TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK REGISTRATION No 1326031 IN THE NAME OF SOREMARTEC S.A.

AND

IN THE MATTER OF AN APPLICATION FOR REVOCATION AND A DECLARATION OF INVALIDITY THERETO UNDER No 9549 BY SOLDAN HOLDING & BONBONSPEZIALITATEN GMBH

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AND

IN THE MATTER OF AN Application for Revocation and a Declaration of Invalidity thereto under No 9549 by Soldan Holding & Bonbonspezialitaten GmbH

BACKGROUND

1. On 30 April 1997, Soldan Holding & Bonbonspezialitaten GmbH of Nurnberg, Germany, applied to revoke and have declared invalid trade mark registration No: 1326031 standing in the name of Soremartec S.A. of Schoppach-Arlon, Belgium. The registration is in respect of the trade mark **KINDER DAYLICIOUS** which stands registered for a specification of goods reading:

"Biscuits, cakes, pastry and confectionery, all included in Class 30".

2. The registration was filed on 5 November 1987 claiming an International Convention priority date of 18 May 1987 from an earlier filing in Italy; the registration procedure was completed on 6 July 1990. I note that the registration is subject to the following disclaimer:

"Registration of this mark shall give no right to the exclusive use of the word "Daylicious".

- 3. The applicants express the basis of their attack in the following terms:
 - "1. Our enquiries have revealed that registration No: 1326031 has not been genuinely used in the UK by the registered proprietor or with its consent on any of the goods for which it is registered during the past five years.
 - 2. It is contended that there are no proper reasons for non-use.
 - 3. That the trade mark was invalidly registered in that it was not at the date of registration distinctive or alternatively it should be revoked as no longer being distinctive.
 - 4. It is therefore contended that the registration offends against Sections 46 and 47 and the applicant therefore requests that the registration is revoked and accordingly removed from the register for all of the goods for which it registered."

- 4. On 13 August 1997, the registered proprietor filed a counterstatement. This reads as follows:
 - "1. Paragraphs 1 and 2 of the Statement of Grounds are denied. The trade mark KINDER has during the five years prior to the date of application for revocation been used by the registered proprietor or with its consent and therefore registration No: 1326031 has been used further to Section 46(2) of the Trade Marks Act.
 - 2. Paragraphs 3 and 4 of the Statement of Grounds are denied. The trade mark was distinctive at the date of registration and is still distinctive. It is denied that the registration offends against Section 46 and 47 of the Trade Marks Act 1994.
 - 3. The registered proprietor therefore requests that in view of the foregoing circumstances (a) that the application for invalidation be dismissed and the registration be upheld, (b) costs in these proceedings be met by the applicants for invalidation, and (c) any alternative or additional relief be awarded to the registered proprietor as appropriate.
 - 4. The registered proprietor also requests that the registrar (a) remove paragraph 3 from the Statement of Grounds in that the applicants seek only to revoke the registration and the grounds set out in paragraphs 3 do not constitute grounds to revoke a registration and (b) remove all references to Section 47 in paragraph 4 of the Statement of Grounds in that the section relates to grounds for invalidity of the registration and the applicants have not requested a declaration of invalidity."
- 5. On 16 August 2001 the applicants sought to amend their Form TM26 to reflect that they were seeking both revocation and invalidation actions in these proceedings, a request to which the registered proprietors did not object and to which the Trade Marks Registry acceded. However, I note that the applicants did not choose to amend their Statement of Grounds to particularise the sub-sections of Section 47 of the Act on which they intend to rely. I shall return to this point later in my decision.
- 6. Both sides seek an award of costs. Both sides filed evidence. The matter came to be heard on 29 May 2002. At the Hearing the registered proprietors were represented by Mr Michael Edenborough of Counsel instructed by Taylor Joynson Garrett, Solicitors; the applicants for revocation and invalidation were represented by Mr Richard Arnold of Her Majesty's Counsel instructed by Boult Wade Tennant, Trade Mark Attorneys and Carpmaels and Ransford, Trade Mark Attorneys.

