

O/0328/23

TRADE MARKS ACT 1994

**IN THE MATTER OF
THE APPLICATION UNDER NO. 3664698
BY TIM SCHROEDER
TO REGISTER AS A UK TRADE MARK:**

HAGEN

IN CLASSES 18, 21, 25, 30, 32, 33, 41 AND 43

-AND-

**OPPOSITION NO. 430168 THERETO
BY WERTFORM GMBH**

BACKGROUND AND PLEADINGS

1. On 5 July 2021 (“**the relevant date**”) Tim Schroeder (“**the Applicant**”) applied for a UK trade mark for “HAGEN”, seeking registration for specified goods and services in Classes 18, 21, 25, 30, 32, 33, 41 and 43. The full specification is set out in **Annex 1** at the end of this decision.
2. The application was published for opposition on 15 October 2021. It is opposed by Wertform GmbH (“**the Opponent**”) based on objections under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“**the Act**”). The opposition is partial, each of the three grounds targeting only the goods applied for in Classes 21, 30, 32 and 33 and the services in Class 43. The content of those opposed classes is set out later in this decision where I consider the similarity of the parties’ goods and services. For its sections 5(2)(b) and 5(3) claims, the Opponent relies on its following trade mark registrations:

MARK A: UK TM Registration No. 801242714



Filing date: 6 January 2015

Registered as of 23 February 2016 for the following goods:

Class 30: *Coffee; grain based coffee, chicory based coffee; coffee substitutes as well as mixtures of these goods; tea, cocoa, coffee beverages, grain based coffee beverages, coffee substitute beverages, tea beverages, cocoa beverages and chocolate beverages, also under the addition of milk products and/or flavorings and/or sweeteners; all aforesaid goods also in extract form or instant form.*

MARK B: UK TM Registration No. 917806159



Filing date: 13 February 2018

Registered as of 26 July 2018 for the following goods:

Class 30: *Coffee-based beverages.*

Class 32: *Non-alcoholic beverages with added coffee; Non-alcoholic beverages with added fruit juice; Energy drinks*

MARK C: UK TM Registration No. 917867005



Filing date: 28 February 2018

Registered as of 15 June 2018 for the following goods:

Class 30: *Coffee-based beverages.*

Class 32: *Non-alcoholic beverages with added coffee; Non-alcoholic beverages with added fruit juice; Energy drinks*

MARK D: International Registration (IR) No. 1242714 designating the UK

Designation date: 19 February 2019

Date of protection of the international registration in UK: 23 May 2019

The mark and the goods registered directly mirror those of **MARK A** above.

MARK E: International Registration (IR) No. 1411728 designating the UK

Designation date: 19 February 2019

Date of protection of the international registration in UK: 16 May 2019

The mark and the goods registered directly mirror those of **MARK C** above.

3. For its section 5(2)(b) and 5(3) grounds the Opponent relies on all the goods registered under each of its above earlier trade marks.
4. The **section 5(2)(b) claim** is that the application should be refused on the basis that the parties' marks are highly similar (visually, aurally and conceptually) because the contested mark consists solely of the identical, distinctive element HAGEN, and the opposed goods and services are identical and/or highly similar to those under the Opponent's earlier trade marks A – E above, such that there is a likelihood that the average consumer will be confused as to the origin of the goods and services.
5. For its **section 5(3) claim** the Opponent submits that each of its earlier trade marks has a reputation owing to their use in the UK for more than 20 years. The Opponent claims that use of the mark applied for, being a similar mark, and in respect of identical and similar goods and services, would take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier mark.
6. The **section 5(4)(a) claim** is that the application should be refused because use of the contested mark would be contrary to the law of passing off, based on the Opponent's use of the earlier unregistered trade mark "Mount Hagen", throughout the EU and UK since at least 2001 in respect of goods that reflect those under its registered rights, namely:

Coffee; grain based coffee, chicory based coffee; coffee substitutes as well as mixtures of these goods; tea, cocoa, coffee beverages, grain based coffee beverages, coffee substitute beverages, tea beverages, cocoa beverages and chocolate beverages, also

under the addition of milk products and/or flavorings and/or sweeteners; all aforesaid goods also in extract form or instant form.

