/95, *Sabèl*, EU:C:1997:528, § 23).
- 13 With regard to the assessment of the dominant character of one or more given components of a complex trade mark, account must be taken, in particular, of the intrinsic qualities of each of those components by comparing them with those of

other components. In addition and accessorially, account may be taken of the relative position of the various components within the arrangement of the complex mark (23/10/2002, T-6/01, Matratzen, EU:T:2002:261, § 35).

- 14 The signs to be compared are the following:

	
<p style="text-align: center;"><i>Contested sign</i></p>	<p style="text-align: center;"><i>Earlier mark</i></p>

- 15 The earlier mark is a figurative mark consisting of the verbal elements ‘HALLO WIN’, depicted in bold stylised uppercase characters coloured in yellow and orange, the initial letter ‘H’ and the ending letter ‘N’ in larger font. On top of the left stroke of the letter ‘H’ appears the word ‘ZITRO’, in rather standard red block letters, in significantly smaller, almost illegible font.
- 16 The contested sign is also a figurative mark that consists of the verbal elements ‘HALLOWEEN JACK’ depicted in stylised white uppercase characters with red bordering, the initial letters ‘H’ and ‘J’ in larger font.
- 17 In a complex trade mark, the consumer is usually directed primarily to the verbal part as a reference point (23/05/2019, T-837/17, SkyPrivate, EU:T:2019:351, § 39). In the present case, the figurative features of both signs are limited to the stylisation of the word elements in colour, which will be perceived as majorly decorative (15/12/2009, T-412/08, Trubion, EU:T:2009:507, § 45; 27/10/2016, T-37/16, Caffè Nero, EU:T:2016:634, § 42).
- 18 In the earlier mark, irrespectively of the fact that part of the relevant public may perceive a meaning in both ‘HALLO’ and ‘WIN’ (the latter in particular when seen in relation to games), a significant part of the Italian- and Spanish-speaking public is also likely to perceive the combination of the verbal elements ‘HALLO’ and ‘WIN’ as a misspelling or a play on words of the term ‘HALLOWEEN’, which refers to the dressing up in costumes and trick-or-treating activities associated with the celebrations on All Saints’ Day, practised also in Italy and Spain. In many parts of the European Union it has become very popular as a more commercial and secular celebration which ‘flew over’ from the United States. Nowadays, Halloween is a well-known celebration in the whole European Union. The Italian- and Spanish-speaking public may, moreover, not be fully aware of the correct spelling of that English word.
- 19 The embellishing yellow and orange colours of the earlier mark further reinforce that perception as the Halloween celebrations typically involve the so-called Jack-o’-lantern, a lantern made from a pumpkin, lit from within by a candle.
- 20 The word ‘ZITRO’, albeit distinctive, is negligible due to its very small size and standard font, such that the term will even go completely unnoticed in the sign as

a whole (22/02/2018, T-210/17, Triple Turbo / Zitro Turbo 2, EU:T:2018:91, § 35).

- 21 Therefore, the dominant element of the earlier mark consists of the elements ‘HALLO’ and ‘WIN’ due to their position, typeface and size.
- 22 In the contested sign, both the words ‘HALLOWEEN’ and ‘JACK’ are visually relevant, albeit that ‘HALLOWEEN’ appears in first position and has twice as many letters as ‘JACK’.
- 23 Both terms as such are distinctive. ‘HALLOWEEN’ will be perceived as described in paragraph 18 and ‘JACK’ can be perceived by part of the Spanish- and Italian-speaking public as a given (English) male name. That part of the relevant public that has a good understanding of English and also of the terminology related to Halloween, may associate the element ‘JACK’ when seen together with ‘HALLOWEEN’ with the above mentioned ‘Jack-o’-lantern’ (see paragraph 19).
- 24 However, part of the professional public in the entertainment sector, and even part of the general public acquainted with games, may also perceive the word ‘JACK’, when seen in relation to gaming, as an allusion to the well-known card game ‘Black Jack’ (06/03/2015, Black Jack TM, T-257/14, :EU:T:2015:141, § 38) in which case the element can have a somewhat allusive connotation.
- 25 **Visually**, the signs coincide in the sequence of letters ‘HALLOW*/**N’, forming the (co-)dominant elements of both signs. They differ in the letters ‘I’/‘EE’ and the space between the two verbal elements of the earlier mark, as well as in their decorative colour and stylisation.
- 26 Even though the additional word ‘JACK’ in the contested sign is visually relevant, the coincidence with the earlier mark appears in its first element ‘HALLOWEEN’, and it is recalled that consumers generally pay more attention to the beginning of a sign (09/09/2019, T-680/18, Lumin8, EU:T:2019:565, § 35).
- 27 The small verbal element ‘ZITRO’ has, as reasoned above, a negligible role in the overall perception of the earlier mark.
- 28 What matters in the assessment of the visual similarity of two word marks, or of the verbal elements of complex marks, is the presence, in each of them, of several letters in the same order (29/01/2020, T-239/19, Encanto, EU:T:2020:12, § 27; 21/01/2015, T-685/13, Blueco, EU:T:2015:38, § 33). The differing letters ‘I’/‘EE’ and the space between the verbal elements of the earlier mark are insufficient to counterbalance the visual similarity created by all the remaining identical letters ‘HALLOW*/**N’, also taking into account that consumers only rarely have the chance to make a direct comparison between the marks.
- 29 It follows that, visually, the signs are similar to an average degree.
- 30 **Aurally**, at least for a significant part of the Italian- and Spanish-speaking public, the verbal elements ‘HALLOWEEN’ and ‘HALLO WIN’ will be pronounced in a

highly similar and almost identical way. The pronunciation differs in the sound of the second verbal element of the contested sign ‘JACK’, which has no counterpart in the earlier mark. The element ‘ZITRO’ is unlikely to be pronounced due to its negligible size in the composition of the earlier mark (22/02/2018, T-210/17, Triple Turbo / Zitro Turbo 2, EU:T:2018:91, § 57).

