

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2198918
BY TBI THE BAY INVESTMENT CO LIMITED
TO REGISTER A TRADE MARK IN CLASSES 32 AND 33**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER No. 50591
BY RED BULL GMBH**

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**IN THE MATTER OF Opposition thereto under No. 50591
BY RED BULL GMBH**

BACKGROUND

1. On 28 May 1999 TBI The Bay Investment Co Ltd applied to register the trade mark HEREFORD BULL in Classes 32 and 33 of the register for the following specifications of goods:-

Class 32:

"Mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages".

Class 33:

"Alcoholic beverages included in Class 33".

2. The application was accepted by the Registrar and published in the Trade Marks Journal. On 7 January 2000 Mewburn Ellis on behalf of Red Bull GmbH filed a Notice of Opposition against the application. In summary, the grounds of opposition were:-

(i) Under Section 5(2)(b) of the Act because the mark applied for is confusingly similar to a number of earlier trade marks owned by the opponent and is to be registered for goods or services identical with or similar to those for which the earlier marks are protected. Details of these earlier trade marks as listed by the opponent are at Annex One to this decision.

(ii) Under Section 5(3) of the Act because the trade mark applied for is similar to the above mentioned trade marks owned by the opponent and is to be registered for some goods and services which are not similar to those for which the opponent's marks are registered and those trade marks have a reputation so that use of the applicants mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier marks.

(iii) Under Section 5(4)(a) of the Act by virtue of the law of passing off.

(iv) Under Section 5(4) of the Act in that the opponent's earlier trade marks are entitled to protection under Article 6 of the Paris Convention and Section 56 of the 1994 Act as the opponent is a national of a convention country and has registered its trade marks and in other convention countries and has made extensive use of these marks in those countries.

(v) Under Section 3(6) of the Act because the application was made in bad faith in view of the use and reputation of the opponents trade marks.

3. The applicants, through their agents Patentsearch Limited, filed a Counterstatement denying the grounds of opposition. Both sides have filed evidence and have asked for an award of costs in their favour. The parties requested that a decision be reached from the papers and evidence on file and did not wish to be heard on the matter.

Opponent's Evidence

4. This consists of two statutory declarations, one each from Dietrich Mateschitz and John Maxfield dated 11 September 2000 and 12 September 2000 respectively.

5. Mr Mateschitz is the Managing Director of Red Bull GmbH (the opponents).

6. Mr Mateschitz states that the energy drink sold under the trade mark RED BULL and device of fighting bulls was initially marketed in Thailand and other Asian countries and he explains that he saw a major global marketing opportunity for marketing the product during a business trip to Thailand. He adds that he became involved with the product in 1982 and agreed to undertake the marketing of it on a worldwide basis, except for the Far East, with sales and promotion taking place initially in Austria and the UK.

7. Mr Mateschitz goes on to state that the opponent's energy drink product was released on the Austrian market in 1987 and was successfully sold under the mark RED BULL and device of fighting bulls. Subsequently global sales took place and the drink can now be bought in fifty five countries worldwide. At Exhibit "DM 1" to his declaration, Mr Mateschitz provides a list showing the dates of first shipment of the product to distribution countries. The UK date is shown as 1993. He adds that, after five years of being sold exclusively in Austria, the product was launched in 1992 in Hungary and 1993 in Scotland and in 1994 a large scale international roll-out began with launches in the UK and Germany. Mr Mateschitz refers to Exhibit DM 2 to his declaration which contains figures of sales of units of RED BULL energy drink worldwide for the years 1988 to 1999. The figure for 1998 (the last full year within the relevant date for these proceedings) is 319,885,983.

8. Mr Mateschitz states that the opponent's have registrations of the RED BULL word mark and RED BULL and double bull device in 165 countries worldwide. He adds that the main channel for penetrating the market for the RED BULL trade mark is electronic media e.g. cinema, television and radio, and Exhibit "DM3" to his declaration contains figures for worldwide media expenses incurred by the Red Bull Group worldwide for the years 1988 to 1999. The 1998 figure is 29,972,692 Euros. Exhibit "DM4" to the declaration is a video of RED BULL commercials shown in English speaking countries. Mr Mateschitz continues,

apart from electronic media, the RED BULL trade mark is also used on other marketing material e.g. flyers, leaflets and displays. Exhibit "DM5" contains figures for the total marketing costs of the Red Bull Group in Euros. The 1998 figure is 81,147,308. Additionally, Mr Mateschitz states that the opponent's marks have been promoted by very substantial international advertising e.g. through sponsorship since 1995 of the RED BULL SAUBER PETRONAS Formula One Racing Car Team. Mr Mateschitz also attaches two market research reports concerning the recognition of the RED BULL trade mark in German and Austria at Exhibit "DM6". These items are in the German language but translations into English have been provided.

