

O-102-04

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2303346
BY UNILEVER PLC TO REGISTER
THE TRADE MARK VEGETABALLS IN CLASS 29**

AND

**IN THE MATTER OF OPPOSITION No. 91263
BY PODRAVKA PREHRAMBENA INDUSTRIJA D.D.**

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Background

1. On 21 June 2002 Unilever Plc applied to register the mark VEGETABALLS for “vegetables; prepared meals containing vegetables” in Class 29. The application is numbered 2303346.
2. On 21 November 2002 Podravka Prehrambena Industrija D.D. filed notice of opposition to this application. They are the proprietors of the following UK and CTM registrations and application:

No.	Mark	Class	Specification
1036341	VEGETA	29	Bouillons; none being semi prepared or prepared meals.
2165352	With VEGETA Dishes Taste Better	29 30	Preserved, dried and cooked vegetables, particularly salted and pickled vegetables, soups and preparations for making soups, including vegetable soups preparations and bouillon concentrates. Sauces (except salad dressings), seasonings, spices, condiments, food additives, mixture of salted and dried vegetables for use as food seasoning.
CTM 2411882	Vegeta	29	Preserved, dried and cooked vegetables, in particular salted and pickled vegetables; soups and soup preparations, including vegetable soup preparations and meat broth concentrates; meat extracts; plant protein and plant extracts for food; mushrooms and garden herbs, as

		30	<p>preserves, dried or frozen; not being semi-prepared or prepared meals.</p> <p>Sauces, salad dressings, spices, seasoning salt, condiments, additives for improving the taste of foodstuffs; salt; herb salt and vegetable salt for cooking purposes; coffee, artificial coffee, tea, cocoa, in the form of extracts; sugar, honey, natural sweeteners; yeast, baking powder, ice-cream powder and puddings in powdered form; salt, mustard, vinegar, mayonnaise.</p>
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3. The opponents say that the applied for mark consists of the opponents' mark VEGETA with the non-distinctive word BALLS or, in the case of No. 2165352, takes the most distinctive word in that mark and adds the element BALLS. The opponents add that they have a goodwill and reputation in relation to the goods on which their mark has been used which, in the case of the UK, is from at least as early as 1974.

4. The opponents raise objections under Section 5(2)(b) on the basis that the respective marks are similar and the goods identical and/or similar so that there is a likelihood of confusion. On the basis of substantial sales overseas the opponents, additionally, claim the benefit of well known mark status within the meaning of Section 6(1)(c) of the Act. This forms the basis for a further objection under Section 5(2)(b).

5. In the event that any goods of the application are considered to be dissimilar, objection is also raised under Section 5(3).

6. On the basis of the claimed goodwill, objection is taken under Section 5(4)(a) having regard to the law of passing off.

7. Finally, the opponents say that the mark VEGETABALLS is phonetically and conceptually identical to 'vegetables' and is devoid of distinctive character in relation to vegetables. Accordingly, rejection of the application is sought under Section 3(1)(b).

8. The applicants filed a counterstatement that in substance denies the opponents' claims.

9. Both sides ask for an award of costs in their favour.

10. Both sides filed evidence. Neither side has asked to be heard. Written submissions have been received on behalf of the applicants from Castles, their professional representatives in this matter (under cover of a letter dated 16 March 2004) and from Grant Spencer Caisley & Porteous, the opponents' professional advisers (under cover of a letter dated 19 March 2004).

11. Acting on behalf of the Registrar and with the above material in mind I give this decision.

Opponents' evidence

12. The opponents filed an affidavit by Zeljko Durdina, a member of their Board of Directors and Deputy Chairman. He exhibits (ZD1) a company profile. It is not clear exactly when sales commenced in the UK but Mr Durdina says that the VEGETA mark was first used in 1959 and has been used ever since in relation to a gourmet seasoning which enhances and complements the flavour of any savoury dishes and prepared meals. Samples of packaging used in the UK since 1995 are exhibited at ZD2 along with earlier versions at ZD3.

