

O-389-15

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 3057355
BY
ZUN INTERNATIONAL LIMITED
TO REGISTER THE TRADE MARK**

**K R Y S T A L
NATURE'S ALKALINE WATER**

IN CLASS 32

AND

**THE OPPOSITION THERETO
UNDER NO 402755
BY
G.I.E. CRISTALINE, GROUPEMENT
D'INTERET ECONOMIQUE**


BACKGROUND

1. On 28 May 2014, Zun International Limited (the applicant) applied to register the above trade mark in class 32 of the Nice Classification system¹, as follows:

"Beverages (Non-alcoholic -)"; "Bottled drinking water"; "Drinking waters"; "Preparations for making beverages"; "Spring water"; "Still water"; "Table water".

2. The application was published on 27 June 2014, following which, G.I.E. Cristaline, Groupement D'Interet Economique (the opponent) filed a notice of opposition against the application.

3. The opposition is based on section 5(2)(b) of the Trade Marks Act 1994 (the Act) and is directed at all of the goods in the application. The opponent relies upon the following UK registration in respect of its opposition:

Mark details and relevant dates	Goods relied upon
<p>TM: 2110884</p> <p>Mark:</p>  <p>Filed: 20 September 1996</p> <p>Registered: 4 February 2000</p>	<p>Class 32</p> <p>Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.</p>

4. The applicant filed a counterstatement on 29 October 2014. It denies the grounds on which the opposition is based and requests the opponent provide proof of use of its mark.

5. The opponent filed evidence and written submissions in lieu of attendance at a hearing. Neither side asked to be heard.

6. Both sides seek an award of costs in their favour. I make this decision following a review of all of the papers before me.

7. The opposition is brought under section 5(2)(b) which reads as follows:

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

¹ *International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).*

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

The relevant period

8. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

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

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) 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.

(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.”

9. In these proceedings the opponent is relying upon the trade mark shown in paragraph 3 which constitutes an earlier trade mark under these provisions. The application was published on 27 June 2014. The opponent's earlier mark completed its registration procedure on 4 February 2000. Consequently, the opponent's mark is subject to proof of use, as per Section 6A of the Act and the applicant has requested it proves its use.

10. Section 6A of the Act reads as follows:

“6A Raising of relative grounds in opposition proceedings in case 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) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(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.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2)(application on relative grounds where no consent to registration).”

11. The relevant period is the five year period ending on the date of publication of the application, namely 28 June 2009 to 27 June 2014. The onus is on the opponent, under section 100 of the Act, to show genuine use of its mark during this period in respect of the goods relied on. Section 100 states:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

Evidence

Witness statement of Michel Gerbier and exhibits 1-4

12. The relevant facts from Mr Gerbier’s statement and exhibits are as follows:

- Water under the mark CRISTALINE sold by the opponent accounts for more than one bottle out of four sold in supermarkets and hypermarkets in France.
- Roxane UK Limited (previously Neptune (UK) Limited, and the opponent’s company are part of the same group of companies and Roxane UK Limited use the trade mark (relied upon for the purposes of this opposition) with the opponent’s consent.
- The opponent launched the CRISTALINE product range in France in 1992. The opponent opened a bottling factory in the UK in 2012 where water from UK springs was bottled under the mark CRISTALINE.
- The Opponent has been selling a variety of different water products in the UK under the trade mark since at least 2007 and continues to sell such products in the UK today.
- Sales figures in respect of a range of waters amount to £7,814,704 for the period 2010-2013 in the UK and Northern Ireland.
- The mark is used in the following forms.



DECISION

Proof of use

13. In *Stichting BDO v BDO Unibank, Inc.* [2013] EWHC 418 (Ch), Arnold J. stated as follows:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010]

R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

(1) Genuine use means actual use of the mark by the proprietor or third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely token, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider* [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] -[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single

client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]”.

14. Although minimal use may qualify as genuine use, the CJEU stated in *Reber Holding GmbH & Co. KG v OHIM*² (in paragraph 32 of its judgment), that “not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question”. The factors identified in point (5) above must therefore be applied in order to assess whether minimal use of the mark qualifies as genuine use.

15. The opponent’s evidence shows the mark in the form I have reproduced above at paragraph 12. I note that in the examples provided by the opponent the mark as registered contains the additional words ‘SPRING WATER’ in the bottom segment of the oval device and the words ‘STILL’ or ‘SPARKLING’ in the top part of the segment. These are descriptive words of the type one would expect to encounter on goods of this type. Consequently, they do nothing to alter the distinctive character of the mark as registered, which rests in the word ‘CRISTALINE’ and the oval device on which the word is presented.