9. Mr Maxwell is the Finance and Administration Manager of Red Bull Company Limited (RBCL) which is the exclusive distributor for the opponents within the UK.

10. Mr Maxwell states that the main product of the opponents is a non-alcoholic drink known as RED BULL or RED BULL STIMULATION (the product), but marks consisting of or containing the word BULL or devices of bulls, in various combinations, are used in relation to the product e.g. in advertising or promotional materials. He refers to Exhibit "HFD1" to his declaration which comprises a picture of a can of the product showing the words "RED BULL" above the device of two bulls about to lock horns which, in turn, is above the word "STIMULATION". Mr Maxwell adds that in the rest of Europe the product is sold under the name of "Red Bull Energy Drink" as opposed to "Red Bull Stimulation".

11. Mr Maxwell explains that the product was first sold in the UK in 1994, when test marketing was carried out in Scotland, and that there was a full launch in the UK in 1995. He provides the following approximate sales figures for the product in the UK since 1994:-

Year	UK Turnover (£millions)	Export Turnover (£millions)
1994	0.39	Nil
1995	1.90	Nil
1996	2.50	0.03
1997	5.50	0.08
1998	20.00	4.30
1999	80.00	10.00
2000 (to Sept)	72.00	9.00

12. At Exhibit "HFD 3" to Mr Maxwell's declaration are copies of computer printouts showing summaries of sales of wholesale and retail customers during the period July 1999 to June 2000. This, of course, is after the relevant date for these proceedings, which is 28 May 1999, the date of application for the mark in suit.

13. Mr Maxwell goes on to provide the following approximate figures for advertising expenditure by RBCL for the years 1994 to 2000:-

Year	Approximate Advertising Expenditure (£millions)
1994	0.1
1995	6.0
1996	2.0
1997	3.5
1998	6.5
1999	12.0
2000 (to Sept.)	12.0

14. Mr Maxwell explains that the product is not generally advertised to the public in magazines, but mainly on television and in cinemas. However, he states that much material is provided for retailers and wholesalers. He adds that (Red Bull GmbH and RBCL) sponsor Red Bull Ducati in the Superbikes series and sponsor a Formula One motor racing team.

15. At Exhibit "HFD 4" to Mr Maxwell's declaration are examples of advertising, promotional and point of sale materials issued by RBCL, together with a selection of examples, from the period June to December 1999, of editorial coverage of the Product in the UK press. Most of the published material is accompanied by indications of the name, date and circulation of the publication. However, as mentioned earlier the relevant date for these proceedings is 28 May 1999.

16. Mr Maxwell goes on to refer to Exhibit "HFD 5" to his declaration which comprises copies of stills from three commercials which have appeared on television and in cinemas in the UK, together with schedules of showings. These commercials are identified by the names "Courtroom", "Aladdin" and "Bird". "Courtroom" and "Aladdin" were shown from early 1999 on numerous occasions, prior to the relevant date, but Aladdin was only shown afterwards. The stills show a can of the product - see paragraph 7 of this decision.

17. Mr Maxwell claims that the market share achieved by the product in "the British Isles" is considerable and he refers to the AC Nielson Reports at Exhibit "HFD6" to his declaration. There are three reports: Market Analysis (Data to 20 March 1999); Monthly Report (Data 10 12 June 1999), Quarterly Report (Data to 12 June 1999). Mr Maxwell states that this is a regular independent publication setting the market shares achieved by various soft drink products during the preceding trading period. In the "sports and energy" drinks category in the grocery and impulse market in the UK Mr Maxwell states that, the information shows that the product has a share of 10.9% in Great Britain and 23.6% in Northern Ireland. According

to the Market Analysis Report Red Bull "now has the second highest share behind Lucozade Energy" in the energy and sports drinks category.

Applicants' Evidence

18. This consists of a statutory declaration by Stewart Rayment dated 14 December 2000. Mr Rayment is a partner of Kingsley & Talboys. He has been a trade mark searcher for 18 years and in that capacity he has undertaken searches for TBI The Bay Investment Co Ltd (the applicant).

