

O-136-10

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2356369
BY VITASOY INTERNATIONAL HOLDINGS LIMITED
TO REGISTER THE SERIES OF TWO TRADE MARKS**

VITA LIGHT

The logo consists of the word "VITA" in a bold, uppercase, sans-serif font, positioned above the word "Light" which is written in a cursive, lowercase script font. The two words are slightly offset to the right.

IN CLASSES 30 AND 32

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No. 95868 BY
THE SUNRIDER CORPORATION T/A SUNRIDER INTERNATIONAL**

BACKGROUND

1) On 19 February 2004, Vitasoy International Holdings Limited (hereinafter the applicant), applied to register the following series of two trade marks:



2) In respect of the following goods and services:

Class 30: Tea drinks; excluding preparations for making herbal drinks for sale on a one to one basis directly to consumers and not through retail outlets; and excluding malt beverages.

Class 32: Carbonated and non-carbonated non-alcoholic drinks and beverages, syrups, powders, extracts and concentrates for making carbonated and non-carbonated non-alcoholic beverages, juices of all kinds, soft drinks, soya bean based extracts and beverages; all excluding preparations for making herbal drinks for sale on a one to one basis directly to consumers and not through retail outlets; and all excluding malt beverages.

3) The application was examined and accepted, and subsequently published for opposition purposes on 2 November 2007 in Trade Marks Journal No.6708.

4) The Sunrider Corporation t/a Sunrider International (hereafter the opponent), filed a notice of opposition, subsequently amended, dated 15 January 2008. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trademark:

Trade Mark	Number	Application date & Registration Date	Class	Specification
VITALITE	1546617	03.09.93 & 10.12.99	5	Dietetic substances; preparations made from herbs for health purposes; nutritional supplements; herbal food tablets; dietary fibre supplements; but not including oils or fats.
			29	Snack bars containing herbs; herbal food concentrates; but not including

				oils or fats or goods of the same description as oils or fats.
			32	Preparations for making herbal drinks; all being for sale on a one to one basis directly to consumers and not through retail outlets

b) The opponent states that it has used its mark in the UK since September 1991 in respect of the entire specification for which it is registered. It also states that its mark has been the subject of a recent revocation action. The opponent states that the mark applied for is similar to the opponent's earlier registration and that the goods applied for are similar to those for which its mark is registered. The opponent states that the application offends against Section 5(2)(b) of the Trade Marks Act 1994. It further claims that insofar as any of the goods are deemed to be dissimilar then the application offends against Section 5(3).

5) On 21 April 2008 the applicant filed a counterstatement, subsequently amended, which denied the opponent's claim, and also put the opponent to strict proof of use.

6) Both sides filed evidence, and both parties seek an award of costs in their favour. The matter came to be heard on 15 April 2010. At the hearing, the opponent was represented by Mr Malynicz of Counsel instructed by Messrs J A Kemp & Co, the applicant was not represented, although it did supply written submissions.

OPPONENT'S EVIDENCE

7) The opponent filed a witness statement, dated 10 December 2008, by Oscar Crispino D'Souza, the Regional Finance Manager for Sunrider Europe Inc the European licensee of the opponent company. He states that the information he provides is within his own knowledge or obtained from the records of Sunrider. He points out that most of his evidence was provided in a recent revocation action filed against his company and that much of his evidence in the instant case is identical to that previously filed. He states that the mark in suit was first used in the UK in September 1991. He states that it has been used on a number of herbal supplements and herbal food products sold in the UK. These are sold under a number of brands and he lists them as *Vitalite Sunbar*, *Vitalite Bar*, *Vitalite Pack*, *Vitadophilus*, *Fibertone*, *Fortune Delight*, *Vitalite Caps*, *Vitalite Sportcaps*, *Vitalite Slim Caps* and *Vitastate*.

8) Mr D'Souza states that the registered proprietor "has made steady sales of its products branded under the VITALITE mark during the time that they have been available in the UK". He provides in the following table sales figures for each of the VITALITE branded products during the period 1995-2008. The figures shown are in UK£.