13. Sales turnover and volume is given as follows:

Year	Approximate Annual Sales Turnover Figures	Approximate Annual Volume Sold
1995	€25,348	7.832 kg
1996	€12,325	3.593 kg
1997	€12,279	3.717 kg
1998	€18,844	6.206 kg
1999	€9,476	3.487 kg
2000	€51,195	19.113 kg
2001	€64,672	23.289 kg
2002	€67,873	24.679 kg

14. A selection of invoices is exhibited at ZD4. The remainder of the affidavit is largely by way of submissions. I will return to these in due course.

15. The opponents have also filed a witness statement by John Christopher Wells, a professor of phonetics at the University of London. He was asked to compare the names VEGETA and VEGETABALLS from a phonetic point of view and to give an opinion as to their phonetic similarity or non-similarity. I will deal with the substance of his statement when I come on to consider the marks.

Applicants' evidence

16. The applicants filed a witness statement by Mark John Hickey, a trade mark attorney and partner in the firm of Castles. He reports on the results of a register search for marks commencing with the letter string VEGETA. Four marks were found covering Class 29 goods and standing in the name of different proprietors.

17. That completes my review of the evidence. I now turn to the grounds of opposition.

Section 3(1)(b)

18. This reads:

“3.-(1) The following shall not be registered -

- (a)
- (b) trade marks which are devoid of any distinctive character,
- (c)
- (d)

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

19. I have included the proviso for the sake of completeness but it has no part to play in these proceedings as the applicants have given no indication as to what, if any, use has been made of their mark.

20. Section 3(1)(b) of the Act provides for refusal of a trade mark on the ground that the mark in question is devoid of any distinctive character. In the application of Section 3(1)(b) I am assisted, in particular, by the principles set out in the following decisions – *Cycling IS...* [2002] RPC 37, *Libertel Group BV v Benelux Markenbureau*, Case C-104/01 and *Linde AG (and others) v Deutsches Patent-und Markenamt*, Joined Cases C-53/01 to C-55/01; which can be summarised as follows:

- (a) the exclusions from registrability contained in Section 3/Article 2 are there to ensure that trade marks whose use could successfully be challenged before the Courts are not registered. The defence available to other traders by virtue of an objection under Section 3(1)(b) operates independently of objections under Section 3(1)(c) (*Cycling IS ...* paragraph 43-45 and *Linde* paragraphs 67-68);
- (b) for a mark to possess a distinctive character it must identify the product (or service) in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product (or service) from the products (or services) of other undertakings (*Linde* paragraphs 40-41 and 47);
- (c) it is legitimate, when assessing whether a sign is sufficiently distinctive to qualify for registration, to consider whether it can be presumed that independent use of the same sign by different suppliers of goods or services of the kind specified in the application for registration would be likely to cause the relevant class of persons or at least a significant proportion thereof, to believe that the goods or services on offer to them come from the same undertaking or economically-linked undertakings (*Cycling IS...* paragraph 53);
- (d) a trade mark’s distinctiveness is not to be considered in the abstract but rather by reference to the goods or services in respect of which registration is sought and by

reference to the relevant public's perception of that mark (*Libertel* paragraphs 72-77 and *Cycling IS ...* paragraphs 54-61);

- (e) the relevant public must be deemed to be composed of the average consumer who is reasonably well-informed and reasonably observant and circumspect (*Libertel* paragraph 46 referring to Case C-342/97 *Lloyd Schuhfabrik Meyer*).

21. I also bear in mind the following guidance of the ECJ in *Procter & Gamble Company v OHIM Baby-Dry*, [2002] ETMR 3:

“Any perceptible difference between the combination of words submitted for registration and the terms used in the common parlance of the relevant class of consumers to designate the goods or services or their essential characteristics is apt to confer distinctive character on the word combination enabling it to be registered as a trade mark.”