19. Mr Rayment states that he examined the Trade Marks Register by the Marquesa search system and found 22 substantive BULL marks registered in Class 32 which were not in the name of the opponent. He adds that at least 6 of these (number 152223, BULL BRAND; numbers 1151684 and 1219546, JOHN BULL; number 2100051, SITTING BULL; number 2116823, CRAZY BULL; and 2207437, BULLRING) cover non-alcoholic beverages or fruit juice and he states that number 2212247, BULLSEYE is registered for energy drinks. Mr Rayment concludes that the opponent has no monopoly of the word BULL in Class 32.

20. Next, Mr Rayment turns to Class 33 and states that his examination of the Register reveals 10 substantive BULL marks in Class 33 which were not in the name of the opponent. He concludes that the opponent has no monopoly of the word BULL in Class 33.

21. Copies of Mr Rayment's search reports are at Exhibits "SGR 2" and "SGR 3" to his declaration.

Opponent's Evidence in Reply

22. This comprises a witness statement dated 5 November 2001 by David Alan Taylor. Who is a trade mark attorney employed by Mewburn Ellis the opponent's representatives.

23. In response to Mr Rayment's declaration, Mr Taylor submits that the state of the register is irrelevant to this case.

24. This completes my summary of the pleadings and evidence filed in this case. I now turn to the decision.

DECISION

25. Firstly, I consider the ground of opposition based upon Section 5(2)(b) of the Act which reads as follows:-

"5.-(2) A trade mark shall not be registered if because -

- (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

- (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

26. An earlier right is defined in Section 6, the relevant parts of which state:-

6.-(1)

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,"

27. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:-

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG*, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* paragraph 27;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*, paragraph 23;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*, paragraph 23;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17;

- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*, paragraph 24;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*, paragraph 26;
- (h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG*, paragraph 41;
- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 29.

28. The reputation of a trade mark is an element to which importance may be attached in Section 5(2) considerations in that it may enhance the distinctive character of the mark at issue and widen the penumbra of protection afforded to such a mark. The opponent has filed evidence relating to the reputation of the mark covered by their prior registrations. Much of this evidence relates to information which falls outside the relevant date for the current proceedings and to information which does not go to UK reputation but rather to international or overseas reputation. However, it is clear from Mr Maxwell's statutory declaration and the exhibits attached thereto, that the opponent has a major presence in the soft drink industry in the UK which is confirmed by sales figures and also independent market research (AC Nielson Market Analysis) showing Red Bull to have the second highest market share in the energy and sports drink category as at 20 March 1999. Furthermore, the opponent's product has been advertised and promoted in a high profile manner e.g. through television advertisements and sponsorship of a Formula One motor racing team. The primary mark used by the opponent comprises the words "Red Bull" over the device of two bulls, which in turn appears over the word "stimulation". However, it appears to me that the words "Red Bull" are prominent in the mark and the mark is often described as a "Red Bull" mark, both in written and oral use. On the evidence before me I conclude that the opponent has a reputation in the two trade marks:- RED BULL STIMULATION and two bull device; and RED BULL. This reputation is in respect of energy and sports drinks. I will take this into account in my decision.

29. The applicants Class 32 specification covers (inter alia) "other non-alcoholic drinks", which would include energy and sports drinks which are the goods in which the opponent possesses a reputation. Furthermore, the opponent's prior registrations in Class 32, which include the marks RED BULL, RED BULL and two bulls device and RED BULL STIMULATION, all include "non-alcoholic drinks" within their specifications. In relation to Class 32 I have no hesitation in concluding that the applicant's and opponent's specifications cover the same and similar goods. Turning to Class 33, the applicant's specification of goods covers "alcoholic beverages" at large. While the opponent has no reputation in alcoholic beverages, the opponent's earlier registrations in Class 33 also include "alcoholic beverages" at large. While my comparisons in relation to the respective Class 33 specifications must be

based on fair and notional use, I have no doubt that the respective Class 33 specifications cover the same and similar goods.

30. While I have no evidence before me on the point, it seems to me that the customer for most soft and some alcoholic drinks ie. the general public, may not, on a relative basis, be sold to a sophisticated or specialised purchaser.