	2001	2002	2003	2004	2005	2006	2007	2008
Vitalite Sunbar/Bar	8906	10570	7578	9350	6117	6686	4373	2946
Vitalite Pack	2019	757	2379	1808	365	569	423	0
Vitadophilus	1891	2412	2064	1909	1774	2134	1133	1094

Fibertone	532	251	400	656	736	842	713	369
Fortune Delight	19975	19724	24962	19360	18595	22831	17066	10874
Vitalite Caps/Action/ Sportscap	2254	2758	3136	1733	2366	2043	1944	1255
Vitataste	0	1202	1820	1022	780	888	532	224
Vitalite Slim Caps	1550	5846	5949	6261	7390	12227	5951	3812

9) Mr D’Souza states that the products have been sold throughout the UK and he lists towns and cities throughout the United Kingdom where he states that sales have been made. He states that promotional materials have been distributed throughout the UK and he provides the following figures which relate to promoting the various VITALITE products in the UK by way of a newsletter.

Year	Amount £
2001	13,291
2002	11,923
2003	11,936
2004	12,542
2005	12,379
2006	11,885
2007	10,655

10) Mr D’Souza states that he believes that the evidence shows that his company has used the mark on all of the goods for which it is registered. He also comments that much of this evidence was used in a recent High Court action between the parties. He provides a number of exhibits which I summarise below:

- Exhibit ODS1: examples of how the mark is applied to the goods. This consists of actual examples of boxes and jars, and also some photocopies of the packaging. In a large box called “The Vitalite Pack” there were a number of smaller packages. These included “Vitalite Sunbar”, “Fortune Delight” boxes, a “Vita Dolphilus” box and one “Vitalite Caps” bottle. The boxes marked “Fortune Delight” and “Vita Dolphilus” also have, on one side of the box, the marks “Sunrider” and “Vitalite”. Also included as part of the exhibit were four bottles marked “Vitalite Slim Caps”, “Vitalite Sports Caps”, “Vitataste” and “Vitalite Fibertone”. The various boxes and jars have manufacturing dates between 30.05.07 and 06.08.08. Therefore, all of the products listed in the table in paragraph 8 above are sold under the VITALITE brand.
- Exhibit ODS2: This consists of 93 pages. It includes copies of invoices for the most part dated between August 2001 and November 2004. There were two invoices from 1992 (pages 93 & 94) but being so old, these are of little assistance, twenty-two of the invoices (pages 33-38 & 77-92) were very badly photocopied and could not be read. Of those that could be read, they appeared to be addressed to individual clients in the UK judging by

the low value and volume of each invoice. The products are referred to by their individual product name and on occasion also by reference to "VITALITE", but Mr D'Souza asserts in his statement that they were sold under the packaging shown in exhibit 1. Also included in this exhibit are a number of computer print outs titled "History Order" and "History Payment". These are of limited assistance as for the most part they do not identify the client, their address or the products purchased.

- Exhibit ODS3: copies of promotional materials that were distributed throughout the UK to individual customers/ distributors. These feature the VITALITE marks, amongst many others, but seem primarily aimed at promoting the "SUNRIDER" mark and the unusual form of selling where each customer seeks to sell onto a number of others, who in turn become distributors. The newsletters have lists of distributors who have sold over given amounts of product. These are primarily in continental Europe, but do include a number in the UK.
- In the newsletters contained within exhibit ODS3 there are descriptions of the products which are sold under each of the marks listed in the table at paragraph 8 above, and which have the packaging provided at exhibit OSD1. These descriptions are in summary:

Vitalite Caps/slimcaps/sport caps: capsules which contain dietetic substances, herbal food concentrate, and nutritional supplements. Used for health purposes e.g. to enhance metabolic processes.

Vitalite Sunbar: a nourishing low-fat, low sodium herbal bar, containing dietary fibre.

Fortune Delight: an all natural, low calorie, concentrated herbal beverage in powder form which assists the body's natural elimination processes. Containing anti-oxidants, which are shown to be effective in absorbing damaging free radicals.

Fibre-tone: each capsule contains a unique concentrated blend of herbs which provide soluble and insoluble fibre. It helps maintain efficient digestion.

Vitodophilus: a powder which when mixed with water provides a live culture bacteria into the body full of nutritional supplements.

Vitataste: a herbal concentrate capsule.

- Exhibit ODS4: examples of price lists for the period 1995 – 2008. These include a number of entries for products which have been shown in ODS1 which carry the mark in suit, albeit amongst others.
- Exhibit ODS5: Copies of invoices for the newsletters dated January 2001 – May 2007.

