

O-231-16

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NOS 3089999, 3088956 AND 3096882  
BY ZENDEGII FRILL LIMITED TO REGISTER THE TRADE MARKS



VARIOUSLY IN CLASSES 5, 30 AND 32

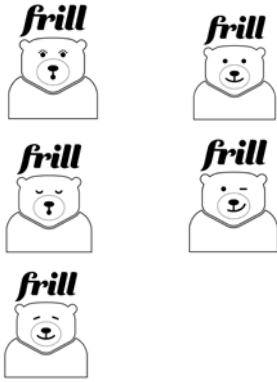
AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS THERETO UNDER  
NOS 403997, 403998 AND 404041  
BY DAIRY CREST LIMITED


AND

IN THE MATTER OF REGISTRATION NO 2524330  
FOR THE TRADE MARK "FRIJJ"  
IN CLASSES 29, 30 AND 32  
IN THE NAME OF DAIRY CREST LIMITED  
AND THE CONSOLIDATED APPLICATION FOR REVOCATION THERETO  
UNDER NO 500727  
BY ZENDEGII FILL LIMITED

## Background and pleadings


1) Zendegii Frill Limited (“ZFL”) applied to register the trade marks 3089999, 3088956 and 3096882 in the UK on 19 January 2015, 12 January 2015 and 2 March 2015 respectively. The first two were accepted and published in the Trade Marks Journal on 23 January 2015, and the third was published on 20 March 2015. Additional relevant details of these applications are shown below:



3089999	
	<p><b>Class 5:</b> <u>Medical preparations for slimming purposes; dietary supplemental drinks; Nutritional, vitamin and mineral supplements, including beverages made with or enriched by such supplements; Vitamin and mineral supplements; Nutritional drink mix for meal replacement; Meal replacement powders; Protein dietary supplements; Milk of almonds for pharmaceutical purposes.</u></p> <p><b>Class 30:</b> Confectionery ices; confectionery in frozen form; Fruit ice; Ice cream substitute; All of the aforesaid goods being non-dairy products.</p> <p><b>Class 32:</b> Fruit juices; Fruit drinks; Mixed fruit juice; Vegetable juices; Smoothies; carbonated and noncarbonated energy or sport drinks; nectars; carbonated and non-carbonated drinks enhanced with vitamins, minerals, nutrients, amino acids and/or herbs, and powders; Essences for making beverages; syrups for making beverages; concentrates for use in the preparation of soft drinks; fruit and/or vegetable ingredients for making beverages; Milk of almonds (beverage).</p> <p><b>By letter of 1 July 2015, Dairy Crest Ltd dropped its opposition to the underlined goods</b></p>



3088956	
	<p><b>Class 5:</b> <u>Medical preparations for slimming purposes; dietary supplemental drinks; Nutritional, vitamin and mineral supplements, including beverages made with or enriched by such supplements; Vitamin and mineral supplements; Nutritional drink mix for meal replacement; Meal replacement powders; Protein dietary supplements; Milk of almonds for pharmaceutical purposes.</u></p> <p><b>Class 30:</b> Confectionery ices; confectionery in frozen form; Fruit ice; Ice cream substitute; All of the aforesaid goods being non-dairy products.</p> <p><b>Class 32:</b> Fruit juices; Fruit drinks; Mixed fruit juice; Vegetable juices; Smoothies; carbonated and non-carbonated energy or sport drinks; nectars; carbonated and non-carbonated drinks enhanced with vitamins, minerals, nutrients, amino acids and/or herbs, and powders; Essences for making beverages; syrups for making beverages; concentrates for use in the preparation of soft drinks; fruit and/or vegetable ingredients for making beverages; Milk of almonds (beverage).</p> <p><b>By letter of 1 July 2015, Dairy Crest Ltd dropped its opposition to the underlined goods</b></p>


3096882	
FRILL	<b>Class 30:</b> <i>Confectionery ices; confectionery in frozen form; Fruit ice; Ice cream substitute; All of the aforesaid goods being non-dairy products.</i>

2) Dairy Crest Limited (“DCL”) oppose the marks on the basis of Section 5(2)(b), Section 5(3) and Section 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The first two grounds are based upon conflict with earlier marks, the relevant details of which are shown below:

Mark and relevant dates	Goods relied upon
2524330  FRIJJ  Filing date: 21 August 2009  Date of entry in register: 27 November 2009	<b>Class 29:</b> <i>Dairy products; milk and milk products; ...; preparations and beverages made with milk; milk predominating beverages; <u>milk shakes and flavoured milk drinks</u>; ...</i>  <b>Class 30:</b> <i>Beverages with a chocolate, cocoa or coffee base and containing milk; ...; coffee-based ... beverages; iced coffee; ...; cocoa-based ... beverages; ...; chocolate-based ... beverages; drinking chocolate; ...</i>  <b>Class 32:</b> <i>...; non-alcoholic drinks ...</i>
CTM* 7513831  FRIJJ  Filing date: 12 January 2009  Date of entry in register: 22 November 2009	
CTM 5282744    Filing date: 8 August 2006  Date of entry in register: 29 June 2007	<b>Class 29:</b> <i>Dairy products; milk and milk products; milk predominating beverages; <u>milk shakes and flavoured milk drinks</u>; ...</i> <b>Class 30:</b> <i>Beverages with a chocolate, cocoa, or coffee base and containing milk; ...</i>  <b>Class 32:</b> <i>...; non-alcoholic drinks ...</i>

<p>CTM 11460961</p>  <p>Filing date: 31 December 2012</p> <p>Date of entry in register: 29 May 2013</p>	<p><b>Class 29:</b> Dairy products; milk and milk products; fresh milk and UHT milk; soya milk and soya milk products; preparations and beverages made with milk; milk predominating beverages; milk shakes and flavoured milk drinks; milk substitutes; powdered milk; flavoured milk powder for making drinks; dried milk powder; deserts made of milk and cream; yoghurts; cream; spreads; cheese; food products consisting of or including milk as the predominant ingredient; whitening agents for coffee and for tea; eggs; jam.</p> <p><b>Class 30:</b> Beverages with a chocolate, cocoa or coffee base and containing milk; coffee, coffee extracts, coffee-based preparations and beverages; iced coffee; artificial coffee, artificial coffee extracts, preparations and beverages made with artificial coffee; tea, tea extracts, preparations and beverages made with tea; iced tea; powder for making beverages; powdered preparations containing flavourings for use in making beverages; malt- based preparations for human consumption; cocoa, powdered preparations containing cocoa for use in making beverages; cocoa-based preparations and beverages; cocoa powder; chocolate-based preparations and beverages; drinking chocolate; ice creams, ice desserts, frozen yogurts, edible ices, water ices, powders and binding agents (included in this class) for making edible ices and/or water ices and/or sorbets and/or ice confectioneries and/or iced cakes and/or ice- creams and/or ice desserts and/or frozen yogurts; puddings and desserts (included in this class); pancakes and tarts; honey; treacle; golden syrup; jelly.</p> <p><b>Class 32:</b> Beers; mineral and aerated waters; non-alcoholic drinks and preparations for making non-alcoholic drinks; fruit drinks and fruit juices; vegetable drinks and vegetable juices; syrups and other preparations for making beverages; isotonic sports beverages; non-alcoholic sports drinks.</p>
<p>CTM 11460995</p>  <p>Filing date: 31 December 2012</p> <p>Date of entry in register: 29 May 2013</p>	<p><b>Class 29:</b> Dairy products; milk and milk products; fresh milk and UHT milk; soya milk and soya milk products; preparations and beverages made with milk; milk predominating beverages; milk shakes and flavoured milk drinks; milk substitutes; powdered milk; flavoured milk powder for making drinks; dried milk powder; deserts made of milk and cream; yoghurts; cream; spreads; cheese; food products consisting of or including milk as the predominant ingredient; whitening agents for coffee and for tea; eggs; jam.</p> <p><b>Class 30:</b> Beverages with a chocolate, cocoa or coffee base and containing milk; coffee, coffee extracts, coffee-based preparations and beverages; iced coffee; artificial coffee, artificial coffee extracts, preparations and beverages made with artificial coffee; tea, tea extracts, preparations and beverages made with tea; iced tea; powder for making beverages; powdered preparations containing flavourings for use in making beverages; malt- based preparations for human consumption; cocoa, powdered preparations containing cocoa for use in making beverages; cocoa-based preparations and beverages; cocoa powder; chocolate-based preparations and beverages; drinking chocolate; ice creams, ice desserts, frozen yogurts, edible ices, water ices, powders and binding agents (included in this class) for making edible ices and/or water ices and/or sorbets and/or ice confectioneries and/or iced cakes and/or ice- creams and/or ice desserts and/or frozen yogurts; puddings and desserts (included in this class); pancakes and tarts; honey; treacle; golden syrup; jelly.</p> <p><b>Class 32:</b> Beers; mineral and aerated waters; non-alcoholic drinks and preparations for making non-alcoholic drinks; fruit drinks and fruit juices; vegetable drinks and vegetable juices; syrups and other preparations for</p>