Non-alcoholic beverages with added coffee; Non-alcoholic beverages with added fruit juice; Energy drinks

7. The Applicant filed a notice of defence including a short counterstatement, denying that the Opponent has a valid basis for opposition under any of the grounds. It denied all of the claims and put the Opponent to strict proof of use in respect of all of the earlier rights relied on, and in particular of all claims to reputation under section 5(3) and unregistered rights under section 5(4)(a) of the Act.
8. During the evidence rounds both parties filed evidence and submissions as I indicate below. The attorneys for the Opponent are Murgitroyd & Company; the attorneys for the Applicant are Lawrie IP Limited. Neither party requested an oral hearing, but each side filed submissions in lieu. I have read all the papers filed and refer to their contents to the extent I consider it warranted to do so.

EVIDENCE AND SUBMISSIONS FILED

Opponent's evidence and submissions in chief

9. The Opponent's evidence in chief comprised a **Witness Statement of Karsten Suhr**, dated 23 June 2022, with **Exhibits KS1-KS4**. Mr Suhr is the general manager of the Opponent company, which he states has been producing coffee and coffee-based beverages since 1998 and that its range of products includes coffee beans, roasted ground coffee, instant coffee, coffee drink blends and drinking chocolate. He gives what he states are "approximate turnover figures in GBP for products in the UK" under the trade marks "MOUNT HAGEN" (unregistered) and under each of the three figurative



Marks A/D, B and C/E:



10. The figures Mr Suhr gives are in the table below, from which it is unclear whether the turnover is expressed in Euros or GBP:

YEAR	TURNOVER - £	UNITS
2015	€ 13.922,00	5564
2016	€ 13.061,00	5036
2017	€ 15.353,00	6048
2018	€ 11.190,00	4392
2019	€ 21.077,00	8208
2020	€ 18.188,00	7116
2021	€ 15.353,00	6048

11. Mr Suhr does not make clear which products contributed to those figures in what proportions - for example as between coffee beans, ground coffee and drinking chocolate, nor does the information differentiate each of the marks used for the various goods.

12. Exhibit KS1 shows goods offered for sale on the UK Amazon website.



13. This image shows the sale of instant coffee by reference to the sign MOUNT HAGEN, but the mark on the label differs from any of the registered marks. The image is undated, but the pages that follow the amazon image show that the product was first available in December 2012 and has received 7 customer reviews from 1 May 2014 to 21 February

2016.

14. Other images in Exhibit KS1 come from Wilde Thyme Wholefoods as shown below:



15. The images above are shown to have been generated by the Wayback Machine archive tool and appear to have existed in 2020 and 2021 (according to the copyright notices). No sales via this website are evidenced, nor any goods other than the instant coffee shown in the image under Mark A/D.

16. **Exhibit KS2** shows simply the graphic design for the labels (such as below) and is of very limited evidential significance:



17. **Exhibit KS3** is said to be an example of a product brochure for the UK market. No information is provided on the extent to which that product brochure was distributed in the UK. The brochure states that the range comprises the following goods:



Papua New Guinea Coffee^{1,2,3,4}
Single Origin Arabica, cultivated on very mineral-rich volcanic soil at approx. 1,600m.



Peru Coffee^{1,2}
Unique single estate Arabica, cultivated at approx. 1,500m, 100% Demeter quality.



Ethiopia Coffee^{1,2,3,4}
Single Origin from Ethiopia, cultivated on rich soil.



Arabica Coffee^{1,2,3,4}
A premium Highland Arabica blend.



Country Coffee^{2,5}
A composition of Demeter-quality rye, malt, barley and chicory from Germany. Roasted gently and individually. 100% Demeter grown

FLAVOUR: Strong and fresh with delicate bitter-sweet notes.

FROM: Germany



Malt Coffee^{2,5}
Made from biodynamically grown malted barley, gently roasted. 100% Demeter grown

FLAVOUR: Slightly sweet with fine malted flavours and delicate hints of grain.

FROM: Germany



Demeter Spelt Coffee^{2,5}
The coffee we make from this ancient grain type is made with biodynamically grown German. 100% Demeter grown

FLAVOUR: Very mild and delicate flavour with slightly nutty notes.

FROM: Germany



Organic Spelt Coffee^{2,5}
Our Organic Spelt Coffee with 20% chicory is made from German spelt and Belgian chicory.

FLAVOUR: Very mild and delicate flavour with slightly nutty notes.

FROM: Germany



Cappuccino^{3,4}
Intense and spice-laden Arabica Robusta espresso, creamy and refined with North German milk and cane sugar.

FLAVOUR: Spicy and creamy.

FROM: Arabica: Highland Organic Agriculture Cooperativ in Purosa, Papua New Guinea, Peru, Honduras, North German milk, raw cane sugar from Paraguay.