- 31 The signs are aurally similar to an above average degree.
- 32 **Conceptually**, as reasoned above, the verbal elements ‘HALLOWEEN’ and ‘HALLO WIN’ are similar insofar as they will be associated with the same concept of Halloween by a significant part of the Italian- and Spanish-speaking public. The word ‘JACK’ in the contested sign may also be linked to the Halloween celebrations by part of the public (see paragraph 23) or, if perceived as a name, it does not relate to any particular concept (29/06/2019, T-268/18, Luciano Sandrome, EU:T:2019:452, § 85), whereas if perceived as somewhat allusive to a card game (see paragraph 24), its conceptual impact will not be determining. The negligible word ‘ZITRO’ in the earlier mark has no meaning.
- 33 Therefore, the signs are conceptually similar at least to an above average degree.

Distinctiveness of the earlier marks

- 34 The opponent did not claim that its earlier marks are particularly distinctive by virtue of their intensive use or reputation. Consequently, the assessment of the distinctiveness of earlier EUTM No 13 500 053 will rest on its distinctiveness per se.
- 35 The earlier mark as a whole has inherently a normal degree of distinctive character since it does not have an apparent meaning in relation to the earlier goods and services for a significant part of the Italian- and Spanish-speaking public that would perceive the verbal elements ‘HALLO WIN’ as a misspelling or a play on the word ‘HALLOWEEN’.

Global assessment

- 36 The appreciation of likelihood of confusion on the part of the public depends on numerous elements and, in particular, on the recognition of the earlier mark on the market, the association which can be made with the registered mark, the degree of similarity between the marks and between the goods or services identified. It must be appreciated globally, taking into account all factors relevant to the circumstances of the case (22/06/1999, C-342/97, Lloyd Schuhfabrik, EU:C:1999:323, § 18; 11/11/1997, C-251/95, Sabèl, EU:C:1997:528, § 22).
- 37 Such a global assessment of a likelihood of confusion implies some interdependence between the relevant factors, and in particular, the similarity between the trade marks and between the goods or services. Accordingly, a greater degree of similarity between the goods or services may be offset by a lower degree of similarity between the marks, and vice versa (22/06/1999, C-342/97, Lloyd Schuhfabrik, EU:C:1999:323, § 20; 11/11/1997, C-251/95, Sabèl, EU:C:1997:528, § 24; 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).

- 38 In the present case, the contested goods and services in Classes 9 and 41 are identical to the goods and services of the earlier mark. The relevant public consists of the public at large and professionals with an average to high degree of attention. The signs are visually similar to an average degree and aurally and conceptually similar to an above average degree on account of the perception of the verbal elements ‘HALLO WIN’ as a misspelling (or play on words) of ‘HALLOWEEN’ by a significant part of the Italian- and Spanish-speaking public for whom these elements are phonetically highly similar and almost identical.
- 39 Therefore, in view of the interdependence principle and the overall similarity between the signs and the identity between the goods and services, also bearing in mind the earlier mark’s normal degree of distinctiveness, it is likely that a significant part of the Italian- and Spanish-speaking public, even if more attentive, could be led to believe that the relevant goods and services come from the same undertaking or economically-linked undertakings.
- 40 Even with regard to a public with a high level of attention, the fact remains that the members of the relevant public only rarely have the chance to compare the various marks directly and must therefore rely on their imperfect recollection of them (19/04/2016, T-326/14, Hot Joker / Joker, EU:T:2016:221, § 80; 28/05/2020, T-333/19, GN Genetic Nutrition Laboratories, EU:T:2020:232, § 59).
- 41 Since the opposition succeeds in its entirety based on earlier EUTM No 13 500 053, there is no need to examine the other earlier mark invoked.
- 42 The appeal shall be dismissed.

Costs

- 43 Since the applicant (appellant) is the losing party within the meaning of Article 109(1) EUTMR in this appeal, it must be ordered to bear the costs incurred by the opponent (defendant) in the appeal proceedings. The Opposition Division correctly decided that the applicant (appellant) shall bear the costs of the opposition proceedings.

Fixing of costs

- 44 In accordance with Article 109(1) and (7) EUTMR and Article 18(1)(c)(i) and (iii) EUTMIR, the Board fixes the amount of costs to be paid by the applicant (appellant) to the opponent (defendant) for the representation costs in the appeal proceedings at EUR 550 and with respect to the opposition proceedings at EUR 300. In addition, the applicant (appellant) shall reimburse to the opponent (defendant) the opposition fee of EUR 320. The total amount is EUR 1 170.

Order

On those grounds,

THE BOARD

hereby:

- 1. Dismisses the appeal;**
- 2. Orders the applicant (appellant) to bear the costs of the appeal proceedings;**
- 3. Fixes the amount of costs to be paid by the applicant (appellant) to the opponent (defendant) for the opposition and appeal proceedings at EUR 1 170.**

Signed

D. Schennen

Signed

R. Ocquet

Signed

C. Bartos

Registrar:

Signed

H.Dijkema

