

O-336-09

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2482665
BY MONSTER SUPPLEMENTS STORE LIMITED
TO REGISTER THE
TRADE MARK**



IN CLASSES 35 & 41

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 98002 BY
PEAK HEALTH DISTRIBUTION LIMITED**

BACKGROUND

1) On 18 March 2008 Monster Supplements Store Limited applied to register a trade mark. The trade mark (shown below) was accepted and subsequently published for opposition purposes on 4 July 2008 in Trade Marks Journal No.6742 for the following services:



Class 35: Administration of the business affairs of retail stores; advertising; advertising services provided via the Internet; advertising services relating to the sale of beverages; presentation of goods on communication media, for retail purposes; publication of advertising matter; retail services connected with the sale of clothing and clothing accessories; retail store services in the field of clothing; the organisation, operation and supervision of loyalty and incentive schemes.

Class 41: Exercise (fitness) advisory services; instruction in body grooming; provision of instruction relating to exercise.

2) On 2 October 2008 Peak Health Distribution Limited (the opponent) filed a notice of opposition. The grounds are, in summary:

a) The opponent has used its mark as a retailer of nutritional supplements, primarily as an online trader but also on its premises in Hull. The opponent was incorporated in March 2003. The opponent states that prior to incorporation it began trading in August 2002, but this would be a different legal entity and so cannot be taken into account. It has over 60,000 registered website customers. The opponent has used the marks MONSTER and MONSTER SUPPLEMENTS and has, in more recent years incorporated a prominent “M” device and stylised logo as follows:



b) The opponent has established both goodwill and reputation in the marks MONSTER, MONSTER SUPPLEMENTS and the above device mark in the UK. The mark in suit offends against Section 5(4)(a) of the Trade Marks Act 1994 as the marks and services of the two parties are very similar and/or identical. The opponent states that it has received

numerous phone calls complaining about poor service and high delivery charges from the applicant's customers who have contacted the opponent by mistake.

c) The opponent also contends that the applicant was aware of the opponent's business prior to submitting the application as both parties had been in dispute over a domain name which was resolved, in the opponent's favour, by Nominet UK Dispute Resolution Service in 2007. The website www.monstersupplementstore.co.uk was transferred from the applicant to the opponent under this ruling.

3) On 8 December 2008 the applicant filed a counterstatement. The applicant claims to be a retailer of, inter alia, bodybuilding and fitness related consumables via a website conducted under the mark mentioned in paragraph one above. The applicant contends it is "currently either the top seller or the second top seller within the United Kingdom of all key brands offered for sale upon this website". The statement states that the applicant has sixty-seven employees working for it and physical sales locations in the UK and USA.

4) The applicant claims that it has made arrangements with Google Inc. so that the terms "monster supplement store" cannot be used as an Adword or a keyword search heading by any organisation other than the applicant. Exhibit 1 shows a copy of an email sent by the applicant to Google requesting that this action be taken, no response from Google has been provided. The applicant also claims that when the opponent attempted to register the mark relied upon by the opponent in the instant case, with the UKIPO, the application was opposed and evidence was provided which it claims showed that the mark was generic and descriptive and that the opposition was successful. This evidence is attached to the counterstatement, along with further similar evidence. The applicant also claims that the opponent has acquiesced to the applicant's use of the mark as it did not seek to enforce the transfer of the domain name until October 2008, and that no opposition was raised to the registering of the company name by the applicant. The applicant states that it has been trading under its name since 21 March 2007 and has a turnover of over £2million.

5) The applicant denies the opponent's claims and puts it to proof of goodwill and reputation. The applicant also makes a number of submissions in its counterstatement which I shall refer to as and when relevant in my decision.

6) Only the opponent filed evidence in this case. Neither side wished to be heard, and neither party provided written submissions (other than those contained within the papers already filed).