16. In reaching such a conclusion I have borne in mind the decisions in *Nirvana Trade Mark*³, *Remus Trade Mark*⁴, *AO Alfa-Bank v Alpha Bank A.E.*⁵, *Orient Express Trade Mark*⁶ and *Colloseum Holdings AG v Levi Strauss & Co.*⁷

17. In these proceedings the opponent relies upon the following goods in class 32:

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

18. The evidence provided by the opponent at exhibit 4 consists of 5 invoices from the relevant period. Exhibit 3 consists of examples of labels applied to the goods and the witness statement provides sales figures for the relevant period. Mr Gerbier states that the sales figures relate to eleven water products in a range of sizes.

19. The five invoices show sales to Dover, Essex, Bracknell and East Sussex. The goods are described in French but all refer to ‘EAU CRISTALINE’, which I am content refers to water.

20. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*⁸, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law with regard to arriving at a fair specification, in the following terms:

² *Case C-141/13 P*

³ *BL O-262/06*

⁴ *BLO-061/08*

⁵ *2011 EWHC 2021 (Ch)*

⁶ *BLO-299/08*

⁷ *C-12/12*

⁸ *BL O/345/10*

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

21. In its totality, the evidence shows use of the mark in respect of a range of waters. There is no evidence relating to beer, other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages and no use of the mark in respect of those goods is claimed by Mr Gerbier in his witness statement.

22. Consequently, I find that the use shown by the opponent is sufficient to show use in respect of ‘waters’. This is how the average consumer would refer to these goods and it is neither too broad nor too picky and this is the basis on which I will proceed.

Section 5(2)(b) case law

23. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is

permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and the nature of the purchasing act

21. In accordance with the above cited case law, I must determine who the average consumer is for the services at issue and also identify the manner in which those services will be selected in the course of trade.

22. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited* [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words ‘average’ denotes that the person is typical. The term ‘average’ does not denote some form of numerical mean, mode or median.”

23. The average consumer is a member of the general public. The goods are made available through a variety of trade channels. They may be bought in a shop, supermarket, café or bar. The selection is likely to be made by the consumer from a shelf or from a website, where the consumer will select the goods visually. They may also be sold through bars, clubs and public houses, where the goods may be requested orally, from a member of staff. In considering this point I bear in mind the comments of the Court of First Instance (now the General Court) in *Simonds Farsons Cisk plc v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM)⁹ when it said:

“In that respect, as OHIM quite rightly observes, it must be noted that, even if bars and restaurants are not negligible distribution channels for the applicant’s goods, the bottles are generally displayed on shelves behind the counter in such a way that consumers are also able to inspect them visually. That is why, even if it is possible that the goods in question may also be sold by ordering them orally, that method cannot be regarded as their usual marketing channel. In addition, even though consumers can order a beverage without having examined those shelves in advance they are, in any event, in a position to make a visual inspection of the bottle which is served to them.”

24. Consequently, even though the purchase of these goods in a bar may involve an aural element, the selection will be made, primarily, from the display of goods on shelves and in fridges. Accordingly, the purchase of such goods is primarily visual, though I do not discount an aural element. In any event the level of attention paid will be that necessary to achieve inter alia, the correct variety of goods. Accordingly, the average consumer will pay a reasonable level of attention to the purchase.

Comparison of goods

25. The goods to be compared are as follows:

The opponent’s goods	The applicant’s goods
<p>Class 32 Waters.</p>	<p>Class 32 Beverages (Non-alcoholic -); Bottled drinking water; Drinking waters; Preparations for making beverages; Spring water; Still water; Table water.</p>

26. In comparing the goods, I bear in mind the following guidance provided by the General Court (GC) in *Gérard Meric v OHIM*, Case T-133/05, in which it stated:

“29. ...goods can be considered identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application or when the goods designated by the trade

⁹ T-3/04

mark application are included in a more general category designated by the earlier mark.”