31. In essence the test under Section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the recent judgements of the European Court of Justice mentioned earlier in this decision. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural or conceptual similarity between the marks, evaluating the importance to be attached to those different elements, taking into account the category of goods in question and how they are marketed. In this case I have accepted that the opponent's RED BULL trade mark has a reputation. However, it was held in *Marca Mode v Adidas AG (2000) ETMR 723*:

"The reputation of a mark, where it is demonstrated, is thus an element which, amongst others, may have a certain importance. To this end, it may be observed that marks with a highly distinctive character, in particular because of their reputation, enjoy broader protection than marks with a less distinctive character (*Canon*, paragraph 18). Nevertheless, the reputation of a mark does not give grounds for presuming the existence of a likelihood of confusion simply because of the existence of a likelihood of association in the strict sense."

32. In relation to the Section 5(2)(b) ground the opponent relies upon numerous prior registrations but for the purposes of my decision on this ground I intend to concentrate on three of these registrations:- UK registration number 2012126 for the mark RED BULL in Classes 32 and 33; European Community Trade Mark Registration Number 698720 for the mark Red Bull in Classes 32 and 33; and European Community Trade Mark Registration Number 782383 for the mark Bull in Classes 32 and 33. I do not believe that a comparison of the applicant's mark with the other earlier trade marks belonging to the opponent would put the opponent in any stronger position as the registerability of the applicant's mark must be considered against the cited marks separately. Details of these three registrations are at Annex Two to this decision.

33. The mark applied for consists of the obvious dictionary words HEREFORD BULL. The opponent's registrations consist of the obvious dictionary words RED BULL and also the word BULL. I believe both marks covered by the opponent's registration to have a strong inherently distinctive character in relation to the goods and I do not lose sight of the fact that, earlier in this decision, I have found that the opponent possesses a reputation in the RED BULL trade mark for energy and sports drinks.

34. Turning to a visual and aural comparison of the marks, it seems to me that there is an obvious and major difference in that the first word of the applicant's mark contains the word HEREFORD which I do not believe would be overlooked, ignored, or marginalised in aural or

visual use. While all the marks contain the word BULL, the prominence of the word HEREFORD in the applicant's mark cannot be ignored. On an overall comparison the respective trade marks look and sound different.

35. On a conceptual comparison of the marks, they all contain the word BULL denoting the animal of that name. However, the applicant's mark denotes a bull from Hereford, a geographical location which, it is commonly known, has a reputation for high quality bulls and indeed, the Hereford is a well known breed of beef cattle. The marks of the opponent, on the other hand, denote a bull coloured red or a bull per se. On a conceptual basis I fail to see why the HEREFORD element within the applicant's mark would be unrecognised or would not be retained by the customer and conceptually speaking, there exists a reasonably strong difference between the marks.

36. Notwithstanding the distinctive character of the opponent's marks and the opponent's reputation in the mark RED BULL, I believe, there is no likelihood of confusion by the public in relation to the respective marks given the overall differences.

37. On a global appreciation, taking into account all the relevant factors, I come to the following conclusions on the Section 5(2) ground:-

- (i) The respective specifications of goods include the same and similar goods.
- (ii) The respective marks are visually, aurally and conceptually different.
- (iii) After taking into account the distinctive character of the opponent's registrations, the opponent's reputation and the category of goods and the customer for the goods, the overall differences between the marks makes the possibility of confusion sufficiently remote that it cannot be regarded as a likelihood.

38. The ground of opposition under Section 5(2)(b) fails.

39. I now turn to the grounds of opposition under Section 5(3) of the Act which states:-

5.-(3) A trade mark which -

- (a) is identical with or similar to an earlier trade mark, and
- (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

The term "earlier trade mark" is defined in Section 6 of the Act, which is set out earlier in this decision.

40. The opponent has earlier registrations for goods which are not identical or similar to the goods and services specified in the application in suit. However, I have found that the opponent's reputation is only in relation to energy and sports drinks. These goods are the same and similar to the applicant's goods in Class 32 and therefore Section 5(3) is not relevant in relation to Class 32. While the application in suit includes goods in Class 33, I have found that the opponents do not have a reputation in these goods and that, in any event, there is no likelihood of confusion under Section 5(2). The opponent has, in my view no stronger case under Section 5(3) of the Act and the opposition on this ground fails.

41. Next, I consider the ground of opposition under Section 5(4) of the Act which is pursued in relation to passing off and on the basis that the opponent's marks are entitled to protection as well known trade marks under Article 6 of the Paris Convention and Section 56 of the Trade Marks Act 1994.