22. Those observations were, of course, made in the context of Article 7(1)(c) of the Community Trade Mark Regulation (equivalent to Section 3(1)(c) of the Act) and a mark comprised of two words rather than one but I find it of some assistance in approaching the issue before me here. In *OHIM v Wm Wrigley Jr Company*, Case C-191/01P, Advocate General Jacobs referring to opinions given in other cases offered the following further comments on the term ‘perceptible difference’:

“Advocate General Ruiz-Jarabo has suggested certain elucidatory criteria in two recent Opinions. He points out that ‘perceptible is a relative term and must not be confused with minimal’. For word marks, he proposes that ‘a difference will be regarded as perceptible if it affects important components of either the form of the sign or its meaning. As regards form, a perceptible difference arises where, as a result of the unusual or imaginative nature of the word combination, the neologism itself is more important than the sum of the terms of which it is composed. As regards meaning, a difference will be perceptible provided that whatever is evoked by the composite sign is not identical to the sum of that which is suggested by the descriptive components.”

23. The opponents' case here is that VEGETABALLS is phonetically and conceptually identical to vegetables (i.e. the goods or a key constituent of goods such as prepared meals) and hence open to objection under Section 3(1)(b). In support of this they have referred me to Jacob J's (as he then was) remarks on the words “devoid of distinctive character” in *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281. In relation to the specific claim as to phonetic identity or equivalence they also refer me to *Electrix Ltd v Electrolux Ltd* [1959] RPC 283 and *Froot Loops Trade Mark* [1998] RPC 240 where the continued relevance of the *Electrix* dicta was not contested in a case under the current law.

24. The principle expressed in *Libertel* and *Cycling IS* and set out at (d) above confirms that distinctiveness is not to be assessed in the abstract but rather by reference to the goods and the relevant public's perception of the mark. That seems to me to suggest that regard must be had, inter alia, to the normal circumstances in which goods or services are traded. In this respect the goods at issue here are overwhelmingly (if not exclusively) likely to be the subject of a visual

selection process rather than oral ordering. That state of affairs can be contrasted with, for instance, alcoholic drinks where one important channel of trade involves oral ordering in public houses and similar establishments.

25. The applied for mark seems to me to be intended to have visual and conceptual appeal. The misspelling of the normal dictionary word is very noticeable. It is beyond the range of possible misspellings (which in themselves might not be taken as signifying that the mark is intended to serve as a badge of origin) and would, I think, be seen as being a deliberate and clever wordplay alluding to both vegetables and the fact that the goods may be or contain items made into ball shapes. There is, therefore, a clear conceptual difference between the mark and the dictionary word, a difference which is also apparent on, and created by, visual appraisal of the mark. In other words it is a mark that in terms of ‘form’ and ‘meaning’ (as the Advocate General put it in the above passage from *Doublemint*) is perceptibly different to the word vegetable. I do not in any case accept the opponents’ submission that the word VEGETABALLS is phonetically identical to vegetables. Certainly it is similar and calculatedly so but taking the above considerations in the round I do not find it to be devoid of distinctive character. That does not make it a mark that commands anything other than a modest degree of distinctiveness but the allusive quality is sufficiently clever and marked to enable it to avoid objection under Section 3(1)(b).

Section 5(2)(b)

26. According to Section 5(2)(b) of the Act a trade mark shall not be registered if because:

“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.”

27. The term ‘earlier trade mark’ is defined in Section 6(1) of the Act as follows:

“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.”

28. Section 6(2) further provides that:

“(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

29. This latter provision is relevant in this case to the extent that the opponents’ Community Trade Mark is still at the application stage and only becomes an earlier trade mark if it achieves registration.

30. In determining the question under Section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 and *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] FSR 77.

31. I propose to consider the opponents' position against each of their UK registrations and CTM application in turn. Somewhat different considerations apply in relation to each. However, the word VEGETA is a feature common to each of their registrations and application and is at the heart of the dispute. I will, therefore make some general observations in relation to this word and the mark applied for before going on to consider the specific position in each case.

32. It is well established that 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); that 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); and that the matter must be judged through the eyes of the average consumer of the goods 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 BV*, paragraph 27).