OPPONENT'S EVIDENCE

7) This consists of a witness statement, dated 5 March 2009, by Mark Bowering who is the founder and Managing Director of the opponent company. He states that he incorporated his company in March 2003 having traded since August 2002. He states that he has used the mark MONSTER SUPPLEMENTS, its abbreviation MONSTER and logo marks featuring the wording MONSTER SUPPLEMENTS since incorporation. He has used the domain name www.monstersupplements.com since August 2002. He states that the marks have been used in relation to nutritional supplements and also accessories and equipment such as shorts, T-shirts,

trousers, towels, bags, weightlifting belts and gloves, joint supports, water bottles etc. These goods are sold primarily through the website although the opponent has premises in Hull with twenty-one staff and a small store in London. Mr Bowering states that there are 200,000 registered customers and 83,000 email subscribers who receive bi-monthly promotional and advisory emails. He states that orders have been received and deliveries made to customers throughout the UK. He supplies the following turnover figures for MONSTER SUPPLEMENTS and the variations on this mark:

Year	Turnover £
2002	137,000
2003	172,000
2004	630,000
2005	1,530,000
2006	1,890,000
2007	2,690,000

8) Mr Bowering states that the marks have been advertised through magazines such as *Men's Fitness*, *Muscle and Fitness*, *Flex* and *FHM* as well as via the internet. Expenditure on such advertising is stated to average £135,000 per annum. At exhibit MB4 he provides a copy of an internet search of the term MONSTERSUPPLEMENTS which shows his company and also the applicant. At exhibits MB5 & 6 he provides schedules showing that the magazine advertising took place. At exhibit MB7 he provides copies of pages from the archive internet showing the use made of the marks during the years 2002-2007. The term "Monster Supplements" in a slightly stylised font is used in 2002 and 2003 (see fig 1 in Annex). In 2004 this changes to a large letter "M" with the upper torso of a bodybuilder forming the middle of the letter "M" and the words "MONSTERSUPPLEMENTS.COM" printed across it (fig 2 in Annex). The trade mark in 2005 is the same except for the deletion of the bodybuilder image and remains in use in 2006 (fig 3 in Annex). By 2007 the company is simply using the name "MONSTER SUPPLEMENTS" in normal block capitals.

9) At exhibit MB8 Mr Bowering provides copies of emails from irate customers, none of whom have ordered from his company. He provides these to show the damage that his company is suffering. At exhibit MB9 he provides copies from magazine forums where users are commenting on the applicant detrimentally, and others are pointing out that there is a difference between the applicant and the opponent. At exhibit MB11 he provides copies of both parties' websites and compares them, pointing out areas where he claims they are similar in style, layout and content. Exhibits MB12, 13 & 14 provide examples of confusion involving the credit controller of the applicant's legal representative in the USA, a distributor who deals with the opponent, and the Managing Director of a supplier to the opponent, all of whom apparently believed the opponent was the applicant company or that the two parties were financially linked.

10) Mr Bowering states that in 2007 Nominet ruled that the applicant's domain name "monstersupplementstore.co.uk" was an abusive registration and ownership was forcibly transferred to the opponent. He states that the applicant "tried to explain their adoption of the MONSTER SUPPLEMENT STORE name by saying that "monster" is descriptive, but they do

not use MONSTER as a description on their website (eg- beside another trading identity) but very much as their trading identity.

11) That concludes my summary of the evidence filed.

DECISION

12) The opposition is based solely upon section 5(4)(a) of the Act which 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)....

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.”

13) In deciding whether the mark in question offends against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the *WILD CHILD* case [1998] RPC 455. In that decision Mr Hobbs stated that:

“The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the applicant from those of other undertakings (see section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Article 4(4)(b) of the Directive and section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the applicant in accordance with the law of passing off.

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] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 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:

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

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) 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 or as if the words used by the House constitute an exhaustive, literal 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.'

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.”

14) The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. A similar provision to section 5(4)(a) of the Act is to be found in Article 8(4) of Council Regulation 40/94 of December 20,1993. This was the subject of consideration by the Court of First Instance in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07. In that judgment the CFI stated:

“50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 18 March 2008.”

