

O/581/19

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. UK00003325460 BY
ONE ASSET LTD
TO REGISTER THE FOLLOWING MARK:**



IN CLASS 32

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 415037 BY
JOULES BREWERY LIMITED**

BACKGROUND AND PLEADINGS

1. On 18 July 2018, One Asset Limited (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK. The application was published for opposition purposes on 5 October 2018. Registration is sought for the following goods:

Class 32 Alcohol free beverages.

2. The application is opposed by Joules Brewery Limited (“the opponent”). The opposition is based upon sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). For its opposition based upon section 5(2)(b) of the Act, the opponent relies on EUTM registration no. 16738106 for the following trade mark:



3. The opponent’s EUTM was filed on 18 May 2017 and registered on 19 September 2017. The opponent relies upon all goods for which the EUTM is registered namely:

Class 32 Non-alcoholic beverages; waters; mineral and aerated waters; spring waters; table waters; flavoured waters; carbonated and still waters; soda waters; sodas; cream sodas; ginger beer; lemonade; sarsaparilla; alcohol free cider; alcohol free beverages; carbonated non-alcoholic drinks; fruit beverages; fruit juices; soft drinks; beverages made from spring water; carbonated soft drinks; syrups and other preparations for making non-alcoholic beverages; beer; lager; porter; ale; stout; non-alcoholic drinks and preparations for making all the aforesaid goods.

4. The opponent claims that there is a likelihood of confusion because the respective marks are similar, and the goods are identical or similar.

5. For the purposes of its opposition under section 5(4)(a) of the Act, the opponent claims that it has used the following mark throughout the UK since April 2014 in respect of “beers”:



6. The applicant filed a counterstatement denying the claims made.

7. The opponent is represented by TR Intellectual Property Ltd and the applicant is represented by Marks & Clerk LLP. The opponent filed evidence in the form of the statement of Jason Whittaker dated 17 May 2019. The applicant filed written submission during the evidence rounds. No evidence in reply was filed by the opponent. No hearing was requested, but both parties filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

EVIDENCE/SUBMISSIONS

8. As noted above, the opponent filed a statement prepared by Jason Whittaker dated 17 May 2019, which was accompanied by 1 exhibit. This statement is titled “evidence/submissions on behalf of the opponent” and, although signed, does not contain a statement of truth. This document consists, mostly, of submissions but also contains evidence of fact relating to the opponent’s alleged goodwill. For now, I will summarise that evidence, returning to its admissibility and reliability later in my decision.

9. Mr Whittaker is the Commercial Director of the opponent. Mr Whittaker has provided an undated screen shot of the opponent’s website which shows the sign in use on the

website. Mr Whittaker has also provided details of the number of “BBLs” sold by the opponent since 2014¹. Mr Whittaker states that “BBLs” means “Brewers Barrels”. However, some of the figures are not in whole numbers and it is, therefore, difficult to align these figures with barrels sold (as, presumably, only whole barrels would be purchased). Nonetheless, the total figure amounts to over 4,800. No information is provided as to how the opponent’s sign is presented on these products (if at all).

10. I do not propose to summarise the submissions filed by the parties here, but I have taken them into consideration, and will refer to the below where necessary.

DECISION

Section 5(2)(b)

11. Section 5(2)(b) of the Act reads 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;

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

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

“6(1) In this Act an “earlier trade mark” means –

¹ Exhibit JW1

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

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

13. The opponent’s mark qualifies as an earlier trade mark under the above provisions. As the earlier mark completed its registration process less than 5 years before the publication date of the application in issue in these proceedings, it is not subject to proof of use pursuant to section 6A of the Act.

14. 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 to mind the earlier mark, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

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

Comparison of goods

15. The competing goods are as follows:

Opponent's goods	Applicant's goods
<u>Class 32</u> Non-alcoholic beverages; waters; mineral and aerated waters; spring waters; table waters; flavoured waters; carbonated and still waters; soda waters; sodas; cream sodas; ginger beer; lemonade; sarsaparilla; alcohol free cider; alcohol free beverages; carbonated non-alcoholic drinks; fruit beverages; fruit juices; soft drinks; beverages made from spring water; carbonated soft drinks; syrups and other preparations for making non-alcoholic beverages; beer; lager; porter; ale; stout; non-alcoholic drinks and preparations for making all the aforesaid goods.	<u>Class 32</u> Alcohol free beverages.