33. I have already commented on the distinctive character of the applied for mark in dealing with the objection under Section 3(1)(b). The opponents' mark, VEGETA, contains the first three syllables of the word vegetables. Mr Hickey has filed evidence showing that there are four marks on the UK register each in the name of different proprietors commencing with the element VEGETA- in relation to goods in Class 29. The allusion to or association with the word vegetables is unlikely to be lost if the mark/element is used in the context of such goods or goods containing or derived from vegetables. To that extent there is nothing inherently unexpected about Mr Hickey's findings (beyond that, there is no evidence that these third party marks have been used so I can draw no conclusions about consumers' ability to distinguish between such marks based on their exposure to them in the marketplace).

34. VEGETA is not to the best of my knowledge an accepted abbreviation for vegetable(s) and it is a somewhat unusual and unexpected shortening of that word. On the basis of the inherent characteristics of the mark I would place it somewhat higher up the distinctiveness scale than VEGETABALLS. It shows a degree of invention but falls well short of being a particularly distinctive mark.

35. I should qualify the above finding in one important respect. As noted above it has been held that the distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public. So far I have considered the distinctive character of VEGETA from the point of view of use and consumer reaction in relation to vegetables or vegetable products. In relation to certain other items in the opponents' specifications (notably

their CTM application) VEGETA would carry no obvious allusion to the goods and would then be seen as a truly invented word. However, for practical purposes this case turns on use in relation to vegetables and meals containing vegetables. I also comment in passing that the opponents' use which appears to be in relation to a gourmet seasoning product based on dried vegetables is modest in scale and does not serve to establish an enhanced degree of distinctive character. This is a case where the opponents' strongest position lies in the notional scope of their specifications rather than the specific goods on which use has been shown.

36. The applicants' main written submissions are to the effect that VEGETABALLS is a clever play on vegetables; that it is conceptually, visually and phonetically quite different to the opponents' mark; that the element VEGETA is lost within the totality of the mark; that Mr Hickey's evidence shows the aptness of VEGETA- as a prefix to allude to vegetable content; and that Professor Well's "intricate analysis" of phonetic similarity is alien to the normal approach adopted by consumers.

37. The opponents' case is that VEGETA is the most dominant and significant part of the subject mark; that the applicants' mark, therefore, consists of their mark in combination with an ordinary descriptive word such that the consumer is likely to be confused as to the origin of goods sold or offered for sale under the respective marks. They also point out that food products are not particularly expensive items and that consumers may not spend a significant amount of time considering such purchases. Imperfect recollection may also play a part.

38. In support of their case that -BALLS may be seen as no more than a descriptive indicator Mr Durdina's affidavit exhibits invoices and packaging relating to the sale of their own VEGETA TWIST product. Mr Durdina suggests that:

"The consumer will understand a VEGETA TWIST product to be a product that is twisted in shape, bearing the VEGETA trade mark in the same way that VEGETABALLS are likely to be seen as circular shaped food bearing the VEGETA trade mark."

39. The opponents' written submissions reinforce this line of argument with examples of products that contain "ball" in their description – "meat balls", "melon balls", "butter balls", "chicken balls", "prawn balls", "fish balls", "pork balls", "cheese balls", "dough balls" and "sausage balls". They suggest that "balls" could equally be used to describe a vegetable product.

40. The opponents' evidence also contains a witness statement from Professor Wells dealing with the words VEGETA and VEGETABALLS and in particular the pronunciation thereof. His view is that the pronunciation of the VEGETA elements of both words is uncertain. The uncertainty is said to arise from the fact that the stress may be placed on either the first or second syllable.

41. Taking this latter point first, I accept that VEGETA is capable of pronunciation in more than one way in terms of where the stress will fall. I think it more likely that VEGETABALLS will be pronounced in a similar manner to vegetables with the stress on the first syllable but with the final syllable somewhat more clearly articulated than the 'bles' ending of vegetables which tends

to tail off. Allowing for the normal imperfections and uncertainties of pronunciation I agree that there is a high degree of similarity or identity between the (common) first three syllables of the words. The element -BALLS should not, of course, be ignored. On the contrary, for the applied for mark to work it requires consumers to take on board the last element of the mark. I go on to consider the potential significance or impact of that element from a consumer standpoint.