15) Applying this reasoning to the Act, the material date is the date of the application for registration. However, if there had been use of the trade mark by the applicant prior to the date of application this would have to be taken into account. It could establish that it was the senior user, that there had been common law acquiescence or that the existing position should not be disturbed and so use would not be liable to be prevented by the law of passing-off. (See *Croom’s Trade Mark Application* [2005] RPC 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42.)

16) With these considerations in mind I turn to assess the evidence filed on behalf of the parties in the present proceedings as set out earlier in this decision. The opponent has used three slightly different type faces and stylisations (see annex). However, since 2005 he has used simply the words MONSTER SUPPLEMENTS.COM printed over a large capital letter “M” in relation to its store selling supplements and gym equipment and clothing. In all of the marks used since the opponent’s incorporation in March 2003 the dominant characteristic has been the name “MONSTER SUPPLEMENTS”. This has been the name used in its advertising in national magazines and on its internet site. In 2007, the year prior to the relevant date the opponent had achieved a turnover of almost £2.7million. The opponent therefore passes the first hurdle of showing that, at the relevant date it had goodwill in the words “MONSTER SUPPLEMENTS”. Although the level of sales has not been put into context of the overall market for nutritional supplements and sporting goods, the opponent has stated that it has 200,000 registered customers and sends a bi-monthly e-mail to 83,000 of these customers. The opponent also advertises in

national magazines. This evidence is uncontested. In *EXTREME* Trade Mark (BL O/161/07) the Appointed Person said:

“Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness's evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness's evidence.”

17) The applicant contended that the opponent’s mark is not inherently distinctive. It was claimed that the words “monster” and “supplement” were not capable of distinguishing the goods and services of one undertaking from another as the terms were generic for the goods and services offered by the opponent. They also contend that the letter “M” is insufficient to add distinctiveness as it is solely an abbreviation relating to the type of goods offered for sale by the opponent. At annex 3 and 4 of its counterstatement the applicant offers evidence of its contentions. Although not filed in the correct manner I am willing to consider the evidence provided. The evidence provided consists of copies of pages from the internet. Virtually all of these relate to companies or individuals in the USA and very few are dated. Other than the two parties in the instant case, there is only one instance of use of the word “Monster” with regard to supplements in the UK. An undated entry for PVL Nutrients offers a protein product called “Monster Maxx”. I do not accept that the evidence provided shows that the term “monster” has become generic in the trade. Nor do I accept the contention that the letter “M” in the opponent’s mark lacks distinctiveness. To my mind the opponent’s mark is inherently distinctive and the opponent has acquired a reputation and goodwill with the average consumer of nutritional supplements, gym equipment and sports clothing.

18) I now turn to consider the marks of the two parties. For ease of reference these are reproduced below:

Applicant’s Mark	Opponent’s Mark
	

19) As part of its counterstatement the applicant made a number of submissions regarding the distinctiveness of the opponent’s mark which I have dealt with earlier in this decision. . The applicant also contends that although its mark also has the generic words “monster” and “supplement” in it, it has a distinctive logo which makes its mark capable of being distinguished from those of other undertakings. It claims that its three dimensional cube-type device is unique and distinctive. Further, the applicant claims that “The manner in which the Opponent utilises the Opponent’s Trade Names and the manner in which the Applicant utilises the mark as applied

for is substantially different. Both the Opponent and the Applicant conduct business substantially in an online environment”. The applicant provided copies of both parties’ websites in annex 2 to its counterstatement. The sites would appear to be using the marks as shown in paragraph 16 above.

20) In determining the issue of whether the marks are similar I have to consider the issue from the perspective of the average consumer. Clearly, the average consumer for the opponent’s services are those involved in sports. Although the initial focus was on bodybuilding, it is clear from the products on offer that this has broadened out to include anyone who “works out” whether it be in a gym or elsewhere, or is otherwise physically active.