42. Section 5(4) reads as follows:

"5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or
- (b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

43. The law on the common law tort of passing off is clearly set out by Geoffrey Hobbs QC, acting as the 'Appointed Person', in *Wild Child* [1998] 14 RPC, 455:

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (i) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

- (ii) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- (iii) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition of 'passing off', and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

44. Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc

complained of and collateral factors; and

- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."

45. Thus, to succeed in a passing off action, it is necessary for the opponents to establish that at the relevant date (28 May 1999); (i) they had acquired goodwill under their mark, (ii) that use of the applicant's mark would amount to a misrepresentation likely to lead to confusion as to the origin of their goods; and (iii) that such confusion is likely to cause real damage to their goodwill.

46. While earlier in this decision I found that the opponent has a reputation in relation to sports and energy drinks I also found that use of their trade marks, actual or on a fair and notional basis would, not result in confusion with the application in suit. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will not occur. The opposition under Section 5(4)(a) of the Act must fail.

47. I turn now to the opponent's claims that their trade marks are entitled to protection as well known marks under Article 6 of the Paris Convention and Section 56 of the 1994 Act.

48. Section 56 of the Act states:-

"56.-(1) References in this Act to a trade mark which is entitled to protection under the Paris Convention as a well known trade mark are to a mark which is well-known in the United Kingdom as being the mark of a person who -

- (a) is a national of a Convention country, or
- (b) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,

whether or not that person carries on business, or has any goodwill, in the United Kingdom.

References to the proprietor of such a mark shall be construed accordingly.

(2) The proprietor of a trade mark which is entitled to protection under the Paris Convention as a well known trade mark is entitled to restrain by injunction the use in the United Kingdom of a trade mark which, or the essential part of which, is identical or similar to his mark, in relation to identical or similar goods or services, where the use is likely to cause confusion.

This right is subject to Section 48 (effect of acquiescence by proprietor of earlier trade

mark).

(3) Nothing in subsection (2) affects the continuation of any *bona fide* use of a trade mark begun before the commencement of this section."

49. A likelihood of confusion is pre-requisite under this ground and in view of my earlier findings in relation to the marks at issue, the opponent's are in a no stronger position on this ground. The opposition under Section 56 and Section 5(4)(b) of the Act fails.

50. Finally, the Section 3(6) ground. Section 3(6) states:-

" A trade mark shall not be registered if or to the extent that the application is made in bad faith."

51. In Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd 1999 RPC 367, Lindsay J considered the meaning of "bad faith" in s3(6) of the Act and stated (at page 379):

"I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances."

52. Commenting on this passage from Gromax, Mr Geoffrey Hobbs QC, acting as the Appointed Person, stated in Demon Ale Trade Mark 2000 RPC 355,

"These observations recognise that the expression "bad faith" has moral overtones which appear to make it possible for an application for registration to be rendered invalid under Section 3(6) by behaviour which otherwise evokes no breach of any duty, obligation, prohibition or requirement that is legally binding upon the applicant."

53. Thus bad faith can be exercised where there is no actual dishonesty as such. Have the applicants fallen short of the standards of acceptable commercial behaviour, however? The opponents submit that bad faith existed on the part of the applicants because they were aware of the opponent's trade marks and reputation at the date of application. However, in light of my earlier findings on the other grounds of opposition raised, this ground cannot succeed.

54. In a recent unreported decision of the Appointed Person. In the matter of application No. 2031741 by Eicher Limited - Royal Enfield Motor Units to register a mark in Class 12 and in the matter of opposition thereto under No. 45356 by David Matthew Scott Holder T/a Velocotte Motorcycle Company and in the matter of application No. 9188 by David Matthew Scott Holder T/A Velocotte Motorcycle Company for a declaration of invalidity in respect of Trade Mark No. 1514064 in the name of Eicher Limited - Royal Enfield Motor Units,

paragraph 31, Simon Thorley QC in relation to Section 3(6) stated that:

"An allegation that a trade mark has been applied for in bad faith is a serious allegation. It is an allegation of a form of commercial fraud. A plea of fraud should not lightly be made (see Lord Denning M.R. in Associated Leisure v. Associated Newspapers (1970) 2 QB 450 at 456) and if made should be distinctly alleged and distinctly proved. It is not permissible to leave fraud to be inferred from the facts (see Davy v Garrett (1878) 7 Ch. D. 473 at 489). In my judgment precisely the same considerations apply to an allegation of lack of bad faith made under Section 3(6). It should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference."