	<p><i>making beverages; isotonic sports beverages; non-alcoholic sports drinks.</i></p>
<p>CTM 11461019</p>  <p>Filing date: 31 December 2012</p> <p>Date of entry in register: 29 May 2013</p>	<p><b>Class 29:</b> Dairy products; milk and milk products; fresh milk and UHT milk; soya milk and soya milk products; preparations and beverages made with milk; milk predominating beverages; milk shakes and flavoured milk drinks; milk substitutes; powdered milk; flavoured milk powder for making drinks; dried milk powder; deserts made of milk and cream; yoghurts; cream; spreads; cheese; food products consisting of or including milk as the predominant ingredient; whitening agents for coffee and for tea; eggs; jam.</p> <p><b>Class 30:</b> Beverages with a chocolate, cocoa or coffee base and containing milk; coffee, coffee extracts, coffee-based preparations and beverages; iced coffee; artificial coffee, artificial coffee extracts, preparations and beverages made with artificial coffee; tea, tea extracts, preparations and beverages made with tea; iced tea; powder for making beverages; powdered preparations containing flavourings for use in making beverages; malt- based preparations for human consumption; cocoa, powdered preparations containing cocoa for use in making beverages; cocoa-based preparations and beverages; cocoa powder; chocolate-based preparations and beverages; drinking chocolate; ice creams, ice desserts, frozen yogurts, edible ices, water ices, powders and binding agents (included in this class) for making edible ices and/or water ices and/or sorbets and/or ice confectioneries and/or iced cakes and/or ice- creams and/or ice desserts and/or frozen yogurts; puddings and desserts (included in this class); pancakes and tarts; honey; treacle; golden syrup; jelly.</p> <p><b>Class 32:</b> Beers; mineral and aerated waters; non-alcoholic drinks and preparations for making non-alcoholic drinks; fruit drinks and fruit juices; vegetable drinks and vegetable juices; syrups and other preparations for making beverages; isotonic sports beverages; non-alcoholic sports drinks.</p>
<p>CTM 11460979</p>  <p>Filing date: 31 December 2012</p> <p>Date of entry in register: 29 May 2013</p>	<p><b>Class 29:</b> Dairy products; milk and milk products; fresh milk and UHT milk; soya milk and soya milk products; preparations and beverages made with milk; milk predominating beverages; milk shakes and flavoured milk drinks; milk substitutes; powdered milk; flavoured milk powder for making drinks; dried milk powder; deserts made of milk and cream; yoghurts; cream; spreads; cheese; food products consisting of or including milk as the predominant ingredient; whitening agents for coffee and for tea; eggs; jam</p> <p><b>Class 30:</b> Beverages with a chocolate, cocoa or coffee base and containing milk; coffee, coffee extracts, coffee-based preparations and beverages; iced coffee; artificial coffee, artificial coffee extracts, preparations and beverages made with artificial coffee; tea, tea extracts, preparations and beverages made with tea; iced tea; powder for making beverages; powdered preparations containing flavourings for use in making beverages; malt- based preparations for human consumption; cocoa, powdered preparations containing cocoa for use in making beverages; cocoa-based preparations and beverages; cocoa powder; chocolate-based preparations and beverages; drinking chocolate; ice creams, ice desserts, frozen yogurts, edible ices, water ices, powders and binding agents (included in this class) for making edible ices and/or water ices and/or sorbets and/or ice confectioneries and/or iced cakes and/or ice- creams and/or ice desserts and/or frozen yogurts; puddings and desserts (included in this class); pancakes and tarts; honey; treacle; golden syrup; jelly.</p> <p><b>Class 32:</b> Beers; mineral and aerated waters; non-alcoholic drinks and</p>

	<p><i>preparations for making non-alcoholic drinks; fruit drinks and fruit juices; vegetable drinks and vegetable juices; syrups and other preparations for making beverages; isotonic sports beverages; non-alcoholic sports drinks.</i></p>
<p>3040916</p>  <p>Filing date: 5 February 2014</p> <p>Date of entry in register: 13 June 2014</p>	<p><b>Class 29:</b> <i>Dairy products; milk and milk products; fresh milk and UHT milk; soya milk and soya milk products; preparations and beverages made with milk; milk predominating beverages; milk shakes and flavoured milk drinks; milk substitutes; powdered milk; flavoured milk powder for making drinks; dried milk powder; tinned fruits, crystallized fruits, fruit peel, frosted fruits, frozen fruits, preserved fruits, stewed fruits, fruit pulp, fruit chips, fruit jellies, fruit salads, fruit based snack foods; deserts made of milk and cream; yoghurts; cream; spreads; butter; margarine; chocolate nut butter; cheese; food products consisting of or including milk as the predominant ingredient; whitening agents for coffee and for tea; eggs; powdered eggs; jellies and jam.</i></p> <p><b>Class 30:</b> <i>Beverages with a chocolate, cocoa or coffee base and containing milk; coffee, coffee extracts, coffee-based preparations and beverages; iced coffee; coffee substitutes; artificial coffee, artificial coffee extracts, preparations and beverages made with artificial coffee; chicory and chicory mixtures; tea, tea extracts, preparations and beverages made with tea; iced tea; powder for making beverages; powdered preparations containing flavourings for use in making beverages; malt-based preparations for human consumption; cocoa, powdered preparations containing cocoa for use in making beverages; cocoa-based preparations and beverages; cocoa powder; chocolate-based beverages; drinking chocolate; ice creams, ice desserts, frozen yogurts, edible ices, water ices, powders and binding agents (included in this class) for making edible ices and/or water ices and/or sorbets and/or iced cakes and/or ice-creams and/or ice desserts and/or frozen yogurts; puddings and desserts (included in this class); flour and preparations made from cereals; breads, pancakes and tarts; honey; treacle; golden syrup; jelly.</i></p>

\*Community Trade Mark

3) DCL submits that the respective goods are identical or similar and that the marks are similar and that the applications, therefore, offend under Section 5(2)(b) of the Act.