21) The applicant has a three dimensional cube device with the letter “M” showing on two sides, as well as the wording “monstersupplementstore”. The opponent has a large letter “M” behind the wording “monstersupplements.com”. Clearly, there are visual differences in the two marks. Equally, there are clearly aspects which are identical. Aurally the marks are virtually identical. The letter “M” in the cube device would not be pronounced, nor would the letter “M” behind the opponent’s mark. Even if they were they would be identical. The only differences appear at the end of the very long marks. Conceptually, the marks convey the same message as they are effectively the same words. Overall the similarities of the marks far outweigh any differences.

22) I now turn to consider the services of both parties. In carrying out the comparison I will take into account *British Sugar Plc v James Robertson & Sons Ltd* (TREAT) RPC 281. This identified the following as elements to be considered, uses, users, nature, trade channels, where the items are to be found and whether they are in competition. I must also consider the issue of whether the goods and services are complementary. In Case T-420/03 – *El Corte Ingles v OHIM-Abril Sanchez and Ricote Sauger* (Boomerang TV) the Court of First Instance commented at paragraph 96:

“96.....Goods or services which are complementary are those where there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for the production of those goods or provision of those services lies with the same undertaking (Case T-169/03 Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI) [2005] ECR II-685, paragraph 60, and judgment of 15 March 2006 in Case T-31/04 *Eurodrive Services and Distribution v OHIM – Gomez Frias* (euroMASTER), not published in the ECR, paragraph 35).”

23) I also take into account the views of Neuberger J in *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 stated:

“I should add that I see no reason to give the word "cosmetics" and "toilet preparations" or any other word found in Schedule 4 to the Trade Mark Regulations 1994 anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context. In particular, I see no reason to give the words an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor.”

24) Further, I also bear in mind the comments of Jacob J. in *Avnet Incorporated v. Isoact Ltd* [1998] FSR 16 where he said:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

25) The applicant is seeking to register its mark for the following:

Class 35: Administration of the business affairs of retail stores; advertising; advertising services provided via the Internet; advertising services relating to the sale of beverages; presentation of goods on communication media, for retail purposes; publication of advertising matter; retail services connected with the sale of clothing and clothing accessories; retail store services in the field of clothing; the organisation, operation and supervision of loyalty and incentive schemes.

Class 41: Exercise (fitness) advisory services; instruction in body grooming; provision of instruction relating to exercise.

26) The opponent has used its mark in relation to an internet retailing operation and also physical stores selling supplements in addition to gym equipment and sports clothing. This is identical to the applicant’s “retail services connected with the sale of clothing and clothing accessories; retail store services in the field of clothing”. The opponent’s activities would also encompass “advertising services relating to the sale of beverages; presentation of goods on communication media, for retail purposes” as they advertise drinks as part of their supplements business as well as presenting goods on the internet for retail purposes. The opponent’s activities do not cover the following services in Class 35, nor are they similar, “Administration of the business affairs of retail stores; advertising; advertising services provided via the Internet; publication of advertising matter; the organisation, operation and supervision of loyalty and incentive schemes”.

27) The applicant’s services in Class 41 are not identical to those offered by the opponent, however they are in closely related fields. The opponent’s business is centred around the provision of nutritional supplements and equipment to assist in fitness. Both parties specifications would cover consumers from the business world to the average citizen. The opponent’s goodwill and reputation is linked to fitness and health, as it sells the equipment, clothing and nutritional supplements to aid those seeking to improve their fitness or simply to achieve a physical look. Physical training such as going to the gym is undertaken as much, if not more, for the way that one looks and one’s physical size as it is for pure fitness. The two are, today, inextricably linked. Offering advice and/or instruction on exercise or fitness and body grooming would be viewed by the average consumer as an extension of the services currently offered by the opponent.

28) In reaching my decision I take into account the comments of Morritt L J in the Court of Appeal in *Neutrogena Corporation and Another. v Golden Limited and Another* [1996] RPC 473, when he said that the correct test on the issue of deception or confusion was whether, on the

balance of probabilities, a substantial number of members of the public would be misled into purchasing the applicant's products in the belief that it was the opponent's.

