

**DECISION
of the Fourth Board of Appeal
of 26 June 2020**

In Case R 29/2019-4

GLOBO S.p.A SERVIZI COMMERCIALI

Via D. Alighieri, 56
37031 Illasi (Verona)
Italy

Applicant / Appellant

represented by MACCALLI & PEZZOLI S.r.l., Via Settembrini, 40, 20124 Milano,
Italy

v

LEGO Juris A/S

Koldingvej 2
7190 Billund
Denmark

Opponent / Defendant

represented by BOMHARD IP, S.L., C/Bilbao, 1, 5º, 03001 Alicante, Spain

APPEAL relating to Opposition Proceedings No B 2 882 440 (European Union trade
mark application No 6 125 197)

THE FOURTH BOARD OF APPEAL

composed of D. Schennen (Chairman), C. Bartos (Rapporteur) and E. Fink (Member)

Registrar: H. Dijkema

gives the following

Decision

Summary of the facts

- 1 By an application filed on 2 December 2016, the appellant sought to register the sign



for the following list of goods:

Class 28 – Toys, games, playthings and novelties; Wooden toys; Playground apparatus made of wood; Children's playhouses; Doll houses; Children's playhouses; Children's playhouses; Construction toys; Toy building block sets; Toy building components; Construction toys; Scale model buildings [toys]; Blocks (Building -) [toys]; Blocks (Building -) [toys]; Blocks (Building -) [toys]; Craft model kits; Multi-part construction toys; Wooden toy building blocks; Toy building blocks capable of interconnection; Doll house furniture; Doll house furnishings; Matryoshka dolls [wooden nested Russian dolls]; Wooden pieces for shogi game (koma); Board games; Toy cars; Toy vehicle tracks; Train sets; Model train layouts; Rocking toys; Rocking horses; Sporting articles and equipment; Toy bicycles; Wooden toy bicycles; Decorations for Christmas trees.

- 2 On 21 April 2017, the defendant filed an opposition against the EUTM applied for, on the basis of Article 8(1)(b) and Article 8(5) EUTMR, relying on:
 - a) EUTM No 39 800

LEGO

registered on 5 October 1998 and duly renewed, relied upon for some goods, for which reputation in the EU was claimed, namely:

Class 28 – Games and playthings; decorations for Christmas trees.

- b) EUTM No 54 205

LEGOLAND

registered on 5 October 1998 and duly renewed, relied upon for some goods, for which reputation in the EU was claimed, namely:

Class 28 – Games and playthings; decorations for Christmas trees.

- 3 On 31 July 2017, the defendant filed arguments and evidence in support of the opposition, in particular a very large amount of documentation on the 'LEGO' brand in Europe.
- 4 The appellant requested that the defendant prove genuine use of its earlier trade mark No 54 205, LEGOLAND, mentioned above under paragraph 2b).
- 5 The defendant filed, after being invited by the Office pursuant to Article 47(2) EUTMR, a large amount of further evidence to prove the genuine use of this earlier trade mark.

- 6 The appellant filed its reply, arguing that the evidence did not suffice to prove genuine use of the earlier trade mark No 54 205, LEGOLAND for the Class 28 goods and that the earlier signs were not confusingly similar to the contested sign.
- 7 By decision of 12 November 2018 (the ‘contested decision’), the Opposition Division upheld the opposition for all the contested goods based on Article 8(5) EUTMR and the earlier trade mark No 39 800 mentioned above under paragraph **Error! Reference source not found.****Error! Reference source not found.**, and awarded costs in favour of the defendant.
- 8 Since the opposition was well founded under Article 8(5) EUTMR, it was not necessary to examine the remaining ground of Article 8(1)(b) EUTMR with respect to earlier trade mark No 39 800, LEGO, nor the opposition based on earlier trade mark No 54 205, LEGOLAND.