55. The opposition under Section 3(6) fails.

56. The applicants are entitled to a contribution towards their costs and I therefore order the opponents to pay them the sum of £350. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 04 day of April 2002

JOHN MacGILLIVRAY
For the Registrar
the Comptroller-General

OPPONENT'S UK TRADE MARK REGISTRATIONS

<u>Number</u>	<u>Mark</u>	<u>Classes</u>	<u>Journal No.</u>	<u>Page</u>
1217524	Red Bull Krating-Daeng & two bulls device	5	5601	120
1217525	Red Bull Krating-Daeng & two bulls device	32	5601	141
1539006	Red Bull & two bulls device	32	6091	6928
1541878	Red Bull Energy Drink & two bulls device	32	6065	1425
1583796	Red Bull Energy Drink & two bulls device	32	6082	4656
2012126	RED BULL	3,5 12 14 16, 18,20,24,25 26,28,29,30, 32,33,34,35, 39,41,42	6201	4656
2030414	Never underestimate what a Red Bull can do	32	6127	5712
2189159	RED BULL STIMULATION	30,32,33	6311	1051

OPPONENT'S COMMUNITY TRADE MARK REGISTRATIONS

<u>Number</u>	<u>Mark</u>	<u>Classes</u>	<u>Bulletin No.</u>	<u>Page</u>
776955	Energy Bull	32,33,42	74/98	521
776971	Bad Bull	32,33,42	74/98	522
777052	Vodka Bull	32,33,42	74/98	527
777078	Funky Bull	32,33,42	74/98	528
777086	Golden Bull	32,33,42	74/98	530
777847	Bullshit	32,33,42	74/98	533

and the following pending applications:

ANNEX ONE (CONT)

698506	Red Bull & two bulls device	1 to 42 inclusive		
698720	Red Bull	1 to 42 inclusive		
1056431	Bull device	25, 32, 33		
52787	Red Bull & two bulls device	3, 5, 9, 12,14, 16, 18, 20, 21, 22, 24, 25, 26, 28, 29, 30, 32, 33, 34, 35, 37, 39, 41, 42	20/99	38
52803	RED BULL	3, 5, 9, 12,14, 16, 18, 20, 21, 22, 24, 25, 26, 28, 29, 30, 32, 33, 34, 35, 37, 41, 42	48/99	52

777003	Black Bull	32, 33, 42	74/98	524
777037	Flying Bull	32, 33, 42	74/98	525
777102	Power Bull	32, 33, 42	74/98	531
782383	Bull	32, 33, 42	74/98	536

ANNEX TWO

UK TRADE MARK REGISTRATION NO. 2012126

MARK:- RED BULL

DATE OF REGISTRATION EFFECTIVE: 1 SEPTEMBER 1994

CLASS 32 AND 33 SPECIFICATIONS:-

Class 32:

Mineral and aerated waters and other non-alcoholic beverages; fruit drinks and fruit juices; syrups and other preparations for making beverages.

Class 33:

Alcoholic beverages (except beers).

EUROPEAN COMMUNITY TRADE MARK REGISTRATION NO. 698720

MARK:- RED BULL

DATE REGISTRATION EFFECTIVE:- 5 DECEMBER 1997

CLASS 32 AND 33 SPECIFICATIONS:-

Class 32:

Beers; mineral and aerated waters and other non-alcoholic drinks; energy and sports drinks; isotonic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages; effervescent tablets and powders for drinks; non-alcoholic cocktails; coffee and cocoa preparations for making alcoholic and non-alcoholic beverages.

Class 33:

Alcoholic beverages (except beers); hot and mixed alcoholic drinks, in particular alcoholic energy drinks, mulled wine and mixed drinks containing milk; wines, spirits and liqueurs; alcoholic preparations for making beverages; cocktails and aperitifs containing spirits or with wine base; beverages containing wine.

EUROPEAN COMMUNITY TRADE MARK REGISTRATION NO. 782383

MARK: BULL

DATE REGISTRATION EFFECTIVE: 16 MARCH 1998

CLASS 32 AND 33 SPECIFICATIONS:-

Class 32:

Mineral and aerated waters and other non-alcoholic drinks; energy and sports drinks; isotonic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages; effervescent tablets and powders for drinks; non-alcoholic cocktails.

Class 33:

Alcoholic beverages (except beers); hot and mixed alcoholic drinks, in particular alcoholic energy drinks, mulled wine and mixed milk drinks; wines, spirits and liqueurs; spirit or wine based cocktails and aperitifs; beverages containing wine.