18. I note that the labels appear to give the product name in German e.g. “Dinkel Kaffee”. The mark used is Mark A/D.
19. **Exhibit KS4** shows around 17 invoices from before the relevant date. All are invoices to Windmill Organics Limited, delivery to a single location in Kent (though the invoice address for Windmill Organics Limited itself is shown to have changed to Surrey by November 2020). The invoices are shown to relate only to cartons of “MH organic fair trade instant coffee” and/or “MH FT organic Arab Coffee Export”, where “MH” may (based on the label evidence) reasonably be understood to signify “Mount Hagen”, “FT” “Fairtrade” and “Arab” “Arabica”. Each invoice is typically requesting payment for MH goods in the amounts of around 1300 - 4100 Euros.
20. Along with the Opponent’s evidence in chief (as I have set out above) **written**

submissions dated 27 June 2022 were also filed during the evidence rounds on behalf of the Opponent, amplifying the Opponent's claims, for instance with regard to the similarity of the goods and services.

Applicant's evidence and submissions during the evidence rounds

21. **Written submissions dated 13 September 2022** were filed on behalf of the Applicant during evidence rounds. The submissions amplified the Applicant's position with regard, for instance, to the similarity (or lack thereof) between the parties' goods and services and their respective marks, and commented on the Opponent's evidence of use, reputation and goodwill. The submissions also raised an argued defence of honest concurrent use.
22. The Applicant's evidence in chief comprised a **witness statement of Sharon Mackison**, dated 13 September 2022, along with **Exhibits SM01 - SM03**. Ms Mackison is an attorney at the Applicant's legal representatives. Her evidence is filed to support points made in the submissions relating to the conceptual comparison of the marks.

Opponent's evidence and submissions in reply

23. During its reply round, the Opponent filed further written **submissions, dated 14 November 2022**, and evidence comprising a **witness statement of Claire Hutson**, of the same date, with **Exhibits CH1 - CH3**. Ms Hutson is an attorney at the Opponent's legal representatives. Her evidence is filed to support points made in the reply submissions relating to the conceptual comparison for marks (and the significance of "Mount") and to establish that cafés and coffee sellers such as Costa and Nespresso offer for sale in the UK not just coffee beans, but also products such as mugs and cups.

Proof of use

24. Mark A is the only one of the marks relied on by the Opponent that had been registered for more than five years at the relevant date. Consequently, it is subject to the use provisions under section 6A of the Act. In its Form TM7 the Opponent duly stated that it has used Mark A in respect of all of its goods during the five-year period ending on the relevant date.
25. The Applicant requested that the Opponent provide proof of use in respect of all of the

goods covered in Mark A. In its submissions filed during the evidence rounds, the Applicant did not accept that the Opponent's evidence was sufficient to show genuine use of Mark A in relation to any of the Class 30 goods relied on, but particularly denied that it showed any use at all in respect of: *grain based coffee, chicory based coffee; coffee substitutes as well as mixtures of these goods; tea, cocoa, coffee substitute beverages, tea beverages, cocoa beverages and chocolate beverages, also under the addition of milk products and/or flavorings and/or sweeteners; all aforesaid goods also in extract form.* The Applicant submitted that the Opponent should not be able to rely on its Mark A registration for the purposes of this opposition, at least in respect of those goods listed in this paragraph.

26. I find that this is a moot point; while I agree that there is no evidence of use at all in respect, for instance, of “*tea*”, I note that Mark A is identical to Mark D both in the mark itself and the specified goods covered. Since Mark D is not subject to proof of use, the significance of whether or not the Opponent's evidence shows “genuine use” in the UK of Mark A is more or less negated.

The section 5(2)(b) ground

27. Section 5(2)(b) of the Act states:

“... 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.”

28. Since the trade mark registrations relied on by the Opponent were all filed before the application date of the Contested Application, each is an “earlier trade mark” as referenced in section 5(2)(b). Despite Mark A being subject to proof of use, since it is identical to Mark D, the Opponent effectively has recourse to each of the marks invoked and all of the goods relied on.
29. The principles to be borne in mind when considering section 5(2)(b) of the Act are well established and derive from the following decisions of the Court of Justice of the

European Union (“the CJEU”):

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.

30. The principles are that:

- (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.

Comparison of goods and services

31. In considering whether goods and services are similar, I note the following points:

Section 60A of the Act provides:

“(1) For the purpose of this Act goods and services-

- (a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.
- (b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.”