Submissions and arguments of the parties

- 9 The appellant filed a notice appeal against the contested decision in its entirety duly followed by a statement of grounds, requesting that the decision be set aside and that the application be allowed to proceed to registration for all the goods applied for.
- 10 The appellant argues that the conflicting signs are dissimilar not only conceptually but also visually and aurally. Visually, the earlier sign consists of the word ‘LEGO’, while the contested sign is figurative and consists of an irregular rectangle resembling a handmade wooden sign and the word ‘LEGNOLAND’ appearing inside, represented in a highly stylised font in upper-case letters. Above the second ‘L’ letter is a stylised representation of a tree. The figurative elements are more distinctive than the wording, and serve all the more to differentiate the signs since the earlier trade mark is a word mark.
- 11 In Italian the word *legno* means ‘wood’, and the contested trade mark intends to convey to consumers the message that the toys sold under the ‘LEGNOLAND’ brand are all made of wood. This message is emphasised by the graphic element depicting a ‘tree’ which allows the message to be perceived also by consumers who do not understand Italian, and by the handmade ‘wooden’ sign. The fact that the mark applied for clearly refers to wooden items contrasts with the fact that ‘LEGO’ bricks are plastic, and this is also relevant in the evaluation of the ‘risk of injury’. The opponent’s ‘LEGO’ brand is immediately associated with its well-known plastic bricks.
- 12 Aurally the signs are also different. The earlier mark consists of a four-letter and disyllabic word, LE/GO, while the verbal element in the trade mark applied for is a nine-letter and trisyllabic word, LE/GNO/LAND. They only share three out of nine letters in the same sequence. The impact of the letter ‘O’, i.e. the fourth in the earlier sign and the fifth in the contested sign is affected by the pronunciation of the sequence of the consonants ‘GN’. The syllables ‘GNO’ and ‘GO’ have substantially different pronunciations and sounds. The fact that the contested

mark begins with the three letters ‘LEG’ is not sufficient to conclude that the signs are aurally similar, as it is inappropriate to consider the words ‘-NOLAND’ as the ‘ending’ of the contested trade mark.

- 13 The absence of any similarity is further confirmed by the circumstance that the use of the trade mark ‘LEGNOLAND’ (for wooden products) has peacefully coexisted with the ‘LEGO’ registered trade mark (for ‘LEGO’ products) in the marketplace at least since 2002 and since at least 2012 ‘LEGNOLAND’ products are available on the global online store ‘Amazon’, as evidenced by the screenshots it purports to file in evidence for the first time showing some (10) products for sale on Amazon.it, Amazon.fr or Amazon.de, first made available from between 2012 and 2014.
- 14 Since the conflicting signs under comparison are not confusingly similar, there is no basis to conclude that the relevant section of the public will establish a link between them. Therefore, in absence of at least one of the grounds for refusal provided for under Article 8(5) EUTMR, the opposition under Article 8(5) EUTMR should be rejected.
- 15 Even if the conflicting signs were held to be similar, the appellant has due cause to use the trade mark applied for because the word ‘LEGNO’ means ‘wood’ in Italian and it is entitled to use the sign to indicate to the public that the products are made of wood.
- 16 The defendant filed observations in reply, arguing that the appeal should be dismissed and the costs awarded in its favour.
- 17 It argues that the signs are similar irrespective of whether *legno* is understood (which only concerns Italian-speakers anyway), that the tree symbol in the contested mark will be perceived as nothing more than a decoration and consumers who do not speak Italian will not understand the word *legno* as meaning ‘wood’ solely because of the depiction of a stylised tree in the contested mark. The Opposition Division correctly confirmed that the mark applied for mimicked the structure of the name of the theme park ‘LEGOLAND’. Overall, the conflicting signs are similar. As for the letter string ‘GN’, it will be pronounced as two separate consonants (at least by the English-, German-, Spanish-, Portuguese-, Czech- and Slovak-speaking public), limiting the aural difference – once again – to the additional letter ‘N’. The argument concerning the supposed coexistence is unsubstantiated and irrelevant. Ten instances of sales in only three national websites (Italy, France, Germany) show an occasional and partial offering over a few years, which is not enough for coexistence on those markets let alone the entire EU. Furthermore, the defendant has also opposed the appellant’s Italian trade mark application for the same goods and sign as here, so it cannot be said that the contested trade mark has been tolerated. Nor does inactivity in policing the market lead to a forfeiture of rights. Finally, there is no due cause, in particular since ‘LEGNO’ is not understood outside Italy, and also because the descriptive character of part of a sign does not equate to due cause to use it in the sense of Article 8(5) EUTMR.