4) DCL also claims that the applications offend under Section 5(3) of the Act. It claims that its FRIJJ range of flavoured milk drinks has been a best seller in the UK for 12 years. Therefore, its marks have a reputation in respect of the following list of goods:

**Class 29:** *Dairy products; milk and milk products; preparations and beverages made with milk; milk predominating beverages; milk shakes and flavoured milk drinks.*

**Class 30:** *Beverages with a chocolate, cocoa or coffee base and containing milk; coffee-based beverages; iced coffee; cocoa-based beverages; chocolate-based beverages; drinking chocolate.*

**Class 32:** *non-alcoholic drinks*

5) It claims that use of ZFL's marks will result in:

- an unfair advantage because they would be incorrectly associated with DCL and would ride on the coat tails of DCL's reputation with ZFL's sales being unfairly inflated as a result;
- detriment to its reputation because it has no way of controlling the quality of products sold under ZFL's marks and their registration could result in DCL's reputation in its mark being tarnished;

6) DCL also claims that the applications offend under Section 5(4)(a) of the Act because all of its marks also identify goodwill as a result of use in respect of the goods identified in paragraph 4, above, since various dates, the earliest being 1 January 1993 in respect of its FRIJJ mark and stylised mark (as represented in DCL's CTM 5282744).

7) ZFL filed counterstatements denying the claims made and where DCL's marks are subject to the proof of use requirements, ZFL has put it to proof of use in respect of all its goods except "milk shakes and flavoured milk drinks". Use in respect of these goods has been accepted by ZFL because of evidence submitted in Opposition 402877 (that has fallen away).

8) On 6 January 2015, ZFL also made an application for revocation of DCL's registration 2524330 FRIJJ. Partial revocation is requested under Section 46(1)(a) with proof of genuine use being requested for the five year period following the date of completion of the registration process, namely, 28 November 2009 to 27 November 2014. Revocation would take effect from 28 November 2014. Proof of genuine use is requested in respect of all goods except *milk shakes* and *milk drinks*, namely, the following list of goods:

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Class 29: Dairy products; milk and milk products; soya milk and soya milk products; preparations and beverages made with milk; milk predominating beverages; milk substitutes; powdered milk; flavoured milk powder for making drinks; dried milk powder; deserts made of milk and cream; yoghurts; cream; spreads; butter; margarine; cheese; food products consisting of or including milk as the predominant ingredient; whitening agents for coffee and for tea; edible oils and edible fats; eggs.

Class 30: Beverages with a chocolate, cocoa or coffee base and containing milk; coffee, coffee extracts, coffee-based preparations and beverages; iced coffee; artificial coffee, artificial coffee extracts, preparations and beverages made with artificial coffee; chicory; tea, tea extracts, preparations and beverages made with tea; iced tea; malt-based preparations for human consumption; cocoa, powdered preparations containing cocoa for use in making beverages; cocoa-based preparations and beverages; cocoa powder; chocolate, chocolate products, chocolate spreads, spreads made from chocolate and nuts; chocolate-based preparations and beverages; drinking chocolate; confectionery, sugar confectionery, sweets; pastries; biscuits, cakes, cookies, wafers, toffees, desserts (included in this class), edible ices, water ices, ice confectioneries, ice-creams, ice desserts, frozen yogurts, powders and binding agents (included in this class) for making edible ices and/or water ices and/or sorbets and/or ice confectioneries and/or iced cakes and/or ice-creams and/or ice desserts and/or frozen yogurts.

Class 32: Beers; mineral and aerated waters; non-alcoholic drinks and preparations for making non alcoholic drinks; fruit drinks and fruit juices; vegetable drinks and vegetable juices; syrups and other preparations for making beverages; isotonic sports beverages; non-alcoholic sports drinks.

9) All three oppositions and the revocation action were subsequently consolidated. Both sides filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary.

10) A Hearing took place on 17 December 2015, with DCL represented by Ms Amanda Michaels of Counsel, instructed by Cleveland and ZFL represented by Ms Barbara Cookson of Filemot Technology Law Ltd.

## Evidence

11) I summarise the evidence insofar as I consider it necessary.

### DCL's Evidence

12) This takes the form of four witness statements by Laura Sheard, Head of Marketing for dairy drinks at DCL and one by Magdalena Ostrowska, registered Trade Mark Attorney with Cleveland.

13) The purpose of Ms Sheard's first witness statement is to show that the FRIJJ mark has been used in respect of flavoured milk drinks and that the mark FRIJJ has a significant reputation in the UK, in respect of such goods.

14) Ms Sheard states that "FRIJJ is a flavoured milk drink which was first launched in 1993". This is accepted by ZFL and, therefore, I will only summarise Ms Sheard's evidence insofar as it may illustrate the scale of the claimed reputation or where use is shown beyond these goods.

15) In 2014, DCL also introduced a range of coffee-based FRIJJ drinks. At Exhibit LS5, Ms Sheard provides an extract from DCL's website detailing the FRIJJ range that can be summarised as milk shakes, an indulgent range of "thick & smooth" milkshakes and a range of "thick and frothy coffee milkshakes". An extract from an unknown publication is provided at Exhibit LS6 showing the original packaging used for DCL's FRIJJ products. It features a prominent representation of its mark registered under CTM11460961.

16) Extracts from DCL's annual reports are provided at Exhibit LS7 showing representations of FRIJJ products over the intervening years. Use is shown of the stylised marks developing over time to feature the pieces of fruit instead of the titles over the letters "i", "j" and "j" from 2009, but the FRIJJ marks are constantly used.

17) Ms Sheard states that FRIJJ products are distributed throughout the UK and are available through all the major supermarkets and numerous other retail outlets, including *Asda*, *Tesco*, *Morrisons*, *Sainsburys*, *Waitrose* and *The Co-operative Group*. Ms Sheard states that it is estimated by *Kantar* (described as a research, data and insight company) that FRIJJ products are purchased by 5.3 million households per year and accounted for 22.6% of all ready to drink flavoured milk sold in the UK in November 2014.

18) The retail insight experts *IRI* have estimated the retail value of the FRIJJ brand in the UK as being in the mid-£50 million and DCL has invested in the region of £5 million per year in promotion of the brand since 2008. Much of this promotional spend is in respect of package development, but also in-store promotional activity, a variety of media such as TV, press, outdoor and also media such as *Facebook*.

19) Ms Sheard states that FRIJJ has its own *Wikipedia* reference (shown at Exhibit LS23). It also has its own *Facebook* page (a copy is shown at Exhibit LS24) which, as of 1 December 2014, had 378,386 fans.



20) Ms Sheard states that DCL is constantly looking at opportunities to move into adjacent product categories to “grow the footprint of the FRIJJ brand and increase [...] turnover”. As an example, Ms Sheard refers to a review of the “stretch potential” of the FRIJJ brand in 2012 and such work continues (but the details are confidential). However, Ms Sheard does state that the next development will be into lower sugar products and work is also ongoing regarding lactose-free drinks.

21) Ms Sheard provides evidence (at Exhibit LS27) of third party brands moving into the dairy drinks market and concludes that it brand extensions are common place in the foodstuffs market and in particular between dairy drinks, confectionery and ice cream/frozen desserts. At Exhibit LS30, Ms Sheard provides a representation of ZFL’s FRILL branded smoothie product with the polar bear device. Ms Sheard expresses the view that she is worried that members of the public might assume this to be a FRIJJ product.

22) At Exhibit LS(2)17, Ms Sheard provides numerous examples of brand extensions where brands are extended to use in respect of other non-core products, such as *Weetabix, Gu, Coca-cola, Starbucks, Mars, Cadbury, Nestle, Weightwatchers*. To illustrate this, the exhibit includes an internet extract showing a spray cooking oil branded as “Fry light” that she states is a DCL product.