Registered Proprietors' Evidence

7. This consists of a declaration dated 7 August 1997 by Vivienne Wooll. Ms Wooll states that she is the Manager External Affairs of Ferrero UK Limited, a member company of Ferrero Group (the Group) of which Ferrero SpA of Cuneo, Italy and Soremartec S.A. of Schoppach-Arlon, Belgium are also members (the Companies). Ms Wooll has held her current position since 1985; she confirms that she is authorised to make her declaration on behalf of the companies and that the information in her declaration comes from either her

own knowledge or from the records of the companies to which she has full access. The following points emerge from Ms Wooll's declaration:

- that the KINDER trade mark was first used by the Group in the United Kingdom in 1967 and that the Group have sold the following KINDER products in the United Kingdom: KINDER MILK SLICE, KINDER SURPRISE, KINDER CHOCOLATE, KINDER MAXI, KINDER BUENO and KINDER JOY. These are collectively referred to as the products. Samples of the packaging of the products sold by the Group under the KINDER trade mark are provided in exhibit VW1;
- that products have been sold by the Group under the KINDER trade mark in the
 United Kingdom and that products have been available in branches of at least the
 following retail outlets: Sainsburys, Tesco, Safeway, Gateway, Kwik Save and the CoOp. Exhibit VW2 consists of sample invoices of products sold under the KINDER
 trade mark:
- turnover figures together with the numbers of pieces sold under the trade mark KINDER MILK SLICE are provided from 1985/86 to 1995/96. Sales under the KINDER MILK SLICE trade mark in this period amounted to approximately £4.3m and 17.3m pieces;
- exhibit VW3 consists of a table showing sales in tonnes, consumer units and net revenue of products in the United Kingdom since 1967. I note that the net revenue under the respective trade marks in the periods indicated is as follows: KINDER SURPRISE (eggs) (1980/81 1995/96) £105m; KINDER CHOCOLATE (packs) (1986/87-1995/96) £2.7m; KINDER MAXI (1990/91-1993/94) £313K and KINDER BUENO (1990/91-1995/96) £ 2.9m.
- 8. Ms Wooll concludes her declaration in the following terms:

"It is therefore submitted that the mark KINDER has been genuinely used in the UK during the past five years prior to the application for revocation, 29 April 1997. In addition, use of the mark has been continuous."

Evidence of the Applicants for Revocation/Invalidation

- 9. This consists of a declaration dated 15 October 1998 by David John Rickard. Mr Rickard confirms his position as a trade mark agent, solicitor and a partner in the firm of Boult Wade Tennant. He confirms that his declaration is based on his own knowledge and on documents to which he refers. His declaration is reproduced verbatim below:
 - "2. Now produced and shown to me marked exhibit DJR1 are copy extracts from the 1997 edition of Statistiches Jahrbuch produced by Statistiches Bundesamt. The extracted page 273 relates to tourism in Germany. On page 273 numbers of tourists visiting Germany from various countries are shown for 1996. 1,350,400 tourists from the UK, including Northern Ireland, visited Germany. 2,946,700 nights were spent by UK tourists in Germany. Extracted page 82 shows the number of Germans emigrating

to various countries. In 1996 in excess of 20,000 Germans migrated to the United Kingdom (including Northern Ireland). Also included in exhibit DJR-1 is a copy extract from the 1997 edition of the Austrian Tourist Office Annual Report. In 1997 531,926 tourists from the UK visited Austria. 2,478,040 nights were spent by UK tourists in Austria in 1997.

- 3. Now produced and shown to me marked exhibit DJR-2 are copy extracts from two books available in the United Kingdom namely "German In Three Months" published by Hugo's Language Books Limited and "Ealing Course in German" published by Longman. These books teach German language to English speakers. I note from the "German-English vocabulary" section of the Hugo book that the word "kinder" means "child". Lesson 1 of the Hugo book deals with the general principles of speaking German and in particular, "the alphabet, spelling and pronunciation, vowels and vowel combinations, consonants, punctuation and stressed syllables". Lesson 2 deals with "greetings, every day phrases", "gender" and other basics. In lesson 2, the reader is introduced to certain German words. On page 23 the word "kind" is taught and is said to mean "child". On page 24 the reader is taught the plural of the noun is "kinder". This lesson includes various exercises which make reference to the words "kind" and "kinder". In the Longman book, the reader is introduced to the word "kinder" in lesson 3. In both books, the word "kinder" is introduced at an early stage in the lessons programs.
- 4. When studying for European Patent Examinations, I learnt some German language. One of the earliest words which I learnt was "kinder" meaning "child". I believe that this word is taught to students learning the German language at an early stage in most cases in the UK. The word "kinder" is one of the German words which I still recall from my lessons including its meaning of "child". This word has made its way into the English language in words such as "kindergarten".
- 5. Also included in exhibit DJR-2 is a copy extract from the Times Educational Supplement of 28 August 1998 listing the numbers of students who sat various GCSE exams in 1997 and 1998. German was the second most popular foreign language subject and apparently the tenth most popular course overall. I note that the total number of students who sat the exam for German in 1998 was 133,683. The number of 1997 was 132,615.
- 6. Now produced and shown to me marked exhibit DJR-3 is a copy extract from the Shorter Oxford Dictionary. The word "kind" is a well known English word and the word "kinder" is a variation of the word "kind". It means more "acceptable, gentle, agreeable, soft". I also note that the German word is listed with its English meaning of "children" thereby establishing that it is recognised generally in the UK. Also included in Exhibit DJR-3 are copy extracts from Dutch-English, Afrikaans-English, German-English and Spanish-English dictionaries. Each of these shows that the word "kind" and "hence "kinder" are words in these languages."