APPLICANT'S EVIDENCE

11) The applicant filed a witness statement, dated 15 May 2009, by Ms Tong Ah Hing the Company Secretary of Vitasoy International Holdings Limited, a position she has held for twenty years. She provides a brief history of the company and its products which have historically been sold in the Far East. There appear to be two lines of products, VITASOY which is used on soybean drinks and tofu and, VITA used on dairy products, juice drinks, teas and bottled water. At exhibit TAH2 she provides photocopies of the packaging for the VITA range of products, some (unspecified) of which are sold in the UK. These show use of the mark VITA. At exhibit TAH4 she provides copies of a website page which shows the packaging used for VITA LIGHT in Hong Kong, she comments that the packaging and get-up are different to that used by the opponent.

12) Ms Hing states that her company is the registered proprietor of the marks VITA and VITASOY in the UK and elsewhere. She provides details at exhibit TAH5. She states that her company has been using these marks in the UK since 1985, eight years prior to the opponent filing its mark. She states that between 1991 and 2006 her company sold HK\$95.5 million worth of products in the UK. She states that her company has promoted its marks in the UK and at exhibits TAH9 & 10 she provides copies of advertisements in the UK and also invoices both of which show use of VITA and VITASOY. She states her belief that her company has a reputation under both VITA and VITASOY and that consumers will view the mark in suit as an extension of the brand. She also states that she believes that the products are different and also the trade channels. At paragraph 39 of her statement she says:

“39..... Vitasoy’s goods are imported into the UK by a distributor and sold to end customers through retail and wholesale channels.”

OPPONENT'S EVIDENCE IN REPLY

13) The opponent filed a second witness statement by Mr D'Souza dated 13 November 2009. He disputes the relevance of the assertions made by Ms Hing.

14) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

15) At the hearing the ground of opposition under Section 5(3) was withdrawn. I therefore consider what is now the only ground of opposition under section 5(2)(b) which reads:

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

(a)....

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

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

16) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

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

17) In these proceedings the opponent is relying upon an earlier mark UK1546617 registered on 10 December 1999 and is therefore subject to The Trade Marks (Proof of Use, etc) Regulations 2004, paragraph six of which states:

“6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if-

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has 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, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes-

- (a)....
- (b)....

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

18) In April 2008 I considered a revocation action against the opponent’s mark. This decision (B/L O-117-08) considered the periods 11 December 1999-10 December 2004 and 10 April 2002-9 April 2007. The evidence provided in this case was considered enough to maintain the registration, albeit for a reduced specification, which has been reflected in the goods set out under the opponent’s specification. This revocation took effect as of 10 December 2004 as the evidence after this date was not conclusive. In the instant case the publication date of the application was 2 November 2007. Therefore, the relevant period for the proof of use is 3 November 2002- 2 November 2007. I must first consider whether the opponent has fulfilled the requirement to show that genuine use of the mark has been made. The guiding principles to be applied in determining whether there has been genuine use of a mark are *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 and *Laboratoire de la Mer Trade Mark* [2006] F.S.R. 5. From these cases I derive the following main points:

- genuine use entails use that is not merely token. It must also be consistent with the essential function of a trade mark, that is to say to guarantee the identity of the origin of goods or services to consumers or end users (*Ansul*, paragraph 36);
- the use must be ‘on the market’ and not just internal to the undertaking concerned (*Ansul*, paragraph 37);
- it must be with a view to creating or preserving an outlet for the goods or services (*Ansul*, paragraph 37);
- the use must relate to goods or services already marketed or about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns (*Ansul*, paragraph 37);
- all the facts and circumstances relevant to determining whether the commercial exploitation of the mark is real must be taken into account (*Ansul*, paragraph 38);
- the assessment must have regard to the nature of the goods or services, the characteristics of the market concerned and the scale and frequency of use (*Ansul*, paragraph 39);
- but the use need not be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39);

- an act of importation could constitute putting goods on the market (*Laboratoire de la Mer*, paragraph 25 referring to the earlier reasoned order of the ECJ);

- there is no requirement that the mark must have come to the attention of the end user or consumer (*Laboratoire de la Mer*, paragraphs 32 and 48);

- what matters are the objective circumstances of each case and not just what the proprietor planned to do (*Laboratoire de la Mer*, paragraph 34);

- the need to show that the use is sufficient to create or preserve a market share should not be construed as imposing a requirement that a significant market share has to be achieved (*Laboratoire de la Mer*, paragraph 44).