32. All relevant factors relating to the goods should be taken into account, which include, inter

alia:¹

- the physical nature of the goods or acts of service;
- their intended purpose;
- their method of use / uses;
- who the users of the goods and services are;
- the trade channels through which the goods or services reach the market;
- in the case of self-serve consumer items, where in practice they are found or likely to be found in shops and in particular whether they are, or are likely to be, found on the same or different shelves; and
- whether they are in competition with each other (taking into account how those in trade classify goods and services, for instance whether market research companies put them in the same or different sectors)

or

- whether they are complementary to each other. Complementary signifying that *“there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”*.² I note that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity.³

33. When interpreting the terms in a specification I bear in mind:

- (i) that it is *“necessary to focus on the core of what is described..”* and that *“... trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise”*, although *“where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is*

1 See *Canon*, Case C-39/97, paragraph 23; and *British Sugar PLC v James Robertson & Sons Ltd.*, [1996] R.P.C. 281 – the “*Treat*” case.

2 *Boston Scientific Ltd v OHIM*, Case T-325/06, paragraph 82

3 *Kurt Hesse v OHIM*, Case C-50/15 P

*equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question”.*⁴

34. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, (“**Meric**”), the General Court held to the effect that goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application and vice versa.

35. The goods under the Opponent’s earlier marks are:

Class 30: *Coffee-based beverages.*

Class 30: *Coffee; grain based coffee, chicory based coffee; coffee substitutes as well as mixtures of these goods; tea, cocoa, coffee beverages, grain based coffee beverages, coffee substitute beverages, tea beverages, cocoa beverages and chocolate beverages, also under the addition of milk products and/or flavorings and/or sweeteners; all aforesaid goods also in extract form or instant form*

Class 32: *Non-alcoholic beverages with added coffee; Non-alcoholic beverages with added fruit juice; Energy drinks*

36. The Applicant, in its submissions during the evidence rounds, accepted that the underlined goods below, applied for in Classes 30 and 32, are similar or identical to the goods covered by the Opponent's marks:

Class 30: *Coffee, teas and cocoa and substitutes therefor; coffee beans; espresso; artificial coffee; flavoured coffee; coffee flavourings; coffee essence; coffee extracts; coffee concentrates; coffee bags; filters in the form of paper bags filled with coffee; coffee based beverages; coffee based beverages containing milk; iced coffee; tea bags; tea leaves; tea extracts; tea based beverages; fruit teas; herbal teas; preparations for making beverages [coffee based]; preparations for making beverages [cocoa based]; preparations for making beverages [tea based]; sugars, natural sweeteners, sweet coatings and fillings, bee products; sweet glazes and fillings; confectionery; cakes; doughnuts; croissants; pies [sweet or savoury]; biscuits [sweet or savoury]; tarts [sweet or savoury]; brownies; scones; gluten-free bakery products; salts, seasonings, flavourings*

⁴ *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), paragraphs 11 - 12

and condiments; bread; filled rolls; filled sandwiches; fish sandwiches; multi-grain based snack foods; cereal based snack foods; grain-based snack foods; corn-based snack foods; wheat-based snack foods; syrups and treacles; sauces; fruit sauces.

Class 32: *Beer and non-alcoholic beverages; alcohol-free beers; flavoured carbonated beverages; juices; smoothies; fruit juices; nut and soy based beverages; waters; sodas; ginger beer; coffee flavoured soft drinks; fruit flavoured soft drinks; lemonade; fruit-based beverages; vegetable drinks; carbonated mineral water.*

37. The Applicant submitted that apart from the underlined goods above, the remaining contested goods and services in Classes 21, 30, 32, 33 and 43 are sufficiently different in terms of nature, target market, trade channels and purpose to avoid any overlap with those goods listed in the Opponent's registrations (and under the claimed unregistered rights).
38. The Opponent, for its part, in respect of all of the applied-for goods in Classes 30 and 32 above and all of the applied-for goods in **Class 33: Alcoholic beverages (except beers); spirits; distilled beverages; distilled spirits; alcoholic coffee based beverages** submitted that “coffee, tea, coffee-based beverages, non-alcoholic beverages, alcoholic beverages, baked goods and snack foods are often sold through the same trade channels such as cafés and coffee shops. They are frequently purchased and consumed together as lunchtime or snack foods by the general public. They can also often be found in the same aisles of shops. Many of the items may also be complementary and may also be provided in combination with one another e.g. coffee-based alcoholic cocktails, coffee flavoured baked pastries or coffee flavoured sauces.”
39. I'll deal firstly with the applied-for goods in **Class 30**. In my view, the Applicant's tea, coffee and cocoa goods in Class 30, accepted by the Applicant to be identical or similar to the Opponent's Class 30 goods, are in fact **identical or nearly so** – either in terms or based on the principle from Meric.
40. The Applicant accepted that its sweetener goods in Class 30 – *sugars, natural sweeteners, sweet coatings and fillings, bee products* – are similar to the Opponent's goods. This is presumably based on the reference in the Opponent's Class 30 specified goods and beverages being “*also under the addition of ... sweeteners.*” Given the