Registered Proprietors' Further Evidence

- 10. This consists of a statutory declaration dated 15 April 1999 by James Setchell. Mr Setchell is a Trainee Trade Mark Attorney at Haseltine Lake Trademarks who are the registered proprietors' professional representatives in these proceedings. Exhibit JCS2 to his declaration consists of a copy of the declaration and exhibits of Vivienne Wooll dated 5 February 1999 originally filed in Opposition proceedings No 47935. I note that this is similar in content to that of Ms Wooll's declaration mentioned above. That said, it does contain some additional information and this is reproduced below:
- that invoiced sales in the UK of goods sold under the KINDER JOY trade mark in the period September 1995 to August 1997 amounted to some £700k;
- approximate annual amounts spent on advertising various trade marks is provided and is said to be as follows: KINDER SURPRISE between 1983 and 1996/1997 approximately £17.7m; KINDER BUENO between 1992 and 1996/97 approximately £263k; KINDER CHOCOLATE between 1987 and 1996/97 approximately £370k and KINDER MILK SLICE between 1989 and 1996/97 approximately £1.3m. Exhibits VW4 and VW5 consist respectively of: copies of advertising material for certain of the products together with catalogues and other literature produced by the Group and a video containing television advertisements for the trade marks KINDER MILK SLICE (1989-1990), KINDER SURPRISE (shown since 1995) and KINDER BUENO (shown in 1994 and 1995).
- 11. Exhibit JCS3 to his declaration consist of copies of the declarations and associated exhibits of Christopher Benson, Wolfgang Kotzur, Christopher Miller and Sylvia Rodrigues also originally filed in Opposition proceedings No 47935. The content of the declarations of Mr Benson and Mr Kotzur are reproduced verbatim below:

Mr Benson

- "1. I am a solicitor in the firm of Taylor Joynson Garrett, solicitors for Ferrero SpA and Soremartec (the opponents) in this matter. Save where otherwise appears, the facts of the matters to which I depose are within my personal knowledge through my involvement in this matter. Insofar as I rely on information communicated to me by third parties, I believe this information to be true.
- 2. On 3 September 1998, I travelled with colleagues to Dartford in Kent in order to conduct surveys involving members of the public.
- 3. There is now produced and shown to me marked CJB 1 a copy of the questionnaire used for the survey which I and my colleague Christopher David Miller carried out.
- 4. The survey took place at the Royal Victoria and Bull public house in Dartford. Members of the public were approached on the street outside by representatives of Field Management Limited and recruited for a face to face interview.

- 5. I interviewed members of the public brought to me by agents of Field Management and recorded their responses on a questionnaire.
- 6. There is now shown to me and marked CJB2 copies of the photocopies referred to at question one. I showed the interviewee the KINDER SURPRISE egg when asking question eight.
- 7. I confirm that the interviewees were not at any stage led or encouraged to give answers that would assist the opponents or which were detrimental to the case of Soldan Holding & Bonbonspezialitaten GmbH. All the interviews I carried out during the survey I conducted openly and honestly and interviewees responses were recorded in their entirety.
- 8. I interviewed and completed questionnaires for 29 people in total. There is now produced and shown to me marked CJB3 copies of all the original completed questionnaires showing the results of all the interviews which were conducted by me in respect of this survey in Dartford.
- 9. I have read Christopher David Miller's affidavit and the replies of the 16 members of the public he questioned.
- 10. The following result emerges from the survey:-

In response to question 12, 28 out of the 45 people questioned (62.22%) said they would be surprised that there was no connection between KINDER EUKAL, KINDER EM EUKAL and KINDER FUR KINDER (sic) on the one hand and "the people who make KINDER SURPRISE" on the other.