Reasons

- 18 The appeal is admissible and but not well founded.
- 19 The opposition succeeds on the grounds of Article 8(1)(b) EUTMR for all the contested goods.

I. Admissibility of the evidence filed on appeal

- 20 Together with its statement of grounds, the appellant submitted evidence in relation to its argument regarding peaceful co-existence between the conflicting trade marks.
- 21 In accordance with Article 27(4) EUTMDR, the Board may accept facts or evidence submitted for the first time before it only where those facts or evidence meet the following requirements: a) they are, on the face of it, likely to be relevant for the outcome of the case; and b) they have not been produced in due time for valid reasons, in particular where they are merely supplementing relevant facts and evidence which had already been submitted in due time, or are filed to contest findings made or examined by the first instance of its own motion in the decision subject to appeal.
- 22 In the case at hand, the issue of alleged peaceful co-existence was not raised by the appellant before the Opposition Division, and accordingly the evidence filed in this respect for the first time before the Board cannot said to supplement any facts or evidence already submitted in due time. The appellant gives no reason, valid or otherwise, why this evidence was not filed at first instance within the time limit granted to it for observations in relation to the opposition, nor is the evidence filed to contest findings made or examined by the first instance of its own motion in the contested decision.
- 23 In view of the above, the Board finds that this evidence is inadmissible. Moreover, it is, on the face of it, not relevant for the outcome of the case, since the argument concerning peaceful co-existence is manifestly unfounded, for the reasons set out below.

II. The opposition based on earlier trade mark No 39 800, LEGO (paragraph 2a)

1. Article 8(1)(b) EUTMR

- 24 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).

25 The Board will first examine this ground on the basis of earlier EUTM No 39 800 (paragraph 2(a) above). Since this is protected in the EU, the relevant territory for analysing the likelihood of confusion is the EU, and in line with the unitary character of the EUTM system, a likelihood of confusion in part of the EU suffices to uphold an opposition. In the case at hand, the Board will conduct the analysis from the perspective of the Danish- and English- speaking public, who is not familiar with the Italian language. The conflicting goods address the public at large, who will display an average level of attention with regard to the goods at issue, which while not constituting everyday purchases are normally not particularly expensive and are purchased quite regularly, as children grow and normally require new games and playthings to maintain their interest.

a) Comparison of the goods

26 Since the appellant did not request the defendant to prove genuine use of this earlier trade mark, all the goods for which it is registered must be taken into consideration when comparing the goods.

27 First of all, the term ‘playthings’ is a synonym for ‘toys’ (<https://www.merriam-webster.com/dictionary/plaything>, 23/06/2020).

28 Both lists contain ‘decorations for Christmas trees’; these goods are identical.

29 All remaining goods applied for with the exception of ‘sporting articles and equipment’ are either games or playthings (toys) or fall within this broad category of goods. Consequently, these goods are identical.

30 While the General Court held in its judgment of 4 December 2019, T-524/18, BILLABONG, EU:T:2019:838, at § 44-46, 51, that ‘sporting articles’ are dissimilar to ‘games’, it confirmed in § 40 similarity between ‘sporting articles’ and ‘toys’, ‘[s]ince there is nothing in the case file which calls into question the ... similarity of the goods at issue’, i.e. the similarity between ‘sporting articles’ and ‘toys’. Neither can the Board see any arguments in this file which would call into question the Courts assessment in said judgment and the assessment in decision of 21 June 2018 in Case R 2235/2017-4, Billa/BILLABONG et al., and of 21 September 2017 in Case B 2 210 329, Billa/BILLABONG et al.

31 Consequently, all goods are applied for are either identical or similar to the earlier goods.

b) Comparison of the signs

32 The comparison of the conflicting signs in relation to the visual, aural and conceptual similarities between the signs in question has to take into account the overall impression given by the signs, bearing in mind, in particular, their distinctive and dominant components (11/11/1997, C-251/95, Sabèl, EU:C:1997:528, § 23).

33 The comparison of the conflicting sign shall assess the visual, aural or conceptual similarity of the signs in question, based on the overall impression given by the

marks and bearing in mind, in particular, their distinctive and dominant elements (06/10/2005, C-120/04, Thomson Life, EU:C:2005:594, § 28).