23) Ms Sheard’s second witness statement was filed in reply to ZFL’s evidence in opposition 402877 (that has since fallen away) and has been introduced into these proceedings by Ms Sheard. Sample invoices from the period 2009 to 2014 are provided at Exhibit LS(2)(2), all illustrating use of the FRIJJ word mark. Exhibit LS(2)(4) consists of a table showing sales figures related to the various FRIJJ marks relied upon. These show sales of upwards of £3 million per year between 2012 and 2015, and often in the many tens of millions pounds in respect of the more popular FRIJJ products.

24) In Ms Sheard’s witness statement 3A (para 5.2), details of the retail value of DCL’s brand in the UK is provided and promotional spend relating to its marks are also provided at para 7.1 of her third witness statement. These figures are shown below:

<b>Year ending November</b>	<b>Value (£)</b>	<b>Units</b>	<b>Promotional spend</b>
2012	55,422,712	32,447,452	7,550,293
2013	52,397,300	29,676,510	7,899,647
2014	53,183,024	30,267,904	5,915,000

25) Information produced by a company called *Metrixlab*, a provider of consumer insights and marketing analytics is provided at Exhibit LS(2)9 and states that FRIJJ has a brand recognition rate of 92% and that it has been a market leader for 21 years. In Ms Sheard’s third witness statement she provides information regarding the reach of DCL’s advertising efforts. Whilst it is not necessary for me to detail these here, they illustrate impressive figures that support the claim to a high level of brand recognition.

26) Ms Sheard provides evidence that “bear” devices are commonly used in the foodstuffs industry. Examples of such use are provided at Exhibit LS(3)8. She concludes that the use of a bear in ZFL’s 3089999 mark is anything other than “standard packaging ‘wallpaper’”.

### **ZFL’s evidence**

27) This consists of a witness statement by Ms Cookson. This witness statement introduces into the proceedings, at Exhibit BEC2, an earlier witness statement by Ms Cookson and an earlier witness statement by Daniel Kohn, CEO of ZFL, both originally submitted in respect of other proceedings between the parties that have since fallen away.

28) Ms Cookson states that it has already been acknowledged in the pleadings that ZFL accepts that FRIJJ has been put to genuine use in the UK market in respect of milkshakes and flavoured drink milk.

29) In her earlier witness statement, Ms Cookson claims that the evidence from Ms Ostrowska, regarding her visits to grocery stores, relates to small local outlets which typically have limited chilled display space resulting in products being more closely displayed than in larger outlets. Ms Cookson provides a photograph taken in October 2014, at the same store that features in Ms Ostrowska’s Exhibit MO21 and shows FRIJJ products displayed close to milk and not with other separate goods. This is to counter Ms Ostrowska’s evidence showing a “meal deal” shelf where a number of different products are offered together as part of a meal package.

30) Ms Cookson provides further two photographs taken on 4 January 2015 at a large Waitrose store. They show FRIJJ goods on shelves with other flavoured milks.

31) Dr Kohn provides evidence that there are buyer jobs dedicated to the frozen goods category and distinct from buyers in the dairy/chilled goods category and that this is also observed in ZFL’s own experiences in dealing with the UK supermarkets and other outlets. He further provides evidence to illustrate that *Mintel*, a leading market research firm that provides research across a range of categories, has different categories for desserts.

32) In the body of her earlier witness statement, Ms Cookson provides photographs of DCL’s FRIJJ products appearing on a shelves in supermarkets and appearing adjacent to shelves of milk. Ms Cookson points out that fruit juices are shown displayed in an adjoining but separate section.

## **DECISION**

### **Proof of use**

33) Whilst some of the earlier marks relied upon in DCL’s oppositions to ZFL’s marks are subject to proof of use under Section 6A of the Act, most of these earlier marks do not improve upon its case insofar as it relies upon earlier CTM 11460961 which is not subject to proof of use. Therefore, for the purposes of DCL’s oppositions, I will consider its claims insofar as they are based upon its earlier CTM 11460961. The

consequence of this is that I do not need to consider proof of use in respect of most of its earlier marks relied upon in the opposition. The one exception is its 2524330 FRIJJ mark. Evidence of use in respect of this registration is also challenged in the context of ZFL's application for revocation.

34) In terms of the revocation action, the relevant part of the Act, Section 46 reads as follows:

“(1) The registration of a trade mark may be revoked on any of the following grounds—

(a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;

(d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made. Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that—

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from—

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

35) In terms of the requirements to provide proof of use in the opposition action, the relevant part of the Act, Section 6A, reads as follows:

“Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) 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 or international trade mark (EC), 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.”

36) Consideration has to be taken, also, of section 100 of the Act which 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.”

Consequent upon section 100 the onus is upon DCL, as the registered proprietor, to prove that it has made use of the mark in suit, or that there are proper reasons for its non-use.

37) The application for revocation is based on Sections 46(1)(a) and 46(1)(b). In *Philosophy di Alberta Ferretti Trade Mark* [2003] RPC 15, the Court of Appeal held that an application for revocation on the grounds of non-use may be made only after the five years following completion of the registration procedure has ended. The date for revocation cannot be less than five years from the date the registration procedure was completed. In *WIS/ Trade Mark* [2006] RPC 22, Geoffrey Hobbs QC, sitting as the Appointed Person said:

“...This permits revocation with effect from the day following the fifth anniversary of completion of the registration procedure in the case of an application which succeeds under s.46(1)(a) and with effect from any subsequent date at which there has been suspension of use for an uninterrupted period of five years in the case of an application which succeeds under s.46(1)(b).”

38) Therefore, and as ZFL claimed in its application for revocation, I have to consider whether there was genuine use in the UK of DCL’s mark in respect of all or any of the goods challenged. The relevant dates are detailed in paragraphs 8, above.

39) In *The London Taxi Corporation Limited trading as The London Taxi Company v. (1) Frazer Nash Research Limited and (2) Ecotive Limited*, [2016] EWHC 52 (Ch), Arnold J. recently stated as follows:

“219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(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 to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is

deemed to be justified in the economic sector concerned for the purpose of creating or preserving 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. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

40) In its counterstatement, DCL claimed use in respect only of the following goods:

**Class 29:** *Dairy products; milk and milk products; ...; preparations and beverages made with milk; milk predominating beverages; milk shakes and flavoured milk drinks;*

**Class 30:** *Beverages with a chocolate, cocoa or coffee base and containing milk; ..., coffee-based ... beverages; iced coffee; ...; cocoa-based ... beverages; ...; chocolate-based ... beverages; drinking chocolate; ...*

**Class 32:** *...; non-alcoholic drinks ...*

41) However, as I have already identified, ZFL does not take issue with the claim of use in respect of the underlined goods. The revocation is undefended in respect of the goods listed in the registration but not listed in the paragraph above. The issue before me is, therefore, whether the use shown in DCL’s evidence permits it to retain all of the terms, not underlined in the above paragraph. Whether the use shown in DCL’s evidence illustrates use of its word only mark or whether the evidence shows use of an acceptable variant mark is not in issue in the proceedings because ZFL has not challenged use in respect of the underlined goods (see its Form TM8(N) and explicitly conceded that use has been made at the hearing (see Ms Cookson’s skeleton argument, paragraph 7).

### **Framing a fair specification where use on some goods, but not others**

42) In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“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.”

43) Both Ms Michaels and Ms Cookson referred to the following finding of the General Court (“the GC”) in *Reckitt Benckiser (“Aladin”)*, T-126/03, paragraph 45 and 46:

“45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or sub-categories to which the goods or services for which the trade mark has actually been used belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.”