27. Factors which may be considered in making this comparison include the criteria identified in *British Sugar Plc v James Robertson & Sons Limited (Treat)*¹⁰ (hereafter Treat) for assessing similarity between goods and services:

- (a) the respective *uses* of the respective goods or services;
- (b) the respective *users* of the respective goods or services;
- (c) the physical nature of the goods or acts of service;
- (d) the respective trade channels through which the goods or services reach the market;
- (e) in the case of self-serve consumer items, where in practice they are found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) the extent to which the respective goods or services are competitive, taking into account how goods/services are classified in trade.

28. ‘Bottled drinking water, drinking waters, spring water; still water and table water’ in the application are clearly identical to the opponent’s waters. ‘Beverages (Non-alcoholic-)’ includes the waters in the opponent’s specification and in accordance with Meric these are also identical goods.

29. The applicant’s remaining term is ‘preparations for making beverages’. I note that the opponent states in its submissions that the applicant’s goods are identical to some of the opponent’s goods. No further explanation is provided.

30. ‘Preparations for making beverages’ may include cordials and concentrates to which water may be added to make a drink but may also include ingredients for, inter alia, milk drinks. To the extent that the opponent’s goods are waters and the applicant’s goods are used in the preparation of a drink, there is a degree of similarity at a very high level. The users of both parties’ goods are members of the general public. The uses and purpose are drinking, though water is ready to drink, whereas the applicant’s goods require something else to be done to them before they can be used. The nature of the goods may be similar in so far as cordials are liquid preparations, as is water. However, preparations for making beverages may include powders and syrups which are not similar to water. Squashes and cordials may be complementary to the extent that they must be diluted with water but this does not have to be bottled water and I do not discount the fact that some of the preparations may be diluted with other liquids such as, inter alia, milk or soda water. With regard to the trade channels, it is possible that some preparations for making beverages, such as cordials, may be available in similar areas of a store to water and may share channels of trade. For the reasons given above, the goods are not

¹⁰[1996] R.P.C. 281

in competition. Taking all of the relevant factors into account, any similarity between preparations for making beverages and water is at a very low level.

Comparison of marks

31. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“...it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

32. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

33. The trade marks to be compared are as follows:

The applicant’s mark	The opponent’s mark
<p style="text-align: center;">K R Y S T A L NATURE’S ALKALINE WATER</p>	

34. The opponents’ mark consists of the word ‘CRISTALINE’ in upper case. The word is outlined to form a rectangle. Behind the rectangle are two ovals, one inside the other. Below the word ‘CRISTALINE’ and within the smaller oval is a device made up of a smaller oval with a dark background, containing four white shapes. The whole mark is presented on a dark, rectangular background. I note that in its submissions the opponent states that the dominant element of its mark is the word ‘CRISTALINE’. The word does play the greatest role in the overall impression of the mark, though the device elements are certainly not negligible and would be noticed by the average consumer.

35. The applicant’s mark consists of the words ‘KRYSTAL’ and ‘NATURE’S ALKALINE WATER’. The largest word in the mark is ‘KRYSTAL’ presented in upper

case. The words 'NATURE'S ALKALINE WATER' are considerably smaller than the rest of the mark, sitting below the word 'KRYSTAL' and are descriptive of the majority of the applicant's goods. It is the word 'KRYSTAL' which plays the greater role in the overall impression of the mark.

Visual similarities

36. In respect of the visual similarities the opponent states in its submissions, dated 19 January 2015, that the dominant element of each mark is the first words, namely, CRISTALINE and KRYSTAL, concluding that:

"The words have numerous letters in common, including the four letter string 'STAL'. Therefore, they share some degree of visual similarity."

37. Any visual similarity between the marks rests in the fact that the second, fourth, fifth, sixth and seventh letters are the same, namely, '_R_STAL'.

38. Visual differences are the fact that the marks start with different letters, the addition of the words 'NATURE'S ALKALINE WATER' in the applicant's mark and the oval device in the opponent's mark. Furthermore, the word element in the opponent's mark is three letters longer than the first word in the application which means that the shared letters fall in the middle of the opponent's mark and at the end of the first word in the application, creating a further point of visual difference.

39. Taking these factors into account, I find the marks to have a very low degree of visual similarity.

Aural similarities

40. The opponent submits:

"3.1...the dominant element of the Application is the word 'KRYSTAL', and the earlier mark consists of the word 'CRISTALINE'. The letters 'CRISTAL-' and the word 'KRYSTAL' would be pronounced in an identical manner by an English speaker and are therefore phonetically identical. The only difference in the pronunciation of the two words comes at the end of the Earlier Mark, with the addition of the suffix '-INE'. The difference is at the end of the Earlier Mark, and consumers pay less attention to the ending of marks. It is clear that the Application and the Earlier Mark share a high degree of phonetic similarity which increases the likelihood of confusion."