42. The applicants have not filed evidence concerning the nature of their trade or intended trade. I do not think it is entirely fanciful to suppose that they have chosen their mark with a purpose which may include the possibility of offering vegetables and meals containing vegetables in ball form or shape. As I have already said, the mark then becomes a clever play on words being phonetically close to the plain word vegetables but also suggestive of the form in which the goods are to be sold.

43. I accept that that may be said to involve speculation on my part. It might not be enough on its own to draw the conclusion that the opponents invite me to reach. I am also conscious of the fact that the opponents have made claims about the descriptive nature of –BALLS but have supplied no evidence on the point. Equally, I note that at no time, despite being on notice as to the point being taken by the opponents, have the applicants commented on the aptness (or otherwise) of the element –BALLS to describe a characteristic of the goods at issue. Nor have they denied that such usage is within the scope of their own plans for their mark.

44. It seems to me that there might have been advantage in evidence as to trade practices and, hence, consumer expectation and perception regarding use of this potentially descriptive word in relation to the sort of goods that are at the heart of this case. In the absence of evidence directed to the point, I fall back on my own knowledge of the market place which in the context of foodstuffs is unlikely to be very different from other consumers.

45. In this respect I regard it as relatively common for processed foodstuffs to be presented in a variety of shapes. One thinks of onion rings, meatballs, cheese straws, potato wedges and such like. Sometimes it may result to a greater or lesser extent from the natural shape of the product (an onion ring for instance) or the need to mould the product (as in the case of a meatball). But equally it may be the result of a natural desire on the part of manufacturers to make their goods more attractive. The Registry, for instance, has long taken account of the practice of confectionery manufacturers to produce goods in a variety of shapes to attract the attention of children.

46. There is nothing particularly unusual about a ball shape – a number of goods are already produced in such a shape. Sometimes this is reflected in the name of the goods themselves such as meat balls, stuffing balls, prawn balls as the opponents suggest. In these circumstances consumers would not, in my view, find it at all unexpected if they were offered goods of the kind in issue cut or formed into ball shapes and referred to as such in promotional material.

47. Equally, consumers would not consciously deconstruct the applied for mark. They are not generally credited with acting in this way. But the play on words inherent in VEGETABALLS is both obvious and probably intended. Consumers may well be attracted to it in the expectation that the underlying goods were, or contained, vegetables and that they were offered in ball form

or shape. However, it seems to me that some care is needed in progressing from that position to saying that that process of analysis would thereby lead consumers to place weight or reliance on the element VEGETA- and hence make an association with the opponents' mark. The mere fact that consumers would see the word vegetables in VEGETABALLS and a descriptive significance in -BALLS does not mean that they attach independent significance to what is left (VEGETA-).

48. With these general observations on the marks in mind I turn to an analysis of the position in relation to each of the opponents' earlier trade marks.

No. 1036341

49. The mark here is VEGETA in a slightly stylised character. Neither side has suggested that the presentational aspect of the mark is in itself likely to affect the outcome. An issue arises in relation to the scope of the specification. It currently reads "bouillons; none being semi-prepared or prepared meals". Those are the goods that remain following a partial surrender request on Form TM23 filed on 29 July 2003 and effected on 7 November 2003. Prior to that partial surrender the specification read "bouillons, and preserved cooked dishes, all consisting wholly or substantially wholly of vegetables". It will be apparent from this that the surrender request was filed during the pendency of the opposition. That raises a question of law as to which of the specifications I should consider in dealing with the issues before me. The parties do not appear to have addressed the point. The opponents' written submissions contain a copy of the current (reduced) specification but refer in the body of the document to the pre-surrender specification without in any case being specific as to which particular goods are considered to be identical or similar and why.