44) Ms Michaels and Ms Cookson also referred to the following guidance provided in *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220 where Kitchen L.J. (with whom Underhill L.J. agreed) set out the correct approach for devising a fair specification where the mark has not been used for all the goods for which it is registered. He said:

“63. The task of the court is to arrive, in the end, at a fair specification and this in turn involves ascertaining how the average consumer would describe the goods or services in relation to which the mark has been used, and considering the purpose and intended use of those goods or services. This I understand to be the approach adopted by this court in the earlier cases of *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2002] EWCA Civ 1828, [2003] RPC 32; and in *West v Fuller Smith & Turner plc* [2003] EWCA Civ 48, [2003] FSR 44. To my mind a very helpful exposition was provided by Jacob J (as he then was) in *ANIMAL Trade Mark* [2003] EWHC 1589 (Ch); [2004] FSR 19. He said at paragraph [20]:

“... 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 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."

64. Importantly, Jacob J there explained and I would respectfully agree that the court must form a value judgment as to the appropriate specification having regard to the use which has been made. But I would add that, in doing so, regard must also be had to the guidance given by the General Court in the later cases to which I have referred. Accordingly I believe the approach to be adopted is, in essence, a relatively simple one. The court must identify the goods or services in relation to which the mark has been used in the relevant period and consider how the average consumer would fairly describe them. In carrying out that exercise the court must have regard to the categories of goods or services for which the mark is registered and the extent to which those categories are described in general terms. If those categories are described in terms which are sufficiently broad so as to allow the identification within them of various sub-categories which are capable of being viewed independently then proof of use in relation to only one or more of those sub-categories will not constitute use of the mark in relation to all the other sub-categories.

65. It follows that protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider belong to the same group or category as those for which the mark has been used and which are not in substance different from them. But conversely, if the average consumer would consider that the goods or services for which the mark has been used form a series of coherent categories or sub-categories then the registration must be limited accordingly. In my judgment it also follows that a proprietor cannot derive any real assistance from the, at times, broad terminology of the Nice Classification or from the fact that he may have secured a registration for a wide range of goods or services which are described in general terms. To the contrary, the purpose of the provision is to ensure that protection is only afforded to marks which have actually been used or, put another way, that marks are actually used for the goods or services for which they are registered."

## **Class 29**

45) Ms Michaels submitted that because ZFL has conceded use has been shown in respect of *milk shakes* and *flavoured milk drinks* then use has also been established in respect of *milk, milk products, preparations and beverages made with milk* and

*milk predominating beverages* in Class 29. Ms Cookson submitted DCL's goods are merely various types of milk shakes and as such would not be described differently. She put forward the proposition that the average consumer, when writing a shopping list would only refer to DCL's goods as milk shakes. I note this, but it is not the test I must apply. I must consider what appropriate category or sub category of goods should be permitted. Ms Cookson's "shopping list" proposition is a somewhat stricter test than set out by the courts because, in my experience, consumers do not normally write down the category of goods they wish to buy, but rather the precise goods. Consequently, I dismiss this submission.

46) Ms Cookson also referred to the comments of Jacob J in *British Sugar v James Robertson* (1996 RPC 281) at page 289, stated:

"No one would describe a jam as a dessert sauce in ordinary parlance, yet it too can be used on a dessert and everyone knows and sometimes does that. Supermarkets regard the product as a spread. The jam jar invites uses a spread. When it comes to construing a word used in a trademark specification one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trademark specification is concerned with use in trade"

47) This case was one of infringement and Jacob J's comments were made in the context of considering the similarity of the respective goods and the meaning attributed to particular terms in a specification and not to the issue of appropriate sub-categories in which goods used could be classified. He was considering a different issue. I therefore dismiss Ms Cookson's reliance on this reference. The issue before me is whether terms such as *milk*, *milk products*, *preparations and beverages made with milk* and *milk predominating beverages* describe an appropriate sub-category of goods that identify and define "not the particular examples of goods or services for which there has been genuine use but the particular categories [my emphasis] of goods or services they should realistically be taken to exemplify" (Mr Hobbs QC in *Euro Gida*). In considering this point, Ms Michaels' submission is compelling insofar as it relates to the sub-categories *beverages made with milk* and *milk predominating beverages*. Keeping in mind that these terms are also limited by the Class in which they appear, I concur with the submission that the consumer will make no real distinction between *flavoured milk drinks* (where use has been conceded) and these two sub-categories.

48) The term *preparations [...] made with milk* does not appear to include *milk shakes and flavoured milk drinks*. The former describes "preparations" rather than shakes or drinks. It is not normal to describe such shakes and drinks as "preparations". In light of this, I conclude that the use shown does not support the retention of this term in the specification.

49) In respect of the term *milk*, this describes a particular product, namely milk in its unaltered form. Consequently, the term does not cover the goods for which DCL has used its mark. Therefore, I dismiss the submission that this term is either a sub-category in which DCL's products belong, or that it describes its products.

50) The term *milk products* is broader in scope than *beverages made with milk* and *milk predominating beverages* because it includes goods that are foodstuffs as well as drinks. As such, there are further sub-categories within it. It is therefore, a category that is broader than envisaged by the Court of Appeal in *ASOS* and by the GC in *Aladin*. I find that the use shown does not support retention of *milk products*.

51) At the hearing, Ms Michaels accepted that the term *dairy products* is a wider category. I agree, and for the same reasons as I set out in the previous paragraph. The use shown does not support the retention of this term.

52) In summary, taking account of ZFL's concession and my findings detailed above, DCL's registration survives in respect of the following Class 29 goods:

*Beverages made with milk; milk predominating beverages; milk shakes and flavoured milk drinks.*

### **Class 30**

53) At the hearing, Ms Michaels submitted that use in respect of *milk shakes* and *flavoured milk drinks* also means that genuine use has been established in respect of the goods at issue in DCL's Class 30 specification. For convenience, this goods are reproduced below:

*Beverages with a chocolate, cocoa or coffee base and containing milk; ..., coffee-based ... beverages; iced coffee; ...; cocoa-based ... beverages; ...; chocolate-based ... beverages; drinking chocolate; ...*

54) Ms Michaels submitted that DCL has shown substantial sales in respect of various chocolate and coffee flavoured versions of its products. ZFL has conceded such use. However, this is not necessarily sufficient to retain the contested terms in Class 30. The goods in which use has been shown are proper to Class 29. The WIPO's Nice Classification system of goods and services includes explanatory notes for each class. In respect of Class 30, the explanatory note states the following:

"Class 30 includes mainly foodstuffs of plant origin prepared for consumption or conservation as well as auxiliaries intended for the improvement of the flavour of food.

*This Class includes, in particular:*

- beverages with coffee, cocoa, chocolate or tea base;
- cereals prepared for human consumption (for example, oat flakes and those made of other cereals).

*This Class does not include, in particular:*

- certain foodstuffs of plant origin (consult the Alphabetical List of Goods);
- salt for preserving other than for foodstuffs (Cl. 1);
- medicinal teas and dietetic food and substances adapted for medical use (Cl. 5);
- baby food (Cl. 5);
- dietary supplements (Cl. 5);

- raw cereals (Cl. 31);
- foodstuffs for animals (Cl. 31).”

55) This explanatory note refers to “beverages with coffee, cocoa, chocolate or tea base”. On the face of it, this would appear to include DCL’s goods insofar as they are flavoured with coffee, cocoa, chocolate or tea. However, I keep in mind that no goods are proper to more than one class and also that the Class number plays a role in defining the scope of goods covered by a class. The only beverages referred to in the explanatory note for Class 29 are “milk beverages (milk predominating)”. Therefore, when considering whether DCL has demonstrated genuine use in respect of the goods listed in its Class 30 specification, I keep in mind that the beverages proper to that class do not include milk beverages. That being the case, the beverages in Class 30 cannot include DCL’s goods. The beverages listed, including iced coffee cannot, therefore, include its goods. Consequently, I find that no genuine use has been shown in respect of any Class 30 goods.