16. "Alcohol free beverages" appears in both the applicant's specification and the opponent's specification. The goods are, clearly, identical.

The average consumer and the nature of the purchasing act

17. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

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

18. The average consumer for the goods will be a member of the general public. The goods are likely to be purchased fairly frequently and are likely to be fairly inexpensive. The consumer will take various factors into account when purchasing the goods such as sugar content and flavour. Overall, I consider that no more than a medium degree of attention will be paid during the purchasing process for the goods.

19. The goods are most likely to be selected by self-selection from the shelves of a retail outlet or from an online or catalogue equivalent. They may also be purchased from bars or restaurants, where they are likely to be purchased following perusal of a drinks menu. Consequently, visual considerations will dominate the selection process. However, given that orders may also be placed verbally, I do not discount an aural component.

Comparison of trade marks



20. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union (“CJEU”) stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“... it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means

of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

21. 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.

22. The respective trade marks are shown below:

Opponent's mark	Applicant's mark
	

23. The opponent's mark consists of a device of a monkey with a tail curved in a crescent shape. There are no other elements to contribute to the overall impression of the mark which lies in the device itself. The applicant's mark consists of a device of a monkey face surrounded by leaves and the words GREEN MONKEY CBD, presented in green. I consider that the device and the words play a roughly equal role in the overall impression of the mark.

24. The opponent argues that its mark will be viewed as a device of a monkey which is used to create the letter "G". When viewing the mark as registered, I can see no reason why the average consumer would conclude that this mark is a highly stylised letter "G", rather than just the device of a monkey. The opponent also argues that, although its mark is registered in black, it predominantly uses the mark in green. My

assessment must be based on the marks as registered, and not the way the marks are used in practice. However, registration of a mark in black and white covers use of that mark in any colour². Consequently, the opponent could use its mark in green. The marks coincide visually to the extent that they both consist of or contain a device of a monkey. Nonetheless, whilst both are recognisable as monkeys, the devices are clearly different. The applicant's mark also contains text which has no counterpart in the opponent's mark. I consider the marks to be visually dissimilar. If I am wrong, then they will be visually similar to only a very low degree.

25. The opponent argues that its mark will be pronounced GREEN MONKEY (when used in green) and will, therefore, be aurally similar to the applicant's mark. However, in *Dosenbach-Ochsner AG Schuhe und Sport v OHIM*, Case T-424/10 the General Court stated:

“45. ...contrary to what the applicant submits, a phonetic comparison is not relevant in the examination of the similarity of a figurative mark without word elements with another mark (see, to that effect, Joined Cases T-5/08 to T-7/08 *Nestle v OHIM – Master Beverage Industries (Golden Eagle and Gold Eagle Deluxe)* [2010] ECR II-1177, paragraph 67).

46. A figurative mark without word elements cannot, by definition, be pronounced. At the very most, its visual or conceptual content can be described orally. Such a description, however, necessarily coincides with either the visual perception or the conceptual perception of the mark in question. Consequently, it is not necessary to examine separately the phonetic perception of a figurative mark lacking word elements and to compare it with the phonetic perception of other marks”.

26. I cannot, therefore, undertake an aural comparison in this case.

27. Conceptually, there will be overlap to the extent that both marks consist of or contain a device of a monkey. The words GREEN MONKEY in the applicant's mark

² *Specsavers International Healthcare Limited & Others v Asda Stores Limited*, Case C-252/12

are, clearly, closely linked with the device used in the mark and, consequently, do not add anything further to the conceptual meaning conveyed by the mark. The letters CBD are described, by both parties, as a reference to “cannabidiol” which is a cannabis compound. For those consumers who understand this meaning, it will be a point of conceptual difference between the marks. For those who do not, it will be viewed as an acronym with no particular meaning and will not, therefore, help to distinguish between them. I consider the marks to be conceptually similar to at least a medium degree, with the similarity being higher if the letters CBD are not attributed any particular meaning.

Distinctive character of the earlier mark

28. 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-2779, 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 promotion of 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).”

29. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

30. Distinctiveness can be enhanced through use. The opponent has not pleaded that the distinctiveness of its mark has been enhanced through use and, in any event, the information provided by the opponent in the statement of Mr Whittaker falls short of demonstrating use to the extent required (with no market share or advertising information being provided). Consequently, I have only the inherent position to consider. The opponent's mark consists of the device of a monkey. It has no descriptive or allusive quality in relation to the goods for which the mark is registered. I consider the opponent's mark to be inherently distinctive to at least a medium degree.

Likelihood of confusion

31. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's trade mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

32. At best, I have found the parties' marks to be visually similar to a very low degree. I have found the parties' marks to be conceptually similar to at least a medium degree (albeit the conceptual similarity may be higher depending on whether the consumer understands the meaning of CBD). I have found the earlier mark to be inherently distinctive to at least a medium degree. I have identified the average consumer to be a member of the general public who will select the goods primarily by visual means (although I do not discount an aural component). I have found that no more than a medium degree of attention will be paid during the purchasing process.

33. Taking all of these factors into account, I do not consider that the marks will be mistakenly recalled or misremembered as each other. The average consumer is unlikely to forget the presence of the text in the applicant's mark or the differences between the devices in each mark. I do not consider there to be a likelihood of direct confusion.

34. Having identified the differences between the marks, I can see no reason why the average consumer would consider the marks to be alternatives used by the same or economically linked undertakings. To use devices which are so different (even if they both depict monkeys) would not be a logical variant or brand extension. I do not consider there to be a likelihood of indirect confusion.

35. The opposition under section 5(2)(b) fails in its entirety.

Section 5(4)(a)

36. Section 5(4)(a) of the Act states as follows:

“5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

b) ...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark”.

37. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether “*a substantial number*” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

Relevant date

38. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC, sitting as the Appointed Person, considered the relevant date for the purposes of s.5(4)(a) of the Act and stated as follows:

“43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority

date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.”

39. There is no suggestion that the applicant had used its mark prior to its application for registration. Consequently, the relevant date is the date of the application in issue i.e. 18 July 2018.

Goodwill

40. The House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL) provided the following guidance regarding goodwill:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in customers. It is the one thing which distinguishes an old-established business from a new business at its first start.”

41. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark* [1969] R.P.C.

472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

42. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

43. As noted above, the evidence filed by the opponent to demonstrate goodwill was not filed in the correct evidential format. Although signed, it is not accompanied by a statement of truth. The lack of statement of truth and the failure to provide this information in the form of a witness statement, must call its reliability and the weight to be attributed to it into question. Further, I note that the opponent also sought to file new evidence of fact within its written submissions in lieu, in the form of screen shots of the sign in use on its website. Again, this is not the correct format in which to file evidence and, as it was filed following conclusion of the evidence rounds and no application to file late evidence was made, it cannot form part of my assessment.

44. In any event, even if it had been filed in the correct format and at the correct time, I am not satisfied that it assists the opponent. I accept that the information supplied by the opponent would suggest that it has sold goods (it states, in the form of barrels) to customers. As goodwill is generated through trading activities, sales of this volume prior to the relevant date would be sufficient to demonstrate at least a small degree of goodwill. Of course, even a small business which has more than trivial goodwill can protect signs which are distinctive of that business under the law of passing off³. However, there is nothing in the document which lists the sales made, to demonstrate that the goods sold displayed the sign in issue. Further, the photographs and screenshots provided by the opponent which show the sign in use are undated. They do not, therefore, demonstrate that the sign was distinctive of any goodwill held by the opponent at the relevant date.

45. That the sign relied upon is distinctive of the opponent's goodwill is an essential requirement for a successful opposition based on the law of passing off. Consequently, the opposition under section 5(4)(a) must fail in its entirety.

CONCLUSION

46. The opposition is unsuccessful, and the application will proceed to registration.

COSTS

47. The applicant has been successful and is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of **£850** as a contribution towards the costs of proceedings. The sum is calculated as follows:

Preparing a statement and considering the opponent's statement	£300
Preparing written submissions and	£550

³ *Stacey v 2020 Communications* [1991] FSR 49

written submissions in lieu

Total

£850

48. I therefore order Joules Brewery Limited to pay One Asset Limited the sum of **£850**. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 02nd day of October 2019

S WILSON

For the Registrar