41. In its counter-statement the applicant submits:

"The verbal element of the earlier mark is a single word containing three syllables; the contested mark contains four words. Even comparing CRISTALINE with KRYSTAL, it is noted that KRYSTAL only contains two syllables. Accordingly, from an aural perspective, the two marks are phonetically different and there is no likelihood of confusion."

42. The applicant's mark is likely to be pronounced in a way resembling the well known English word 'CRYSTAL'. It is unlikely that the average consumer will pronounce the remaining words in the application as they describe the nature of the goods being provided and are unlikely to be given any trade mark significance. The opponent's mark will be pronounced as the common English word 'CRYSTAL' followed by the suffix 'INE'.

43. The two syllables which make up the articulated part of the application are aurally identical to the first two syllables of the three that are present in the opponent's mark. The additional syllable provides the point of difference. I find the marks are aurally similar to a medium degree.

Conceptual similarities

44. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.¹¹ The assessment must be made from the point of view of the average consumer.

45. On the matter of the conceptual similarity between the parties' respective marks, the opponent submits in its statement of grounds:

"...that there is a very strong conceptual similarity between the mark CRISTALINE & Device and the opposed mark KRYSTAL NATURE'S ALKALINE WATER as both marks refer to the concept of a crystal."

46. The applicant submits:

"that the concept of a 'crystal' to convey the concept of clarity and/or purity to the consumer in the beverages market is far from unique to the opponent...Moreover, the contested mark conveys the concept to the average consumer of benefits of the alkalinity of the mineral water marketed by the applicant, which is conceptually dissimilar to the earlier CRISTALINE + device mark."

47. In making a finding on this point I have considered the comments of the General Court in *Ontex NV v Office for Harmonization in the Internal Market* (Trade Marks and Designs) (OHIM)¹² in relation to evocative effects, when it said:

"91. This evocative effect is independent of whether or not the word mark EURON designates a characteristic of the goods for which registration of the earlier mark was made, since that fact does not influence the ability of the relevant public to make an association between that word mark and the words 'euro' and 'Europe' (see, by way of analogy, Case T-292/01 Phillips-Van Heusen v OHIM – Pash Textilvertrieb und Einzelhandel (BASS) [2003] ECR II-4335, paragraph 54). In the same way, the evocative force of the earlier mark cannot be altered by the fact that it is

¹¹ This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.

¹² Case T- 353/04

supposedly 'made up'. Even a made-up word may carry conceptual weight."

48. In my view, both of the parties' marks are suggestive of the word 'CRYSTAL'. The application consists of the word 'CRYSTAL' with a letter K substituted for the letter C. The opponent's mark could be considered a misspelling of 'crystalline'. In the context of the goods at issue, the 'CRYSTAL' concept, given the meaning of that word, is evocative of purity and cleanliness. In my own experience, it is not unusual to hear water referred to as 'crystal clear'. I disagree that the remaining words in the application convey the benefits of the alkalinity of mineral water; they are simply a statement as to the nature of the goods. To the extent that they give a conceptual message, that message is that the goods are water.

49. I find these marks to share a fairly high degree of conceptual similarity.

Distinctive character of the earlier mark

50. In determining the distinctive character of a trade mark it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify its goods as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger Joined Cases C-108/97 and C-109/97* [1999] ETMR 585.

51. The opponent's mark, 'CRISTALINE' comprises the word presented with a device. Whilst the word alludes to a desirable quality of the goods at issue, the mark in its totality is a normal trade mark, possessed of a medium degree of inherent distinctive character.

52. The opponent has filed evidence of use. This evidence provides figures in respect of turnover throughout the relevant period, which is not insignificant, but does not give any indication of the size of the market, which in the case of waters in class 32, I have no doubt, is considerable. No attempt has been made to indicate the market share held by the opponent in the relevant sector in the UK. Consequently, given my findings above with regard to this evidence, although it is a used mark, I am unable to conclude that the opponent's earlier mark has enhanced its distinctive character, to any material extent, due to the use made of it.