### **Class 32**

56) The same reasons as I have set out in dismissing DCL’s claims to have genuinely used its mark in respect of goods in Class 30 apply equally to Class 32. The *non-alcoholic drinks* in its Class 32 specification do not include milk beverages of the kind for which use has been shown. Therefore, it cannot be a category of goods within which DCL’s goods would fall. I dismiss DCL’s claim to genuine use of any Class 32 goods.

### **Summary of outcome in respect of ZFL’s application for revocation of DCL’s registration 2524330**

57) DCL’s registration remains in respect of the following Class 29 goods:

*Beverages made with milk; milk predominating beverages; milk shakes and flavoured milk drinks.*

58) In respect of all other goods, the registration is revoked from 28 November 2014.

### **Proof of use for the purposes of DCL’s oppositions to ZFL’s marks**

59) The relevant period is different for the purposes of DCL’s oppositions. It is defined in Section 6A(3) of the Act as being the “five years ending with the date of publication of the application”. In the current consolidated cases the first two were published on 23 January 2015 and the third on 20 March 2015. Nothing hangs upon these slightly different dates to those relevant for the purposes of ZFL’s revocation action and I find that, for the purposes of DCL relying upon registration 2524330 as an earlier mark in its oppositions to ZFL’s marks, it may do so for the same range of goods identified in paragraph 57 above.

### **Section 5(2)(b)**

60) Sections 5(2)(b) of the Act is as follows:

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

(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”.

61) I will restrict my considerations to two of DCL’s earlier marks. First, I will consider DCL’s case as based upon its earlier mark CTM 11460961. Later, I will also comment upon its case based upon 2524330. I consider that these two earlier marks represent its best case and if it cannot succeed relying upon these marks, it will not succeed in respect of any other of its earlier marks. I begin by considering DCL’s case based upon its CTM 11460961.

### **Comparison of goods and services**



62) ZFL’s *confectionery ices* and *confectionery in frozen form* in Class 30 cover some identical goods to those covered by DCL’s *ice creams*, *ice desserts*, *frozen yogurts* and *edible ices*. For reasons of procedural economy, I will not undertake a full comparison of the goods. The examination of the opposition based on this earlier mark will proceed on the basis that the contested goods are identical to those covered by the earlier mark. If the opposition fails, even where the goods are identical, it follows that the opposition will also fail where the goods are only similar.

### **Comparison of marks**

63) 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 Court of Justice of the European Union 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.”

64) 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.

65) For the purposes of my consideration, I will limit my consideration to the similarity between the parties’ stylised word marks, namely  and  because this

offers DCL its best chance of success. If it does not succeed in respect of ZFL's stylised word mark, neither will it succeed against its word and device marks.

66) The dominant and distinctive components of both parties' marks reside in the combination of the respective words and their stylisation.

67) Both marks share some visual similarities, namely, they begin with the same three letters F, R and I, the fourth and fifth letters of both marks consist of duplications, albeit of different letters, and these letters both have a long, vertical arm as part of their shape. They differ in that DCL's mark is presented in capitals and ZFL's mark is presented in lower case. Also, the fourth and fifth letters in ZFL's mark are 'l's but they are 'j's in DCL's mark. Further, DCL's mark is stylised beyond being just an alternative common font. The letters are aligned in a somewhat jaunty style with the letter "F" and the first "J" appearing slightly larger relative to the other letters in the mark. ZFL's mark is also presented in, what appears, to be a non-standard font, but the word is presented as if written on a straight line. Taking all of the above into account, I find that there is a moderately high level of visual similarity.

68) DCL's mark will be pronounced in the same way as the word 'fridge', whereas ZFL's mark will be pronounced as 'fril'. Therefore, the first part of both marks will be pronounced the same, but the second parts are different. There is no more than a medium level of aural similarity.

69) Conceptually, DCL's mark is a made up word and does not, automatically, lend itself to any concept. However, when enunciated, it is likely to bring to mind the concept of a 'fridge'. ZFL's mark consists of the ordinary dictionary word FRILL meaning "a strip of gathered or pleated material sewn on to a garment or larger piece of material as a decorative edging or ornament" or "a thing resembling a frill in appearance or function"<sup>1</sup>. Taking this into account, I conclude that there is conceptual difference.

### **Average consumer and the purchasing act**

70) The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

71) 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

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<sup>1</sup> Oxford Dictionaries (<https://www.oxforddictionaries.com/definition/english/frill>)

words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

72) The parties’ respective goods are all consumer food/drink items that are generally selected from shop shelves or the online equivalent. Therefore, visual considerations are important during the purchasing process but I do not ignore the fact that aural considerations may play a part in some circumstances. The level of attention is reasonably low in respect of such consumer goods. They are relatively low in value and likely to be selected either as part of a larger grocery shopping trip or as an “on the go” purchase for immediate consumption.

### **Distinctive character of the earlier trade mark**

73) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

74) In respect of milk shakes and flavoured milk drinks, DCL has shown that it enjoys a significant market share, being over 22% in November 2014. In respect of the goods for which it has used its mark, it enjoys an enhanced level of distinctive character. It has not shown use in respect of other goods. Therefore, in light of my approach outlined in paragraph 62, above, the enhanced distinctive character does not extend to DCL’s goods that I am considering here. However, the mark FRIJJ is an invented word and is already endowed with a high level of inherent distinctive character, therefore, any enhancement to this through use would not materially improve DCL’s case

### **GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.**

75) 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:

(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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.



76) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). I must take into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the marks and that of the goods or services designated (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*).

77) I have found that that the respective marks share a moderately high level of visual similarity, a medium level of aural similarity but that the marks are conceptually different. It is well established that visual, aural and conceptual considerations do not always carry the same weight (*New Look Limited v OHIM*, joined cases T-117/03 to T-119/03 and T-171/03) and that when the purchasing process is predominantly self-selected, as is the case in the current proceedings, visual similarity will generally be more important (*Quelle AG v OHIM*, Case T-88/05). However, conceptual differences may counteract visual and aural similarities. In *The Picasso Estate v OHIM*, Case C-361/04 P, the CJEU found that:

“20. By stating in paragraph 56 of the judgment under appeal that, where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public, the conceptual differences observed between those signs may counteract the visual and phonetic similarities between them, and by subsequently holding that that applies in the present case, the Court of First Instance did not in any way err in law.”

78) This is the case in the current proceedings. The word FRILL has a clear and specific meaning that will be grasped immediately. The word FRIJJ will be perceived as an invented word that, in some cases, may invoke the concept of a “fridge”. These conceptual differences are sufficient to overcome the level of visual and aural similarity between the marks. This remains the case when taking account of the factors that point towards a likelihood of confusion, namely, that the respective goods are identical, that they are everyday consumer goods, the purchasing process involves a reasonably low level of care and attention. I have also found, in respect of these goods, that DCL’s mark enjoys an enhanced level of distinctive character.

79) Such a conceptual difference is a factor that will lodge in the minds of the consumer and is sufficient to offset the other considerations pointing to a likelihood of confusion. Factoring in imperfect recollection, in this case, the conceptual difference is sufficient for the consumer to not confuse the marks or assume that the respective goods originate from the same or linked undertakings. Further, whilst I have found that visually, the respective marks share a moderately high level of similarity, the difference of the last two letters in each will not go unnoticed by the consumer despite a letter “j” and letter “l” being visually similar in that they both include a long “vertical arm”.