29) Taking all of the above into account it is clear that the opponent has built up a reputation in its mark with regard to the retailing of supplements and sports equipment and clothing. The average consumers for some of each parties services overlap, as do some of the services of the two parties. The similarities in the marks far outweigh any differences and so there would be, in my view, misrepresentation with regard to the following:

Class 35: Advertising services relating to the sale of beverages; presentation of goods on communication media, for retail purposes; retail services connected with the sale of clothing and clothing accessories; retail store services in the field of clothing;

Class 41: Exercise (fitness) advisory services; instruction in body grooming; provision of instruction relating to exercise.

30) There would be no misrepresentation with regard to the following:

Class 35: Administration of the business affairs of retail stores; advertising; advertising services provided via the Internet; publication of advertising matter; the organisation, operation and supervision of loyalty and incentive schemes.

31) The applicant contends that the opponent has acquiesced to the applicant's use of the instant mark as it did not oppose the registration of the company name and did not seek to enforce its domain name rights until October 2008. However, I note that the opponent did achieve success against the applicant's website use with Nominet UK in 2007, a decision which it sought to enforce in 2008. The opponent has also filed its opposition to the instant trade mark application in 2008. The applicant seeks to rely upon the remarks of Oliver LJ in *Habib Bank Ltd v Habib Bank AG Zurich* [1982] RPC at 24:

"Where you find that two traders have been concurrently using in the United Kingdom the same or similar names for their goods or businesses, you may well find a factual situation in which neither of them can be said to be guilty of any misrepresentation. Each represents nothing but the truth, that a particular name or mark is associated with his goods or business."

32) I note the comments of Pumfrey J. in *Daimlerchrysler AG v. Javid Alavi (T/A Merc)* [2001] RPC 42 where he commented:

"**111** The final defence with which I must deal is a defence of acquiescence. Ultimately this resolved itself into a complaint about delay, and a case of knowledge based on two particular events. The first, which I have described above, is the painting of the word MERC on Mr Alavi's van by the then proprietors subsidiary at Colindale. The other, which I have not described above, concerns a visit to Mr Alavi's MERC stand at one of the Man and Boy exhibitions to which I have referred. In brief, Mr Alavi says that he was visited by some representatives of the Mercedes-Benz who did not object to his use of Merc.

112 Delay does not form a ground of defence unless either it gives rise to a defence under the Trade Marks legislation (and the Directive) or DaimlerChrysler has acquiesced in Mr Alavi's activities, and Mr Alavi has been induced by DaimlerChrysler's standing by to commit himself to a course of action which otherwise he might not have undertaken: see [Farmer's Build Ltd v. Carier Bulk Materials Handling Ltd \[1999\] R.P.C. 461](#). In [Electrolux Ltd v. Electrix Ltd \(No. 2\) \(1953\) 71 R.P.C. 23](#), which was a trade mark case, the position of the infringer who is building up his own goodwill was described in this way by Sir Raymond Evershed M.R.:

"Mr Shelley says that the case really is properly analogous to the case supposed by Lord Cranworth in [Ramsden v. Dyson \(1866\) L.R. 1 H.L. 129](#). That is the case of a man building upon another's land, upon the false hypothesis that the land is his (the builder's) own. He says that the analogy is there and is true, because what the defendants have done and are doing, in trading under their mark "Electrix", is to build, not (it is true) a house, but an edifice of another kind, namely, a business goodwill. I myself do not accept that that is a true analogy. In the Ramsden v. Dyson type of case, if the true owner of the land is entitled to assert his rights, then not only does he strip the builder of the fruits of his toil, but he also assumes to himself, and makes his own property, those fruits. In a case such as the present, there is no doubt that the defendant is damaged, he suffers loss, if, after building up this goodwill, he is then restrained from continuing to operate under the name. But it is surely quite wrong to say that the plaintiff in this case, the owner of the mark, assumes to himself some proprietary right or some benefit which otherwise would be the property of the defendants. After all, if the plaintiffs are entitled to succeed, they are only taking and retaining what would be theirs by virtue of their own registered mark--unless, of course, they are prevented by this acquiescence from claiming to assert those rights.