19) I must also keep in mind the guidance in *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 in relation to determining what constitutes a fair specification, namely:

“29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

31 Pumfrey J. in *Decon* suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same

when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use.”

20) The comments of Mr Justice Jacob (as he then was) in *Animal Trade Mark* [2004] FSR 19 are also relevant.

“20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernicky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made.”

21) I now turn to consider the evidence filed in this case. The evidence is very similar to that filed in the earlier revocation case but it has been updated to include sales figures for the years subsequent to 2004. The witness statement is very clear that this packaging was used in the UK. The packaging on all products carried the Vitalite mark, as part of the main brand or as a sub-brand. As such I regard it as use of the mark in suit as a trade mark on those goods (see *BUD / BUDWEISER BUDBRAU* [2003] RPC 24; *NIRVANA Trade Mark* (BL O/262/06) and *REMUS Trade Mark* (BLO/061/08)). I also note the manufacturing dates which show these products to have been produced between 30 May 2007 and 6 August 2008. Whilst these include dates after the end of the relevant period this does not invalidate them, it merely requires less weight to be given to them, although they can form part of the overall picture of use that the opponent is presenting.

22) From exhibit ODS3 it is clear that the opponent sells via individuals who sell to others and/or recruit further distributors. Thus, a chain is formed from the opponent via distributors to end users. The newsletters which formed this exhibit also showed the names of a number of UK based individuals who had recruited hundreds or thousands of others. The majority of names shown on the newsletters were from continental Europe, but whilst the business is not doing as well in the UK as elsewhere this does not detract from the sales actually made. The opponent provided sales figures for the UK under the various brands it uses. It is clear from the packaging

(ODS1) that they also carry the mark in suit. The witness statement filed confirmed that the sales are spread across the whole of the UK and examples of invoices were also provided. The fact that the newsletters were only sent to the individual distributors does not make such use “internal use”, as the distributors are consumers themselves. The invoices provided are samples and whilst they are each of low value they are merely corroborative of the witness statement and its assertions. The witness statement shows significant sales in the UK during the relevant period. The evidence provided in the witness statement was not challenged by the applicant and no request was made to cross examine the witness. The applicant has criticised this evidence for falling outside the period and for the fact that not all of the invoices have the mark VITALITE upon them. I note that the witness statement asserts that the goods referred to in these invoices were sold under packaging as exhibited at ODS1, which does show use of the opponent’s mark.

23) I have to consider whether the opponent has discharged the onus that section 100 lays upon it. However, in considering what constitutes evidence of use I take into account the comments of Mr Arnold QC acting as the Appointed Person in *Pan World Brands Ltd v Tripp Ltd (Extreme)* [2008] RPC 2 where he said:

“31. Basing himself upon the first three sentences of the passage I have quoted from Moo Juice, counsel for the applicant submitted (1) that a mere assertion of use of a trade mark by a witness did not constitute evidence of use sufficient to defeat an application [for revocation] for non-use, and (2) it followed that mere testimony from a representative of the proprietor was not enough and such testimony had to be supported either by documentary records or corroborated by an external witness. I accept submission (1) but not submission (2). Kitchen J.’s statement that “bare assertion” would not suffice must be read in its context, which was, that it had been submitted to him that it was sufficient for the proprietor to give evidence stating “I have made genuine use of the trade mark”. A statement by a witness with knowledge of the facts setting out in narrative form when, where, in what manner and in relation to what goods or services the trade mark has been used would not in my view constitute bare assertion. As counsel for the applicant accepted, it might not be possible for a trade mark proprietor to produce documentary evidence: for example all the records might have been destroyed in a fire. In such circumstances I do not see anything in either the Directive, the 1994 Act or the 2000 Rules which would require the proprietor to adduce evidence from an external witness (which is not to say that it might not be advisable for the proprietor to do so).”