80) Whilst not pursued at the hearing, in her evidence, Ms Ostrowska provided (at Exhibit MO3) a mock-up of ZFL’s mark enhanced by adding a strawberry and chocolate square devices above the letter “l” in the same way as these devices occur in DCL’s earlier CTM11460995 and CTM11461019. These mock-ups are presented with mock-ups of DCL’s marks presented in the same font as used by ZFL

in its mark. The effect is to bring the marks visually closer together. Ms Ostrowska submits that it is not unreasonable that ZFL may add pictorial representations of ingredients. Whilst the marks shown in the mock-ups may lead to issues around infringement, this is both hypothetical and not the issue before me. This creates an artificial situation where the marks are more similar than the respective marks in these proceedings. I do not consider that the word version of DCL's mark or any of its stylised marks would give rights that extended to its mark being used in the same stylisation of ZFL's mark. In light of this, the mock-ups do not represent normal and fair use. I dismiss this argument.

81) In summary, DCL's mark will be seen and perceived as an invented word FRIJJ that some consumers will associate with the concept of a "fridge" because of its aural characteristics. ZFL's Mark will be seen and perceived as the common dictionary word FRILL. These differences are such that there will be no likelihood of confusion.

82) This conclusion is based upon the parties' respective goods being identical. Consequently, it is not necessary for me to make a finding regarding DCL's submissions regarding "brand extension".

***The case based upon DCL's earlier mark 2524330***

83) In respect of DCL's earlier mark 2524330 FRIJJ, I do not consider this provides any stronger case than when considering its case against ZFL's 3089999 and 3088956. The global appreciation of all the relevant factors are comparable. Visually the marks still share a moderately high level of visual similarity and the aural and conceptual considerations are the same and at least some of the goods are identical. The average consumer will still notice the conceptual difference and this will result in them being able to differentiate between the marks, even taking account of imperfect recollection. Further, the conceptual difference will be sufficient to remove any perception that the goods sold under the respective marks originate from the same or linked undertaking. Once again, I find that there is no likelihood of confusion.

84) The considerations are slightly different in respect of the likelihood of confusion between DCL's 2524330 mark and ZFL's 3096882 mark. There are two components of the global appreciation that differ to my earlier considerations. First, visually the mark FRILL and the mark FRIJJ share a slightly higher level of visual similarity because there is no difference in presentation of the marks that exists when considering DCL's CTM 11460961 with either of the other of ZFL's marks. The difference between these marks is restricted to the final two letters of each mark. Taking this into account, I conclude that they share a high level of visual similarity.

85) Secondly, the consideration of the similarity of goods is different. In this case, the respective goods are:

<b>DCL's goods</b>	<b>ZFL's goods</b>
<b>Class 29:</b> <i>Beverages made with milk; milk predominating beverages; milk shakes and flavoured milk drinks.</i>	<b>Class 30:</b> <i>Confectionery ices; confectionery in frozen form; Fruit ice; Ice cream substitute; All of the aforesaid goods being non-dairy products.</i>

86) To begin, I note that no identical goods exist. DCL's goods can be paraphrased as all being milk based beverages, whereas ZFL's goods are all non-dairy frozen confections. DCL's goods are all in liquid form and therefore drunk by the consumer. ZFL's goods are all in frozen, and therefore solid form and are eaten. This results in the respective goods being different in nature and intended purpose. Further, because of the differences in nature, they are not likely to be in competition. Also, they are dairy products on the one hand and non-dairy products on the other. Taking all of this into account, I conclude that if there is any similarity it is not particularly high.

87) In all other aspects of the global appreciation already discussed earlier, the considerations are the same. There is, however, one further consideration to factor into the global appreciation. Ms Michaels submitted at the hearing that it is well established that brands known in relation to particular food products are expanded into other kinds of food products and she cited the example of *Mars*, known originally for its confectionery expanding into ice cream and flavoured milk drinks and to also expand from dairy products to non-dairy products. The Muller brand extension from desserts to flavoured milk drinks and the extension of the Yazoo brand from milk drinks into desserts was also cited. I accept that some large traders in the field of chilled desserts and milk drinks have extended their brands from one product group to the other. However, even if I am wrong on this point, the fundamental issue remains, namely, that the two marks have no conceptual similarity and that, in this case, it is sufficient to counter a high level of visual similarity. When this is factored in to the global appreciation with all the other factors, I conclude that there is no likelihood of confusion.

### ***Summary of findings regarding the Section 5(2)(b) grounds***

89) I have identified DCL's best cases and found that its oppositions fail in respect of these. It follows that its oppositions also fail in respect of all its other Section 5(2) pleadings. In summary, the ground based upon Section 5(2)(b) of the Act fails in respect of all the goods applied for.

### **Section 5(4)(a)**

90) Section 5(4)(a) states:

“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.”

### **General principles of Section 5(4)(a)**

91) Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in 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. It 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."

92) 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.”

93) There is no dispute that DCL has established a significant goodwill in respect of its business relating *milk shakes and flavoured milk drinks*. Therefore, DCL has met the requirement of the first step, at least in respect of these goods.

### ***Misrepresentation and damage***

94) The test for misrepresentation is well established. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175 ; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

And later in the same judgment:

“... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993) . It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

95) At the hearing, Ms Michaels correctly pointed out that it is not a requirement for the parties' goods to be the same. However, for at least some of the goods concerned the respective parties' goods are identical and if DCL is not successful in respect of these identical goods, neither will it be in respect of similar or goods in a different field of activity. Further, Ms Michaels submitted that DCL's evidence relating to brand extension is also important. I have commented earlier on the significance of the brand extension argument, and I note here that it cannot improve upon DCL's case based upon its claim where the respective goods are identical.

96) However, my findings here are not different to those relating to likelihood of confusion. I find that the similarity between the respective marks and sign is such as to not lead to misrepresentation. The lack of conceptual similarity is sufficient for members of the public not to be misled into purchasing ZFL's goods in the belief that they are DCL's products. There will be no misrepresentation or damage.

97) In light of these findings, DCL's case fails insofar as it is based upon Section 5(4)(a) of the Act.

### **Section 5(3)**

98) Section 5(3) states:

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC), in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

99) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors, paragraph 26*.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Salomon, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

## **Reputation**

100) 'Reputation' for the purposes of Section 5(3) means that the earlier mark is known by a significant part of the public concerned with the products or services covered by that mark (paragraph 26 of the CJEU's judgment in *General Motors Corp v Yplon SA (CHEVY)* [1999] ETMR 122 and [2000] RPC 572).

101) DCL has provided evidence to demonstrate that it is the market leader in respect of milk shakes and flavoured milk drinks with over 22% market share in the UK as of November 2014. In light of this, I conclude that it has a strong reputation in the UK in respect of these goods.

## **The Link**

102) Having established the existence and scope of a reputation, I need to go on to consider the existence of the necessary link. I am mindful of the comments of the CJEU in *Intel* that it is sufficient for the later trade mark to bring the earlier trade mark with a reputation to mind for the link, within the meaning of *Adidas-Salomon and Adidas Benelux*, to be established. The CJEU also set out the factors to take into account when considering if the necessary link exists:

“41. The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case (see, in respect of Article 5(2) of the Directive, *Adidas-Salomon and Adidas Benelux*, paragraph 30, and *adidas and adidas Benelux*, paragraph 42).

42. Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
- the strength of the earlier mark's reputation;
- the degree of the earlier mark's distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public.”