- 34 Contrary to the appellant's arguments, it is settled case-law that where a sign is composed of word elements and figurative elements, the former are, as a rule, more distinctive than the latter, since the average consumer will more easily refer to the goods in question by citing the name rather than describing the figurative element (18/09/2012, T-460/11, Bürger, EU:T:2012:432, § 35; 31/01/2012, T-205/10, La victoria de Mexico, EU:T:2012:36, § 38). This principle is applicable to the case at hand to the contested sign: where additionally the eye-catching white colour of the wording also stands out more than the darker figurative background, and the decorative device on the second 'L' is unlikely to be seen as anything but that, and so not even pronounced. The white wording is also the dominant element of the sign, in terms of being the most eye-catching element, the darker signboard background serving essentially to highlight it.
- 35 Since the earlier trade mark is an EUTM, the relevant territory is the EU. The Board will assess the similarity of the signs from the perspective of the Danish-speaking and the English-speaking relevant public.
- 36 Visually, the earlier sign consists in the word 'LEGO'.
- 37 The contested sign is figurative and consists of the word 'LEGNOLAND' in somewhat stylised white capital letters, the second 'L' of which bears a decorative device of what appears to be a cabbage leaf, on the dark background of what appears to be a rectangular signboard or panel with a screw in each corner, which is set at a slight angle and bears a small shadow underneath and to the right which gives it a slight perspective effect. The figurative elements are not particularly distinctive and have for that reason only a secondary position.
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- Contested sign*
- 38 Although *legno* means 'wood' in Italian, there is no hint that non-Italian speakers in the European Union will understand this meaning, nor can the Board see any grounds for such an assertion. Accordingly, at least for the Danish-speaking and the English-speaking public, this word element in the contested sign has no meaning whatsoever, and will be seen as fanciful.
- 39 The same cannot be said for the word 'LAND', which for at least the Danish-speaking and English-speaking public will at once be understood as a reference to a large sales outlet (02/10/2019, R 97/2019-4 Lottoland / LOTTO, § 28; 21/06/2017, R 1765/2016-4, HolzLand, § 14-15) or to a theme park. As such, 'LAND' will be seen by a significant part of the relevant public in the EU as merely denoting the type of sales or services outlet, and as less distinctive than the meaningless 'LEGNO', which will be the most distinctive element in the sign.
- 40 Visually, the signs share the same first three letters 'LEG' followed by the letter 'O' (directly, in the case of the earlier sign, and after the intervening letter 'N' in the contested sign), while the contested sign bears this 'N' as well as the final word 'LAND', which renders it longer and which have no counterparts in the

earlier sign. The figurative elements of the sign applied for have no counterparts in the earlier sign; however, they are only secondary and do not play an important role in the visual comparison. Taking into consideration the differences as well as the commonalities, the signs are visually similar to an average degree.

- 41 Aurally, the contested sign will be pronounced by part of the relevant public in the entire European Union in three syllables, namely [lɛg|nɔ̃|land]. The earlier sign will be pronounced in two syllables as [lɛ|gɔ̃]. There is no phonetic counterpart in the earlier sign to the final [land] nor to the [n] of the contested sign, but the beginning of each sign consists of the identical letters [lɛg] and the pronunciation of the syllables [lɛg|nɔ̃] and [lɛ|gɔ̃] will be almost identical, at the very least for the Danish-speaking and the English-speaking public. The figurative elements of the contested sign will not be pronounced. Overall, the signs are similar to an average degree.
- 42 Conceptually, the contested sign has no meaning as a whole for the relevant Danish-speaking and English-speaking public, so no conceptual comparison can be undertaken.
- 43 Accordingly, the arguments by the appellant that the conflicting signs are not similar bear no merit. Indeed, given the near identity between the earlier sign ‘LEGO’ and the most distinctive element (the word ‘LEGNO’) in the contested sign, the relevant similarity between the signs is high.

c) Global Assessment

- 44 A 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 trade mark, the greater the risk of confusion, and trade 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).
- 45 The defendant claimed and duly proved the reputation (i.e. a high level of enhanced distinctiveness) of the earlier mark for the goods ‘games and playthings’. The appellant does not contest this, nor can the Board see any basis for doing so. The conclusions of the contested decision in this regard are also endorsed.
- 46 Regardless of the enhanced distinctive character of the earlier trade mark with respect to ‘games and playthings’, due to the average level of attention of the relevant public, the similarity and identity of the goods and the visual and aural average similarities of the signs, a likelihood of confusion exists in the sense of Article 8(1)(b) EUTMR for at least the Danish-speaking and English-speaking public for all the contested goods.