24) In this decision the Appointed Person went on to consider the position regarding unchallenged evidence. He took into account *Phipson on Evidence* (16th ed), the House of Lords in *Brown v Dunn* (1894) 6 R.67, Hunt J. in *Allied Pastoral Holdings v Federal Commissioner of Taxation* [1983] 44 ALR 607 and The Court of Appeal in *Markem Corp v Zipher Ltd* [2005] RPC 31. He summed up these views:

“35. In my judgement the learned editors of *Phipson* are correct to say that the rule is not an inflexible one. There are at least two well-established exceptions to it. The first is that, as the speech of Lord Herschell L.C. in *Brown v Dunn* makes clear, it may not be necessary to cross-examine on a point if the witness has been given full notice of it before making his statement. As I pointed out in *BRUTT Trade Marks* [2007] R.P.C. 19 at [23],

this may be significant in registry proceedings where evidence is given sequentially. The second is that a court is not obliged to accept a witness's evidence in the absence of cross-examination if it is obviously incredible: see *National Westminster Bank plc v Daniel* [1993] 1 WLR 1453.

36. 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."

25) The applicant contends that although the relevant proof of use period in the instant case (2 November 2002 – 2 November 2007) overlaps the revocation period (11 December 1999- 10 December 2004) the opponent has to show use in the period 10 December 2004-2 November 2007. I can see no justification for this demand. The opponent only has to show genuine use in the five year period. It does not have to show use in each of the five years or even at the start and the end of the relevant period. Notwithstanding this, the opponent filed much of the same evidence as it did in the earlier revocation action, but updated the sales figures etc. Unsurprisingly, my finding is the same as the conclusion that I came to in the revocation case. Namely, that in my opinion the opponent has provided a narrative which is not "obviously incredible". On the contrary, the evidence filed as exhibits backs up the narrative. I accept that some of the evidence pre-dates the relevant period whilst other evidence post-dates the period. In both instances I attach less weight to this evidence but do take it into account. Whilst it is not the most convincing evidence that I have seen it is more than adequate. The use shown is within the relevant period and is genuine use. The only issue is precisely what has the mark in suit been used on in terms of the specification. In my view the opponent has shown use on its entire specification and thus the comparison test will be conducted on this basis. Although critical of the evidence filed the applicant has not been able to identify any part of the opponent's specification where use has not been shown. Further, they did not submit evidence to challenge the assertions made by the opponent nor did they seek to cross examine the opponent's witness. As such the opponent's evidence is unchallenged, although I have considered it with a critical eye.

26) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law 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, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,

- (b) the matter must be judged through the eyes of the average consumer of the goods/ services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*,
- (g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,
- (h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,
- (i) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,
- (j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,
- (k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*

27) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgments mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, I must compare the applicant's mark and the mark relied upon by the opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on the goods in their specifications.

28) The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was considered by David Kitchin Q.C. (as he was then) sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchin concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v. Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become more distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

29) The opponent has provided turnover figures, however they are quite modest. It is certainly not sufficient for them to enjoy enhanced protection because of reputation. However, I do accept that the opponent's mark is inherently distinctive for the goods for which it is registered.

30) I must now determine the average consumer for the goods of the parties. There has been some comment regarding the distribution of both sides' products, but it is my view that the goods

offered by the two parties are aimed at the general public who must therefore be regarded as the average consumer.

31) I shall first consider the goods of the two 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. This test was confirmed *Canon* at paragraph 45.

32) I also take into account the views of Neuberger J in *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 where he 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.”

33) At the hearing Mr Malynicz confirmed that his strongest case was under the opponent’s goods in Class 32. He confirmed that if he could not succeed under this Class of goods then the opposition was lost.

34) For ease of reference, I set out the goods and services of both parties below.

Applicant’s specification	Opponent’s specification
<p>Class 30: Tea drinks; excluding preparations for making herbal drinks for sale on a one to one basis directly to consumers and not through retail outlets; and excluding malt beverages.</p> <p>Class 32: Carbonated and non-carbonated non-alcoholic drinks and beverages, syrups, powders, extracts and concentrates for making carbonated and non-carbonated non-alcoholic beverages, juices of all kinds, soft drinks, soya bean based extracts and beverages; all excluding preparations for making herbal drinks for sale on a one to one basis directly to consumers and not through retail outlets; and all excluding malt beverages.</p>	<p>In Class 32: Preparations for making herbal drinks; all being for sale on a one to one basis directly to consumers and not through retail outlets.</p>

35) The applicant contends:

“38. The goods in Class 32 of the Registration are specifically excluded from the goods in the Application in Classes 30 and 32. Therefore the goods in the Application will not be sold on a one-to-one basis direct to consumers or sold through retail outlets. This

distinguishes the goods in the Application from those in the Registration as they will be sold through different channels of trade.”