Applicant's acceptance of similarity, I therefore also accept that *sugars, natural sweeteners, sweet coatings and fillings, bee products* are similar, but in my view only to **a low degree** (indeed, there is in my view no apparent similarity at all between "*sweet coatings and fillings*" and the Opponent's goods). My estimation of similarity is low because, while sweeteners, including honey, are commonly added by a user to teas and coffees, I do not accept that they are complementary in the case law sense, since I am not satisfied that a consumer would believe producers of coffee or tea commonly also produce sweeteners, nor is there evidence suggesting that to be the case. Nor do I know that sweeteners are sold side-by-side with tea and coffee in supermarkets – certainly the Opponent has filed no evidence to that effect. However, I do not rule it out.

41. I agree with the Applicant that the remaining applied-for goods in Class 30 – namely: "*sweet glazes and fillings; confectionery; cakes; doughnuts; croissants; pies [sweet or savoury]; biscuits [sweet or savoury]; tarts [sweet or savoury]; brownies; scones; gluten-free bakery products; salts, seasonings, flavourings and condiments; bread; filled rolls; filled sandwiches; fish sandwiches; multi-grain based snack foods; cereal based snack foods; grain-based snack foods; corn-based snack foods; wheat-based snack foods; syrups and treacles; sauces; fruit sauces*" - are **not similar** to the Opponent's Class 30 or 32 goods. They differ in nature and purpose, and are not substitutes or obviously complementary. That is my primary finding. The fact that one may be able to buy a cake or a filled roll from the same source – such as a café – is not a strong basis for finding similarity. To find otherwise would, in my view, inflate the significance of the factor of channels of trade in this instance. **At best, any such similarity is very low.** I accept that "*syrups and treacles*", which appear toward the end of that list, are akin to natural sweeteners, but I do not consider them typically used in tea or coffee, nor to be sold alongside tea or coffee,⁵ so the similarity of those goods remains very low. The Applicant's "*flavourings*", which also features in the list, is a broad term, but I allow that it too may have some (low at best) similarity based on the same reasoning I attributed to the Applicant that the Opponent's Class 30 goods refer to the specified goods and beverages being "*also under the addition of ... flavorings.*"
42. Moving on to the applied-for goods in **Class 32**. The Applicant accepts that its "*fruit juices*" and "*fruit-based beverages*" are **identical or similar** to the Opponent's goods. I

5 (Syrups and treacles seem more likely to be found instead in the cake ingredient part of a supermarket.)

note that Marks B, C and E include in Class 32 *“Non-alcoholic beverages with added fruit juice”*. These are identical or highly similar goods. I note that the goods in Class 30 under Mark A/D include *“tea beverages”*. Since it is possible to buy bottles of, for example, peach tea drink, I find that these too are identical or highly similar goods.