Likelihood of confusion

53. I note that in its counter-statement the applicant draws my attention to eight UK and CTM marks which pre-date the earlier registration and a further six which were filed after the opponent's mark. They contain phonetic equivalents of 'CRYSTAL' and are registered in class 32. It has long been established that state of the register evidence of this type does not assist the applicant. It does not indicate whether the marks are being used, or give any indication of the goods on which any use has been made or what agreements may be in place between those parties. It is not, therefore, an indicator of whether or not there will be confusion in the market place in

relation to the respective trade marks.¹³ Consequently, I will not consider this submission any further.

54. In assessing the likelihood of confusion, I must adopt the global approach advocated by case law and take into account the fact that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture of them he has kept in his mind.¹⁴ I must also keep in mind the average consumer for the goods, the nature of the purchasing process and have regard to the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa.

55. I have made the following findings:

- The applicant's mark is visually similar to the opponent's mark to a very low degree.
- The applicant's mark is aurally similar to the opponent's mark to a medium degree.
- The applicant's marks and the opponent's mark are conceptually similar to a fairly high degree.
- The parties' goods are identical, except for the applicant's 'preparations for making beverages', which are similar to a very low degree to the opponent's goods.
- The average consumer is a member of the general public. The purchase is primarily visual and the level of attention paid is no more than average.

56. In making a finding, I bear in mind the comments of the GC with regard to identical goods when considering the likelihood of confusion. In *Aldi GmbH & Co KG v Office for Harmonization in the Internal Market*¹⁵ the GC stated:

"91 In addition, the Opposition Division considered that the goods at issue were identical, as was recalled in the contested decision, without the Board of Appeal's taking a final decision in that regard (see paragraph 40 et seq. above). That implies, in accordance with the case-law cited at paragraph 23 of the present judgment, that, if there is to be no likelihood of confusion, the degree of difference between the marks at issue must be high (see, to that effect, judgment of 29 January 2013 in Case T-283/11 *Fon Wireless v OHIM – nfon (nfon)*, not published in the ECR, paragraph 69)."

¹³ see Jacob J in *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 and the General Court in *Zero Industry Srl v Office of Harmonisation in the Internal Market (Trade Marks and Designs)(OHIM)*, Case T-400/06 and *GfK AG v Office of Harmonisation in the Internal Market (Trade Marks and Designs)(OHIM)*, Case T-135/04

¹⁴ *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27

¹⁵ *(Trade Marks and Designs) (OHIM) Case T-505/11*

57. This opposition is directed against goods in class 32. The purchase of such goods will be, for the most part, visual, with a no more than reasonable level of attention being paid to the purchase. Factors I have already identified, particularly the low degree of visual similarity, mean that there is no likelihood of the marks being mistaken for one another giving rise to direct confusion, which leaves the consideration of indirect confusion. This concept is explained in *L.A. Sugar Limited v By Back Beat Inc*¹⁶, where Mr Iain Purvis Q.C. sitting as the Appointed Person noted:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.’

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (‘26 RED TESCO’ would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as ‘LITE’, ‘EXPRESS’, ‘WORLDWIDE’, ‘MINI’ etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (‘FAT FACE’ to ‘BRAT FACE’ for example).”

58. In this case, there is no indirect confusion. The similarity between the marks, i.e. the inclusion of a phonetic equivalent of the word ‘CRYSTAL’, at the beginning of each mark, does not give rise to a situation where the common element is so strikingly distinctive that it could only be seen as originating from the opponent. I note that the opponent draws my attention to the fact that the average consumer pays more attention to the beginning of marks but this is a general rule¹⁷, that the first

¹⁶ Case BL-O/375/10

¹⁷ Provided in cases such as *T-183/02 Corte Inglés v OHIM – González Cabello* and *T-184/02 El Iberia Líneas Aéreas de España (MUNDICOR)* [2004] ECR II – 965, paragraph 81

parts of words (and consequently, first words of marks) catch the attention of consumers. However, it is also clear that each case must be decided on its merits considering the marks as wholes. In this case the words appear strikingly different visually, are of different lengths and the marks as wholes have considerable differences in presentation, not least the device element of the opponent's mark.

CONCLUSION

59. The opposition fails under section 5(2)(b) of the Act.

Costs

60. The opposition having failed, the applicant is entitled to a contribution towards its costs. I make the award on the following basis:

Preparing a statement and considering the other side's statement: £400

Total: £400

61. I order G.I.E. Cristaline, Groupement D'Interet Economique to pay Zun International Limited the sum of £400. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 18TH day of August 2015

**Ms Al Skilton
For the Registrar,
The Comptroller General**