36) Whilst the goods may be sold through different trade channels this alone does not mean that they are not similar. It is clear that the applicant’s specification has been carefully written to exclude the goods of the opponent so that they are not identical. However, both parties’ goods are non-alcoholic drinks. As such they will be partaken in order to quench ones thirst, and also for their taste. Herbal drinks are not only consumed for a perceived health benefit. Equally, other drinks which would fall within the applicant’s specification may be said to have medicinal or health benefits, such as so called “sports drinks”. The users are common for both parties, the general public, despite differences in the trade channels. The nature of the products is similar in that they are all non-alcoholic beverages. Herbal drinks would include teas as well as fruit drinks. To my mind they will be in competition with each other. Taking all of the above into account it is my view that the goods of the two parties, whilst not identical, are highly similar.

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

Applicant’s Trade Mark	Opponent’s Trade Mark
<p style="text-align: center;">VITA LIGHT</p> 	<p style="text-align: center;">VITALITE</p>

38) The applicant’s mark contains more than one word or element and is, therefore, a composite mark. The *Medion* case acknowledges that the overall impression conveyed to the relevant public by a composite mark may, in certain circumstances, be dominated by one or more of its components. To my mind the second word “light” will be seen by the average consumer as a description of the product, in that it is reduced in fat or calories. The use of this term has become commonplace to denote the lower calorie version of a product. The applicant contends that its mark will be seen as the “diet” version of its “Vita” product. Therefore, it is clear that the dominant feature of the applicant’s mark is the “Vita” element. However, I must compare the marks as wholes.

39) The applicant contends that there are visual differences between the marks, as the applicant’s mark consists of two words and the opponent’s mark is a single word. They also contend that the difference is emphasised by the stylisation of the second of their series of two marks. To my mind the stylisation is very minor and in order to be part of a series the marks must resemble each other as to their material details and differ only as to matters of non distinctive character that does not affect the identity of the trade mark. I accept that the applicant’s mark consists of two words, however to my mind the average consumer will view the opponent’s mark as two words simply conjoined. The term “lite” has, regrettably, become an accepted alternative version

of the word “light”. It has the same meaning of being the “diet” version of a food product. Therefore, the visual differences between the marks of the two parties are slight.

40) The applicant contended that there are aural differences as the opponent’s mark can be pronounced “vitality” which is four syllables, compared to the applicant’s three syllable mark. I accept that the opponent’s mark could be pronounced in this manner, but I believe that it is more likely to be pronounced in exactly the same way as the applicant’s mark. Partly due to the fact that the average consumer has been conditioned to view the word “lite” as being synonymous with “light” and also as the letter “e” at the end of words is frequently silent. There are always exceptions and I must bear in mind that some consumers may use the applicant’s form of pronunciation.

41) Conceptually, the applicant contends the marks are different as the average consumer would view the applicant’s mark as being an extension of the existing VITA brand. They say that the gap between the words “Vita” and “light” emphasises this aspect. There is no evidence of reputation in the marketplace or the manner in which the average consumer would view the mark. Even if I was inclined to accept this contention, and I am not, then this “logic” would equally apply to the opponent’s mark.

42) Considering the marks as wholes and taking acknowledging the minor differences I consider the marks to be highly similar.

43) I take all of the above into account when considering the marks globally. I also take into account the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa. The similarities in the marks are such that even if used on goods which are only slightly similar (and in the instant case I found them to be highly similar) I believe that there is a likelihood of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2) (b) therefore succeeds in relation to the entire application.

COSTS

44) As the opponent has been successful it is entitled to a contribution towards costs. The opponent sought costs slightly off the scale in order to take into account the cynical nature of the applicant’s specification and the issue on proof of use. I do not believe that these issues are enough to warrant an award above the scale and so will restrict myself to an award within the scale. I order the applicant to pay the opponent the sum of £2,800. This sum is calculated as shown below and 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.

Preparing a statement and considering the other side’s statement	£400
Preparing evidence and considering and commenting on the other side’s evidence	£1,000
Prepare for and attend a hearing	£1,200
Expenses	£200

TOTAL	£2,800
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Dated this 06 day of May 2010

**George W Salthouse
For the Registrar,
the Comptroller-General**