103) In Case C-408/01, *Adidas-Salomon*, the CJEU held that:

“28. The condition of similarity between the mark and the sign, referred to in Article 5(2) of the Directive, requires the existence, in particular, of elements of visual, aural or conceptual similarity (see, in respect of Article 5(1)(b) of the Directive, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23 in fine, and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraphs 25 and 27 in fine).



29. The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).”

104) I take account that I must assess the similarity of the respective marks in the same way as required for the purposes of Section 5(2) (as per *Adidas-Salomon*, C-408/01, paragraphs 28 and 29). I also keep in mind that the level of similarity required for the public to make the necessary link may be less than the level required to create a likelihood of confusion (*Intra-Press SAS v OHIM*, Joined cases C-581/13P & C-582/13P, paragraph 72). In the current case, taking account that the respective parties' marks have a moderately high or high degree of visual similarity (and also that at least some of the respective goods are identical), I find that the necessary link is created between DCL's word mark and its stylised word mark (CTM 1460961) and at least ZFL's word mark and stylised word mark in the minds of the average consumer. However, I consider the link to be weak taking account of the conceptual difference with DCL's mark creating the concept of a fridge in the minds of the consumer because of its aural characteristics.

### ***Unfair advantage***

105) DCL claim that ZFL's marks will take unfair advantage of its mark and will be incorrectly associated with DCL resulting in ZFL's mark riding on the coat tails of DCL's reputation and ZFL's sales being unfairly inflated as a result. The link between the respective marks is weak and the conceptual difference between the marks is such as to quickly dispel the notion of a perceived link between ZFL and DCL. With the link being so quickly dispelled, ZFL's mark will not benefit from any advantage resulting from an association with DCL's mark. I dismiss this claim.

### ***Detriment to reputation***

106) DCL also claims that use of ZFL's mark will result in detriment to its reputation because DCL has no way of controlling the quality of the products sold by ZFL and could result in DCL's reputation being tarnished. In *Unite The Union v The Unite Group Plc*, Case BL O/219/13, Ms Anna Carboni, sitting as the Appointed Person considered whether a link between an earlier mark with a reputation and a later mark with the mere potential to create a negative association because of the identity of the applicant or the potential quality of its goods/services was sufficient to found an opposition based on detriment to reputation. She said:

“46. Indeed, having reviewed these and other opposition cases, I have not found any in which the identity or activities of the trade mark applicant have been considered in coming to a conclusion on the existence of detriment to repute of an earlier trade mark. I can understand how these matters would form part of the relevant context in an infringement case, but I have difficulty with the notion that it should do so in an opposition. After all, many, if not most, trade mark applications are for trade marks which have not yet been

used by the proprietor; some are applied for by a person or entity that intends to license them to a third party rather than use them him/itself; and others are applied for by an entity that has only just come into existence.

47. I do not exclude the possibility that, where an established trading entity applies to register a mark that it has already been using for the goods or services to be covered by the mark, in such a way that the mark and thus the trader have already acquired some associated negative reputation, perhaps for poor quality goods or services, this fact might be taken into account as relevant “context” in assessing the risk of detriment to repute of an earlier trade mark. Another scenario might be if, for example, a trade mark applicant who was a known Fascist had advertised the fact prior to the application that he was launching a new line of Nazi memorabilia under his name: I can see how that might be relevant context on which the opponent could rely if the goods and services covered by the application appeared to match the advertised activities. But I would hesitate to decide an opposition on that basis without having had confirmation from a higher tribunal that it would be correct to take such matters into account.”

107) Unlike in the *Unite* case, there is evidence that ZFL is trading, there is no submission or evidence that its goods are associated in anyway with a negative reputation. Consequently, the fact that ZFL has used its mark does not create a situation where I reach a different conclusion than if it had not used the mark. I dismiss this argument for two reasons. First, there is nothing in DCL’s case other than the hypothesis that ZFL’s goods may be inferior. Secondly, as I have commented earlier, the link between the respective marks is weak and the conceptual difference between the marks is such as to quickly dispel the notion of a perceived link between ZFL and DCL. The consumer will not believe that the goods provided under the respective marks originate from the same or linked undertaking. As a result, even if ZFL’s goods were associated with a negative reputation (there is no evidence that they are), it would not be transferred to DCL or its goods.

### ***Detriment to distinctive character***

108) At the hearing, Ms Michaels made submissions regarding detriment to distinctive character. This ground has not been pleaded by DCL, however Ms Cookson responded by drawing my attention to the fact that evidence of a change in economic behaviour is required (*Intel*, paragraph 77). Ms Cookson’s interpretation of the guidance provided in *Intel* is confirmed in *Environmental Manufacturing LLP v OHIM*, Case C-383/12P, where the CJEU stated as follows:

37. The concept of ‘change in the economic behaviour of the average consumer’ lays down an objective condition. That change cannot be deduced solely from subjective elements such as consumers’ perceptions. The mere fact that consumers note the presence of a new sign similar to an earlier sign is not sufficient of itself to establish the existence of a detriment or a risk of detriment to the distinctive character of the earlier mark within the meaning of Article 8(5) of Regulation No 207/2009, in as much as that similarity does not cause any confusion in their minds.

38 The General Court, at paragraph 53 of the judgment under appeal, dismissed the assessment of the condition laid down by the *Intel Corporation* judgment, and, consequently, erred in law.

39. The General Court found, at paragraph 62 of the judgment under appeal, that ‘the fact that competitors use somewhat similar signs for identical or similar goods compromises the immediate connection that the relevant public makes between the signs and the goods at issue, which is likely to undermine the earlier mark’s ability to identify the goods for which it is registered as coming from the proprietor of that mark’.

40. However, in its judgment in *Intel Corporation*, the Court clearly indicated that it was necessary to demand a higher standard of proof in order to find detriment or the risk of detriment to the distinctive character of the earlier mark, within the meaning of Article 8(5) of Regulation No 207/2009.

41. Accepting the criterion put forward by the General Court could, in addition, lead to a situation in which economic operators improperly appropriate certain signs, which could damage competition.

42. Admittedly, Regulation No 207/2009 and the Court’s case-law do not require evidence to be adduced of actual detriment, but also admit the serious risk of such detriment, allowing the use of logical deductions.

43. None the less, such deductions must not be the result of mere suppositions but, as the General Court itself noted at paragraph 52 of the judgment under appeal, in citing an earlier judgment of the General Court, must be founded on ‘an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case’.”

109) In light of this ground not being pleaded and in light of an absence of evidence to support the claim, I dismiss it.

## Conclusions

110) ZFL’s revocation application is successful in respect all the goods of DCL’s 2424330 registration, except for the following:

**Class 29:** *Beverages made with milk; milk predominating beverages; milk shakes and flavoured milk drinks.*

111) DCL’s oppositions fail in their entirety.

## COSTS

112) ZFL has been partially successful in its revocation action relating to DCL’s 2524330 mark and wholly successful in the three opposition proceedings against its marks. All four proceedings were consolidated leading to a reduction in the overall costs, but nevertheless, the reasonably complex matrix of issues made this more

complicated proceedings. However, it is my view that the award of costs can still be made based on the published scale. At the hearing, Ms Cookson made a request to make written submissions on costs. I allow 14 days from the date of this decision, but remind Ms Cookson of my preliminary comments earlier in this paragraph. DCL is permitted a further 14 days to provide any submissions it wishes to make regarding costs. I will then issue a supplementary decision on costs, taking account of these submissions. The date for appeal against all matters will commence on issue of the supplementary decision.

**Dated this 10th day of May 2016**

**Mark Bryant  
For the Registrar  
The Comptroller-General**