- 47 As for the assertion that an alleged peaceful co-existence between the conflicting trade marks, this bears no merit. As set out above, the new evidence purportedly relied upon appeal is inadmissible. Accordingly, this argument is a bare assertion with no substantiation whatsoever, and cannot succeed.
- 48 In any case, this argument on the alleged facts lacks logical coherence, and fails. The fact that some products might have been offered for sale on Amazon websites in Italy, France and Germany does not show co-existence in the remaining Member States of the European Union (i.e. any supposedly reduced likelihood of confusion would not exist for the relevant public in Member States where coexistence has not been proven, e.g. Denmark, Ireland, Malta and other Member States where the public at large has a good command of the English language, such as Sweden or the Netherlands).
- 49 In addition, peaceful co-existence concerns the likelihood of confusion, and concerns the perception of the relevant public. In the case at hand, without also convincing corroborative proof of the extent of sales (which is absent), it cannot be said that any substantial part of the relevant public in these territories (the public at large) even knew that the contested sign was being used for such goods, so the argument of coexistence also fails for that reason: it is a pre-requisite for a claim of coexistence to show that the relevant public has encountered both the contested EUTM and the earlier trade mark on the market (02/10/2013, T-285/12, Boomerang, EU:T:2013:520, § 54-60). In this regard, the Board adds that on Amazon websites there are countless products, and merely selling goods there certainly does not constitute proof that any substantial part of the relevant public even knew about any such offers or sales. Also, regardless as to when products were first made available, it is entirely possible that for intervening periods they were not available, so the arguments do not even show constant uninterrupted sales of products.
- 50 Fourthly, it appears that the appellant conflates knowledge of the existence of the contested trade mark by some of the relevant public in a few EU Member States with alleged or imputed knowledge by the defendant, which for the reasons explained above completely misses the point. In any case, no prior knowledge by the defendant of the alleged sales has been shown, and cannot be imputed, for the same reasons as set out in relation to the relevant public. In the absence of knowledge, any coexistence on a given marketplace cannot be said to be peaceful in any relevant sense.
- 51 Fifthly, as set out in its observations, far from tolerating the use of the contested trade mark in Italy, the defendant has opposed its registration. This cannot be deemed to be tolerance or peaceful coexistence by any stretch of the imagination.
- 52 For all these reasons, the argument concerning peaceful coexistence must be rejected.

2. Article 8(5) EUTMR

- 53 Since the opposition succeeds in its entirety on the basis of Article 8(1)(b) EUTMR, there is no need to deal with Article 8(5) EUTMR.

III. The opposition based on earlier trade mark No 54 205, LEGOLAND (paragraph 2a)

- 54 Since the opposition based on earlier trade mark No 39 800 is already successful, there is no need to deal with the other earlier trade mark.

IV. Result

- 55 The appeal is dismissed.

Costs

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

Fixing of costs

- 57 In accordance with Article 109(7) EUTMR and Article 18(1)(c)(i) and (iii) EUTMR, the Board fixes the amount of representation costs to be paid by the appellant to the defendant for the appeal proceedings at EUR 550 and for the opposition proceedings at EUR 300, as well as the opposition fee of EUR 320. The total amount being EUR 1170.

Order

On those grounds,

THE BOARD

hereby:

- 1. Dismisses the appeal;**
- 2. Orders the appellant to bear the costs of the appeal and opposition proceedings;**
- 3. Fixes the total amount to be paid by the appellant to the defendant for the appeal and opposition proceedings at EUR 1170.**

Signed

D. Schennen

Signed

C. Bartos

Signed

E. Fink

Registrar:

Signed

H.Dijkema