50. The approach to dealing with registrations that are surrendered or part surrendered during the pendency of opposition proceedings was dealt with in *Sundip Trade Marks*, O/021/02. The Hearing Officer considered two earlier cases and concluded as follows:

"49) There are two registry decisions, of which I am aware, on this issue. Mr Probert in *Club Soda* (unreported O/230/98) found that the question should be determined as at the date of the application for the trade mark and, therefore, a subsequent revocation of a trade mark would not affect the status of that trade mark as an "earlier trade mark". However, Mr Knight in *Transpay* [2001] 6 RPC 191 found that when the matter comes to be determined, the Hearing Officer should take account of all facts that are before him. Thus, in the circumstances of that case, he found that a trade mark on which the opponents sought to rely should not be considered as an earlier trade mark because it had lapsed after the date of the application but before the matter came to be determined.

50) It seems to me that the approach taken by Mr Knight is the one to be preferred and I adopt the reasoning given in his decision. In the instant case the adoption of this approach would seem particularly appropriate. Prior to the voluntary surrender of the registrations revocation actions for non-use were launched by the proprietor of the application in suit. It would not seem correct that a registered proprietor could avoid the potential effects that a revocation action might have in other proceedings by surrendering

the registration which was the subject of the revocation action. In such a case the issues in question would not be tested and the registered proprietor could dispose of his registration by surrender but still make use of it in other proceedings; relying upon the fact that the registration was extant at e.g. the date of the filing of an application for registration of a trade mark.”

51. The issue was also touched on in a more recent reported case *Riviera Trade Mark* [2003] RPC 50 where the Hearing Officer was primarily concerned with the effect of revocation and contrasted it with the position pertaining where a registration has been surrendered:

“The Act is silent on the consequences of surrender of a registration, although as the hearing officer in *SUNDIP* pointed out, there are strong equitable grounds for holding that a proprietor who surrenders a registration (and thus shields the registration from subsequent revocation proceedings) should not thereby find himself in a stronger position than a proprietor who faces an application for revocation, which carries with it the possibility of a back dated revocation of the proprietor’s trade mark. I agree with the hearing officer in *SUNDIP* that a registration should no longer be taken into account once it is surrendered. To find otherwise would be to provide proprietor’s with a means of frustrating applications, or potential applications, for revocation under the terms of s.46(6)(b) of the Act.”

52. It is unusual for a proprietor to surrender or part surrender a registration save in response to an actual or threatened attack on his registration. I have not been advised of the circumstances which led the proprietor to part surrender No. 1036341. Nevertheless, the part surrender was requested and has now taken effect. I see no reason why, in the light of the reasoning in the above-mentioned cases, a proprietor should be in a stronger position when a surrender has been made voluntarily (which may include as a result of a threatened attack) rather than in response to a formal revocation action being filed. I, therefore, approach the matter on the basis that the specification on which the opponents must be held to rely is “bouillons; none being semi prepared or prepared meals”.

53. The issue of similarity in relation to the goods is thus between “bouillons” and “vegetables; prepared meals containing vegetables”. The principles to be applied are those deriving from the *Canon* case where the ECJ stated at paragraph 23:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their end users and their method of use and whether they are in competition with each other or are complementary.”

54. In *British Sugar Plc v James Robertson & Sons Ltd (TREAT)* [1996] RPC 281 the Judge considered that channels of trade should also be brought into the reckoning.

55. Collins English dictionary defines ‘bouillon’ as meaning:

“a plain unclarified broth or stock”.

56. Even allowing for the fact that a broth or stock may be made from or contain vegetables I regard the nature and uses of a bouillon to be quite different to the applied for goods. They are not in competition with one another in the sense that they would represent alternative choices. Nor are they complementary at least not obviously so. The channels of trade would also be likely to differ save in so far as both sets of goods would be found in supermarkets but then not on the same shelves (*TREAT*, page 296). I accept that at a general level users would be the same. I conclude that bouillons are not similar to vegetables and prepared meals containing vegetables. The qualification of the opponents’ bouillons as “none being semi prepared or prepared meals” strikes me as odd but can only further reinforce the conclusion I had reached that the respective goods are some way apart.