- 11. I have read the declarations of Michelle Sylvia Rodrigues and Wolfgang Kotzur and the replies of the 40 members of the public they questioned.
- 12. The following results emerge from the survey:-
- 12.1 In response to question 1, what does the word KINDER mean to you, 27 people out of the 40 questioned (67.5%) said only either chocolate, egg, chocolate egg or Kinder egg. 1 person said both children and Kinder egg.
- 12.2 Of the six people who only said child or children in response to question one, four of them said chocolate egg when asked what the word KINDER means to them in respect of food in response to question 2."

Mr Kotzur

"1. I am trainee solicitor in the firm of Taylor Joynson Garrett, solicitors for Ferrero SpA and Soremartec (the opponents) in this matter. Save where otherwise appears, the facts of the matters to which I depose are within my personal knowledge through my involvement in this matter. Insofar as I rely on information communicated to me

by third parties, I believe this information to be true.

- 2. On 3 September 1998, I travelled with colleagues to Dartford in Kent in order to conduct surveys involving members of the public.
- 3. There is now produced and shown to me marked WK1 a copy of the questionnaire used for the survey which I and my colleague Michelle Sylvia Rodrigues carried out.
- 4. The survey took place at the Royal Victoria and Bull public house in Dartford. Members of the public were approached on the street outside by representatives of Field Management Limited and recruited for a face to face interview.
- 5. I interviewed members of the public brought to me by agents of Field Management and recorded their responses on a questionnaire.
- 6. There is now shown to me and marked WK2 the KINDER word card referred to at question one. I showed the interviewee the KINDER SURPRISE egg when asking question four, the packaging of the KINDER CHOCOLATE product asking question nine, the packaging of the KINDER BUENO product when asking question fourteen and the KINDER JOY product when asking question nineteen.
- 7. I confirm that the interviewees were not at any stage led or encouraged to give answers that would assist the opponents or which were detrimental to the case of Soldan Holding & Bonbonspezialitaten GmbH. All the interviews I carried out during the survey I conducted openly and honestly and interviewees responses were recorded in their entirety.
- 8. I interviewed and completed questionnaires for two people in total. There is now produced and shown to me marked WK3 copies of all the original completed questionnaires showing the results of all the interviews which were conducted by me in respect of this survey in Dartford."
- 12. I note that the declarations of Mr Miller and Ms Rodrigues are in virtually identical terms to those of their colleagues completing the respective surveys (Mr Benson in the case of Mr Miller and Mr Kotzur in the case of Ms Rodrigues) varying only to the extent necessary to identify the number of members of the public they interviewed (16 in the case of Mr Miller and 38 in Ms Rodrigues's case). The conclusions to be drawn from the results of these two surveys from the opponents' standpoint is contained in Mr Benson's declaration above; I shall return to this survey evidence later in my decision.

Evidence-in-reply of the Applicants for Revocation/Invalidation

13. This consists of a statutory declaration dated February 2001 by Teresa Ann Bucks. Ms Bucks confirms her position as a trade mark agent and a partner in the firm of Boult Wade Tennant. The purpose of Ms Buck's declaration is to have admitted into these proceedings the statutory declaration and exhibits of David John Rickard dated 17 January 2000 who, she

explains, is no longer employed by her firm. The main points emerging from Mr Rickard's declaration are, in my view, as follows:

- exhibit DJR-5 consists of copies of letters dated 28 November 1997 and 2 June 1999 received by his firm from the Office for Harmonisation in the Internal Market (OHIM) in response to an application to register the trade mark KINDERCARE. Mr Rickard notes that the Examiner in rejecting the application stated that "kinder is a German word known throughout the Community to mean "child" or "children", that the trade mark "conveys a simple and obvious descriptive meaning" and that the combination is desirable for other traders to use in the course of trade as a descriptive indication. The mark nonetheless would be readily understood in English, German and Dutch as being primarily descriptive. The mark merely indicates goods and services for children which involve care or caring";
- exhibit DJR-7 consists of copies of Decisions of the German Patent Office together
 with English translations. The first Decision dated 25 July 1997 relates to an
 opposition by Ferrero to registration of the trade mark KINDER EUKAL. Mr Rickard
 refers to the following passages from the Decision:

"In the present case, the first element "kinder" of the multiple word mark points out to the addressed consumers i.e. children, the particular suitability of the goods marked this way in a descriptive manner and is not suitable to shape the attacked mark by itself. The addressed consumers will not be enabled to make reference from the word "kinder" the place of origin on the goods labelled with the trade mark in dispute and, therefore, such consumers will base their distinction of this trade mark......predominantly upon the element "eukal". For this reason, the risk may be neglected that the addressees will compare the element "kinder" separated from the rest with the prior trade mark. Thus a direct risk of confusion can be denied. In addition, there is no risk that the attacked mark may be associated with the opposing mark."

"In view of the insufficient distinctiveness of the word "kinder" it lacks the suitability to serve as a reference necessary to infer to the identical place of origin of the goods."

• Mr Rickard also refers to Decisions of the German Patent Office in cases S112/97 and S175/96. He explains that in S112/97 the German Patent Office held that registration No 39610402 for a stylised representation of the words FUR-KINDER was invalid. Mr Rickard says that it was held that "the trade mark (FUR-KINDER) is devoid of the necessary minimum degree of distinctiveness stating that "the word elements have a mere factual character" and the registration was cancelled. The Patent Office held "on its own the words FUR-KINDER obviously represent a statement of determination, as children form the preferred target for the products in question ie. confectionery, and as such goods with respect to their composition, taste and presentation are frequently in particular designed to the needs and desires of children". He adds that the Patent Office went on to hold that "it is also conventional to refer to such kind of

determination within the product group "confectionery" by way of a determination like "FUR-KINDER". Consequently, it can be held that competitors have a great interest in having these words reserved for free use of all."

- in so far as the Decision in S175/96 is concerned, the German Patent Office held that trade mark No 39610406 CHILDREN'S CHOCOLATE should be cancelled. The Office held that "on its own the words CHILDREN'S CHOCOLATE originating from the English language represent a typical description of goods with the meaning "chocolate for children". It held that "children form a preferred target group for the goods of the type claimed" "hence, for the concerned goods, which may all be made of chocolate or at least may contain chocolate, the attacked mark merely contains a reference to chocolate products, which are in particular intended for or suitable for children. This is easily comprehensible for the major part of the domestic consumers":
- exhibit DJR-8 consists of copies of various web sites which include KINDER in connection with children.
- 14. That concludes my review of the evidence filed in these proceedings in so far as I consider it necessary.
- 15. Section 46 of the Act reads as follows:
 - "46.-(1) The registration of a trade mark may be revoked on any of the following grounds-
 - (a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;
 - (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;
 - (c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;
 - (d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.
 - (2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

- (4) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that-
- (a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and
- (b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.
- (5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.
- (6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-
- (a) the date of the application for revocation, or
- (b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date."
- 16. The applicants refer to non-use "during the past five years". The relevant period is, therefore, the five years preceding the filing date of the application, that is 30 April 1992 to 29 April 1997. The objection is thus under Section 46(1)(b) of the Act. I have included paragraph (1)(a) above because it indicates the nature of the use concerned.
- 17. The registered proprietors concede that there has been no use of the mark as registered. They rely instead on the provisions of Section 46(2) and use of the word KINDER. They say that this is use of a variant form of the mark KINDER DAYLICIOUS being "a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered."
- 18. I was referred to a number of cases in relation to the scope of Section 46(2) ELLE Trade Marks [1997] FSR 529, BUD Trade Mark, [2001] All ER (D) 08 (Dec) and DIALOGUE Trade Mark, a decision of David Kitchen QC, sitting as the Appointed Person, dated 15 February 2002. The following guidance is from the BUD case:

- "22. Next, it is to be noted that the language of section 46(2) does not use a comparative when defining alterations that can be accepted. It does not state that the alteration must not "substantially" alter the distinctive character. The requirement is that the alternative form may only differ in elements which do not alter the distinctive character of the mark. In my judgment this is indicative that the subsection is of narrow scope. Alterations which would be immaterial for the purpose of infringement, in that the alleged infringing mark was confusingly similar to the registered mark, are irrelevant. It is thus necessary for any Tribunal seeking to apply section 46(2) to determine what is the distinctive character of the mark and which are the elements that, in combination, contribute to that distinctive character. Thereafter it must enquire whether any alteration to any of those elements is of sufficient immateriality as not to alter that overall distinctive character."
- 19. I understand that this case is currently under appeal but I approach the matter on the basis that, as matters stand, this represents the correct approach to the law. Mr Edenborough was of the view that, even accepting that Section 46(2) was narrow in scope, it was not so narrow that de minimis changes could not be accommodated. Furthermore the DIALOGUE case was authority, in his view, for the proposition that somewhat wider changes were acceptable. In that particular case the Registry Hearing Officer accepted that use of THE DIALOGUE AGENCY constituted use of the registered trade mark DIALOGUE within the meaning of Section 46(2). Mr Arnold contended for a narrower interpretation of Section 46(2) and noted that use of THE DIALOGUE AGENCY contained the whole of the registered mark DIALOGUE.
- 20. A further point arises in that the mark before me here is registered with a disclaimer of the words DAYLICIOUS. As regards the effect of that, Mr Edenborough referred me to PACO/PACO LIFE IN COLOUR Trade Marks [2000] RPC 451 and the following statement from the resulting Registry guidance notice PAC 3/00:

"In summary, the Registrar will treat a disclaimer as an admission that the disclaimed component of the earlier mark is not, by itself, distinctive of the proprietor's goods and/or services".

- 21. The submission in his skeleton argument was as follows:
 - "Accordingly, it is submitted that those parts of the registered marks that are disclaimed ought similarly to be considered as not comprising an element that adds to the distinctive character of the mark as registered, and so any variation therein ought to be disregarded. Similarly, any parts that are clearly of a descriptive nature ought to be disregarded when considering what are the elements that contribute to the distinctive character of the mark as registered."
- 22. He suggested that DAYLICIOUS was disclaimed because the Registry considered it to be too close aurally to 'delicious'. Accordingly, it is said that DAYLICIOUS is a non-distinctive element of the mark as registered and use of the variant KINDER should still be acceptable as constituting use for the purposes of Section 46(2).

- 23. I think it is fair to say that, in submissions at the hearing, Mr Edenborough accepted that a disclaimed element should not be disregarded completely but submitted that it should be accorded less importance within the totality of the mark.
- 24. It cannot, in my view, be right to start from the proposition that disclaimed elements are to be disregarded. If that were the case then marks which proceeded on separate disclaimers of each of their component elements (DIAMOND T Trade Mark being a classic example see 38 RPC 373) would have no remaining basis on which to conduct the test.
- 25. I note too that Section 46(2) refers to the 'distinctive character of the mark' and not the distinctive character of the elements that make up the mark. A distinctive mark can be made up of elements that are in themselves non-distinctive. Furthermore, as was noted in NOVOPHARM Trade Mark, 0-532-01, disclaimers operate negatively and not positively. That is to say they identify elements that are not distinctive. They do not have the reverse effect of identifying the elements in a mark that <u>are</u> distinctive. The distinctiveness of a mark resides in its totality. Hence Mr Thorley's analysis of the elements that contributed to the overall distinctiveness of the mark before him in the BUD case referred to above (see paragraph 28 of his judgment).
- 26. With those preliminary observations in mind and adopting Mr Thorley's approach I consider the distinctive character of the mark as registered resides in the combination KINDER DAYLICIOUS. In other words I do not accept that, because DAYLICIOUS is disclaimed, the distinctive character of the mark resides in the word KINDER alone.
- 27. It follows from the above that, even accepting that there has been some use of KINDER alone (in relation to chocolate), it would not avail the registered proprietors for the purposes of Section 46(2). As that is the only defence claimed by the registered proprietors it follows that the application for revocation must succeed.
- 28. Mr Arnold did not pursue the separate objection under Section 47(1) at the hearing. In view of the above outcome I see no need to give independent consideration to this objection.
- 29. In accordance with Section 46(6) the registration will be revoked in its entirety with effect from 30 April 1997.
- 30. The applicants are entitled to a contribution towards their costs. I order the registered proprietors to pay them the sum of £1000. This sum is 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 19th day of July 2002

M REYNOLDS
For the Registrar
the Comptroller-General