

**Mattel successful on appeal in *SCRAMBLE* case
United Kingdom - Squire Patton Boggs (UK) LLP**

**Confusion
Passing off**

April 10 2015

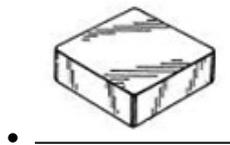
In *JW Spear & Sons Ltd v Zynga Inc* ([2015] EWCA Civ 290, March 27 2015), the Court of Appeal has overturned a High Court decision and found that **Mattel's** Community trademark (CTM) **SCRAMBLE** was valid and had been infringed by **Zynga's** use of the mark **SCRAMBLE** and the **SCRAMBLE WITH FRIENDS** logo.

Mattel, manufacturer of the board game **Scrabble**, sued Zynga, an online social games provider, for trademark infringement and passing off in respect of Zynga's use of the mark **SCRAMBLE** and the following **SCRAMBLE WITH FRIENDS** logo in relation to electronic word games:



Mattel relied on the following CTMs covering Classes 9 and 28 of the [Nice Classification](#) and its unregistered rights in the word 'Scrabble':

- SCRAMBLE
- SCRABBLE



The CTM for the tile was found to be invalid in separate proceedings, so **Mattel** did not rely on it at the trial.

Mattel's board game **Scrabble** has been made available in the European Union since 1954 and **Zynga** commenced trading in 2007 and is now the world's largest social gaming company.

Initially, at the High Court, [Peter Smith J](#) held that **Mattel's** **SCRABBLE** marks were not infringed by use of **Zynga's** marks and there was no passing off. In addition, he also decided that **Zynga's** **SCRAMBLE** marks did infringe **Mattel's** **SCRAMBLE** mark; however, the CTM registration was deemed invalid/or liable to be revoked, on grounds of descriptiveness and as it was already commonly used for word games. Nonetheless, he did find that **Zynga's** use of its **SCRAMBLE WITH FRIENDS** logo infringed **Mattel's** registered **SCRABBLE** rights as the twisted letter 'M' looked like a letter 'B' and, therefore, the first word in the mark read 'Scrabble'.

Both parties appealed.

The Court of Appeal mainly ruled in **Mattel's** favour. It found that **Mattel's** **SCRAMBLE** CTM was valid and, as a result, **Zynga's** **SCRAMBLE** marks did infringe **Mattel's** **SCRAMBLE** mark. It also held that **Mattel's** **SCRABBLE** marks were still not infringed by use of **Zynga's** marks and there was no passing off. However, the initial High Court decision was overturned as it was held by the Court of Appeal that **Zynga's** use of its **SCRAMBLE WITH FRIENDS** logo did not infringe **Mattel's** registered **SCRABBLE** rights.

The main issues dealt with by the Court of Appeal were as follows:

1. Contextual matter extraneous to the mark - **Mattel** argued that the court should take into consideration features extraneous to the mark such as use of the word 'Scrabble' with tiles, numbers, premium word scores and a background "woodland green" colour. **Mattel** relied upon the decision of the Court of Justice of the European Union in [Specsavers International Healthcare Ltd v Asda Stores Ltd](#) (Case C-252/12) where the court decided that, if a mark registered in black and white had been used in a particular colour combination such that the public associates the mark with the colour combination, it can increase the likelihood of confusion between the earlier mark and the allegedly infringing mark. **Mattel** believed that the extraneous features were covered by the *Specsavers*

principle, however Floyd LJ disagreed.

2. Similarity as a threshold question - the Court of Appeal held that there is no minimum threshold of similarity required between the mark and the allegedly infringing mark, for the court to then assess whether there is a likelihood of confusion. This issue arose as the initial decision held that SCRABBLE was not similar to SCRAMBLE or the SCRAMBLE WITH FRIENDS logo. Floyd LJ assessed case law on this subject, agreeing with the *L'Oréal* case (*L'Oréal v Bellure NV* ([2006] EWHC 2355 (Ch))) and confirming that it was overall similarity that was of importance.
3. The descriptiveness of SCRAMBLE - Zynga pleaded that 'scramble' was a common word, used extensively by third parties with respect to physical and electronic board games. Floyd LJ reviewed the evidence submitted, which included the American usage of the term 'word scramble', meaning 'anagram'. Although it was held that 'scramble' was an ordinary word with a number of meanings, Floyd LJ believed that the evidence provided did not prove that in 2007, when the CTM was filed, 'scramble' was a common word in the European Union for a game. He acknowledged the descriptive allusion in the word 'scramble', however he did not consider it sufficient to render it unregistrable.
4. Infringement of SCRAMBLE - as Floyd LJ reinstated the validity of the CTM, he proceeded to conclude that it was infringed by the use of SCRAMBLE and the SCRAMBLE WITH FRIENDS logo. Floyd LJ considered this decision to be uncomplicated as confusion was not just likely, but inevitable. The SCRAMBLE marks and goods were identical, and the addition of 'with friends' in the logo was not sufficient to avoid confusion.
5. Infringement of SCRABBLE - the Court of Appeal disagreed with the initial decision that SCRABBLE and SCRAMBLE were dissimilar. Nonetheless, it held that use of SCRAMBLE did not infringe the SCRABBLE CTMs in respect of electronic games, although an obvious degree of visual, phonetic and conceptual similarity between the marks existed. Floyd LJ examined all of Mattel's evidence, including a number of tweets and game reviews. He put much weight on the extent of side-by-side use, stating that, as Zynga's use of SCRAMBLE had been extensive by the trial date (83,000 daily active users of Scramble With Friends alone by February 2013), he expected far more evidence of confusion to be submitted. Therefore, Floyd LJ did not believe an infringement had occurred as a likelihood of confusion was not established. Floyd LJ also found that if the average consumer read the letter 'M' as a letter 'B' in the SCRAMBLE WITH FRIENDS logo, then there would have been more evidence of actual confusion. Although Mattel also made an infringement claim under Article 9(1)(c), it was rejected by the court as unfair advantage and detriment were not proved.

Although the appeal was a success for Mattel in relation to its SCRAMBLE mark, the case confirms that practitioners cannot make any presumptions in relation to assessing the likelihood of confusion relating to similar marks. In addition, the importance of providing abundant amounts of evidence of confusion is highlighted.

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