57. As similarity of goods is a pre-requisite in an action based on Section 5(2)(b) it follows that the opponents cannot succeed on the basis of No. 1036341.

No. 2165352

58. The most obviously relevant goods in the specification of this registration are ‘preserved, dried and cooked vegetables’ in Class 29. It seems to me to be an inescapable conclusion that such goods are a sub-set of the term ‘vegetables’ in the applied for specification (also in Class 29) and hence identical bearing in mind that the Class number is relevant to the scope of the application, *Altecnic Ltd’s Trade Mark Application* [2002] RPC 34. In this respect I should record that fresh vegetables are in Class 31. Vegetables included in Class 29 are those which are prepared for consumption or conservation.

59. The second part of the applicants’ specification covers ‘prepared meals containing vegetables’. I find it rather more difficult to determine whether such goods are similar to ‘preserved, dried and cooked vegetables’ (these words are followed by “in particular salted and pickled vegetables” but “in particular” is normally construed as meaning that what follows is exemplary rather than exhaustive in scope). The difficulty arises from uncertainty as to the scope of those terms and particularly what would be covered by cooked vegetables. I would take it to include canned and frozen vegetables and items that have been cooked and are sold in a ready to eat state (cooked beetroot for instance). But such goods are not normally considered to constitute meals in their own right. As such they seem to me to differ in their nature and uses to prepared meals and would not be in competition. They might on the other hand, be complementary in the sense that say a tin of carrots might be bought to accompany another dish. Making the best I can of it I consider there to be at most a low degree of similarity.

60. The opponents’ specification also includes ‘soups’ which would include vegetable soups. It might be said that a soup may be consumed as a meal. The point has not been argued. On the whole I doubt that the average consumer would find it a natural use of language to refer to soup as a prepared meal despite the fact that it may be the first course of a meal (see the observations in *Beautumatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 as regards the natural meaning of words). Hence, I do not think soup or the

other terms in the specification of this registration can be considered similar to the prepared meals part of the applied for specification.

61. To summarise, I have so far found that ‘vegetables’ are identical to ‘preserved, dried and cooked vegetables’ and that ‘prepared meals containing vegetables’ have a low degree of similarity to ‘preserved, dried and cooked vegetables’.

62. The marks to be compared here are ‘With VEGETA Dishes Taste Better’ (presented in that mixture of upper and lower case lettering) and VEGETABALLS.

63. I regard the word VEGETA as being the distinctive element of the mark ‘With VEGETA Dishes Taste Better’. That much, I think, is likely to be uncontroversial. The added matter is laudatory and non-distinctive in nature but must be assumed to be present in normal and fair use of the mark. It is not a matter of extracting the distinctive element and applying the test as if that were the only element in the mark. The question that arises is whether the average consumer who is familiar with the mark ‘With VEGETA Dishes Taste Better’ used in relation to preserved, dried and cooked vegetables would consider that identical goods offered under the mark VEGETABALLS emanated from the same trade source or at least an economically linked undertaking. In my view to reach such a conclusion would require the consumer to discount matter from the opponents’ mark whilst at the same time undertaking an analysis of the applied for mark in a manner that would be foreign to the normal process of selection and purchase. In coming to that view I bear in mind that both marks (or the distinctive element thereof in the case of the opponents’ mark) allude with varying degrees of directness to the underlying goods. The result is that I am not able to conclude that there is a likelihood of confusion.

No. 2411882 (CTM)

64. The specification of this application covering goods in Classes 29 and 30 are somewhat more extensive than No. 2165352. However, the additional items do not seem to me to impinge on the issues before me to a material extent. The position on the goods is, therefore, the same as for No. 2165352 and does not require repetition. The only additional comment I need to make is to note that the Class 29 specification is qualified as being “;not being semi-prepared or prepared meals”. I infer from the use of the semi-colon that the qualification refers to the whole of what precedes it.