I think, upon analysis, that Mr Shelley's argument must, in the end of all, come to this, that the owner of a registered trade mark who for a substantial period of time has lain by and not asserted his rights has lost those rights, notwithstanding that they are rights conferred upon him by statute. I think so to hold, at any rate in a case where the length of time involved is no greater than in this case [10 years], would be to introduce a wholly novel--nay, revolutionary--doctrine, and I think also that it would be contrary to the principles laid down by the decided cases. Indeed, Mr Shelley himself admitted that mere delay, without more, can be no bar to the exercise by the owner of a registered trade mark of his statutory right. The cases, I think, are clear to that effect; for example, to quote but two, Fullwood v. Fullwood (1878) 9 Ch.D., p.176, another decision of Fry, J. in a passing-off case, and *850 Vidal Dyes v. Levinstein (1912) 29 R.P.C. 245, at p. 259, a patent case, where the proprietor had lain by for as long a period there as ten years."

113 It is an essential component in a defence of acquiescence that the failure of the claimant to act should have induced the defendant to believe that the wrong was being assented to. But in this case there was no such reliance by Mr Alavi: indeed, he only remembered the visit to the stand on being asked by his solicitors, and had attached no importance to it at the time. In any event, DaimlerChrysler (or their predecessors) were not aware of his trading activities until 1997. These facts cannot support a plea of

acquiescence. But the period of trading is very long. Had I found that Mr Alavi had infringed one or more of the Mercedes marks, but that there was no passing-off, and that there had been no damage, perhaps the question of delay should have to be considered in the context of relief. But the question does not arise. This defence fails.”

33) In the instant case, the opponent did not delay in seeking to stop the applicant from usurping its trade mark. The applicant began trading in March 2007. The opponent won a case before the UK Dispute Resolution Service with regard to the applicant’s domain name in 2007. It opposed the registration of the instant mark once it was aware that the applicant had submitted an application. I accept that the opponent withdrew its own application to register its trade mark following opposition under absolute grounds by the applicant. I also accept that it did not launch a passing off action in the courts. However, given the brief amount of time that the applicant has been in business and the action that the opponent has taken within this same time the applicant can not have believed that the opponent was content for it to continue to use its trade mark on services closely allied or identical to those of the opponent.

34) I must now consider if the opponent has suffered, or is likely to suffer, damage as a result of this misrepresentation. In *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 HL Lord Fraser stated that the opponent must show that “he has suffered, or is likely to suffer, substantial damage to his property in the goodwill”. In the instant case both marks have the wording “Monstersupplement” and both deal, in part, in the retailing of supplements, sporting equipment and clothing and associated items. In my opinion, the average consumer will view the applicant’s business in the identical or similar fields of activity identified above as merely an extension of the opponent’s business. If the applicant’s services are unsatisfactory in any way it will result in damage to the opponent’s goodwill. The opponent provided evidence of such confusion and damage from unhappy customers of the applicant contacting the opponent. The ground of opposition under Section 5(4)(a) is successful against the elements of the specification found to be similar in paragraph 25 above.

35) For the avoidance of doubt the opposition is successful with regard to:

Class 35: Advertising services relating to the sale of beverages; presentation of goods on communication media, for retail purposes; retail services connected with the sale of clothing and clothing accessories; retail store services in the field of clothing;

Class 41: Exercise (fitness) advisory services; instruction in body grooming; provision of instruction relating to exercise.

36) The opposition fails with regard to:

Class 35: Administration of the business affairs of retail stores; advertising; advertising services provided via the Internet; publication of advertising matter; the organisation, operation and supervision of loyalty and incentive schemes.

COSTS

37) As the opponent has been mostly successful it is entitled to a contribution towards its costs. I order the applicant to pay the opponent the sum of £1,300, breakdown as below.

Preparing a statement and considering the other side's statement	600
Preparing evidence and considering and commenting on the other side's evidence	500
Expenses	200
TOTAL	1,300

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 28th day of October 2009

**G W Salthouse
For the Registrar
The Comptroller-General**

ANNEX

Fig 1)



Fig 2)



Fig 3)