65. The mark of No. 2411882 is the word Vegeta in upper and close case lettering and without the addition of other words. Accepting as I do that there is no reason why certain vegetable products should not be offered in ball shape or form it opens up the prospect of VEGETABALLS vegetables being offered for sale alongside Vegeta vegetable balls. In relation to identical goods that does seem to me to represent a problem for the applicants. Although I do not place formal reliance on a case under the preceding law the interrelationship between marks and goods is reminiscent of *Broadhead’s Application* [1950] RPC 209 where it was held that registration of the applied for mark might result in the use side by side of the phrases “‘Alka-vescent’ Seltzer Tablets” and “‘Alka-Seltzer’ Effervescent Tablets” and that as a consequence the marks were too close. I have hesitated over the outcome because the overwhelming impression left by the applied for mark is the play on the word vegetables coupled with

recognition of the descriptive nature of the suffix. I see no reason why consumers would analyse that mark to the point where they would think it signified ball-shaped goods from the proprietor of the Vegeta brand. However, if used in relation to identical goods in close proximity to one another, the read-through from the marks to the goods would create a likelihood of confusion even if, as I have suggested above, consumers would not normally be expected to approach the marks in a spirit of analysis.

66. I am less convinced that the same can be said where the goods are not identical and would in practice be separated in trade. In this respect the applicants' "prepared meals containing vegetables" would not normally be placed on the same shelf or adjacent to "preserved, dried and cooked vegetables". Any similarity between the goods is likely to be at a low level. Without the visual cue that may occur when products are placed side by side or in close proximity I am not persuaded that consumers would have cause to consider that these particular goods emanated from the same trade source or an economically linked source. In *Raleigh International Trade Mark* [2001] RPC 202 Geoffrey Hobbs QC, sitting as the Appointed Person, observed that:

"Similarities between marks cannot eliminate differences between goods or services; and similarities between goods and services cannot eliminate differences between marks. So the purpose of the assessment under Section 5(2) must be to determine the net effect of the given similarities and differences".

67. The net effect of the similarities and differences in relation to the second part of the applicant's specification is that there is in my view no likelihood of confusion. The opposition is thus partially successful under Section 5(2)(b).

Other grounds

68. The opponents have raised other grounds under Section 5(3), 5(4)(a) and a well known mark claim based on Section 6(1)(c) and Section 5(2)(b). On the available evidence the opponents fall well short of establishing a reputation within the meaning of *General Motors v Yplon SA* [1999] ETMR 950 for Section 5(3) purposes or well known mark status for Section 6(1)(c) purposes. Their claim under Section 5(4)(a) would be in respect of the goodwill arising from their business in food seasoning products. Even accepting that the evidence establishes the necessary goodwill I do not consider that it would offer them any greater success than they have already achieved under Section 5(2)(b). I do not, therefore, propose to give further consideration to these grounds.

Implementation of the decision and appeal

69. As matters stand the opponents have been successful in so far as 'vegetables' are concerned but unsuccessful in so far as 'prepared meals containing vegetables' are concerned. In the normal course of events the applicants would be invited to file a Form TM21 amending their specification to reflect this outcome. However, the CTM mark which has formed the basis for the opponents' partial success is still pending before the Community Trade Mark Office (OHIM) and is, therefore, not at this time an earlier mark within the meaning of Section 6(2).

70. Should the opponents wish to appeal my decision little would be gained by either party for this to be done in respect of the opponents' pending application before its fate has been determined by OHIM. Consequently, this decision is a provisional one as far as the opponents' pending mark is concerned. I hereby direct the opponents to inform the registry once the application in question has been determined. At that point a supplementary decision will be issued.

71. The period of appeal will commence from the date of that supplementary decision.

Costs

72. I make no order for costs at this stage. Costs in respect of the opposition as a whole will be covered in the supplementary decision.

Dated this 14th day of April 2004

**M REYNOLDS
for the Registrar
The Comptroller-General**