43. Beyond the above goods accepted by the Applicant to be similar/identical, I find that there are other goods applied for in Class 32 that may also be considered highly similar or identical to the Opponent’s Class 32 *“Non-alcoholic beverages with added fruit juice”* under Marks B, C and E, namely, the following goods: *“Beer and non-alcoholic beverages; alcohol-free beers; flavoured carbonated beverages; waters; sodas; fruit flavoured soft drinks; lemonade; carbonated mineral water.”* These goods are either self-evidently similar or identical based on the inclusion principle in Meric – e.g *carbonated mineral water* is a *Non-alcoholic beverage*, which may be sold *with added fruit juice*.
44. There is also an obvious high degree of similarity between the applied-for *“juices; smoothies; vegetable drinks”* and the Opponent’s *“Non-alcoholic beverages with added fruit juice”*. For example, *“smoothies”* or *“vegetable drinks”* may consist of combinations of carrot, spinach, apple etc.
45. I find that the applied-for *“coffee flavoured soft drinks”* are identical or highly similar to the Opponent’s *“coffee beverages”* and *“Non-alcoholic beverages with added coffee”*.
46. There is also a medium degree of similarity between the applied-for *“nut and soy based beverages”* and the Opponent’s *“grain based coffee beverages”* since they overlap in nature, method of use, and may be purchased as alternatives. There is also a medium degree of similarity between the applied-for *“ginger beer”* and the Opponent’s *“energy drinks”* since they overlap in nature, method of use, and may be purchased as alternatives, from the same fridge/outlet, and also have at least a low degree of similarity with the Opponent’s various beverages in Class 30.
47. I note the Applicant’s submissions that *“the trading channels of the Applicant and Opponent are different”* because *“the Opponent has a focus on wholesale, and online sales, the Applicant operates a physical store where they provide their goods, in addition to online purchases. Furthermore, the goods provided by the Opponent are relating to instant coffee, whilst the Applicant has a particular focus on coffee beans, ground coffee and espresso. The target audience and the use of the products therefore differ.”* This

submission has no bearing on my findings of similarity of the goods, since the assessment must be based on fair notional use in respect of the specified goods, now or in the future, where marketing decisions may vary over time.⁶

48. The remaining classes of goods and services challenged are Classes 21 and Class 43. The goods in Class 21 are:

Household or kitchen utensils and containers; tableware and cookware; glassware for household purposes and glass tableware; porcelain ware, porcelain articles for decorative purposes; coffee brewers (not electric); coffee cups; coffee mugs; coffee grinders; coffee makers (non-electric); coffee mills (hand operated); coffee percolators (non-electric); coffee pots; coffee scoops; coffee services in the nature of tableware; coffee stirrers; non-electric coffee frothers; vacuum coffee bean containers; vacuum coffee makers; earthenware; crockery, picnic crockery; ceramic tableware; tea and coffee services [tableware]; bone china tableware [other than cutlery]; teapots; mugs; place mats and coasters (not of paper or textile); napkin rings; fitted picnic baskets; plant pots; planters of pottery; hurricane lamps (non-electrical); candle holders; fragrant and essential oil burners; statues, figurines, plaques and works of art, made of porcelain, terra-cotta, glass, china, crystal or earthenware.

49. The Opponent submitted that the above applied-for goods are similar to the Opponent's goods on the basis that "it is common practice for coffee providers to sell and promote additional products that are used in combination with the core product of coffee ... **Exhibit CH3** depicts well-known coffee retailers and brands offering for sale goods such as mugs, glasses, bottles, spoons, cafetieres, bottle stoppers and candles." I find that the evidence is not rich in support of this submission. The exhibit shows *Caffé Nero* (the coffee shop chain), selling coffee, cups, flavoured syrups; *Costa* (the coffee shop chain) selling coffee, cups, a cafetiere, straws, printed bottles; *Lavazza* (the coffee brand) selling mugs; *Starbucks* (the coffee shop chain) selling mugs and cups as well as coffee beans and blends; *Nespresso* (the coffee brand) selling cups, chocolates and bites; and a brand called *Café Noble*, selling biscuits, an advent calendar and scented candles.
50. The Opponent's coffee and tea goods in Class 30 and its non-alcoholic beverages in Class 32 differ in nature, purpose and method of use from any of the goods in Class 21

6 See paragraph 59 of the CJEU judgment in *Devinlec Développement Innovation Leclerc SA v OHIM*, Case C-171/06P.

and do not compete with one another. In *Sandra Amelia Mary Elliot v LRC Holdings Limited*,⁷ the Appointed Person stated that “it may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes”; though he also observed that “.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.” While the evidence does not demonstrate the extent to which the sale by coffee sellers of the goods listed in Exhibit CH3 is a widely or well established practice in the UK, I am content to find a degree of similarity between the Opponent’s *tea, coffee and coffee beverages* and the following of the Applicant’s goods in Class 21:

coffee cups; coffee mugs; coffee grinders; coffee makers (non-electric); coffee mills (hand operated); coffee percolators (non-electric); coffee pots; coffee scoops; coffee stirrers; non-electric coffee frothers; vacuum coffee bean containers; vacuum coffee makers; tea and coffee services [tableware]; teapots; mugs

51. While the ‘channels of trade’ evidence is not great, there is a direct connection between the goods listed above that may be considered complementary, and there is an overlap in end-user. There is in my view a **low degree** of similarity in respect of the above goods.
52. For the remainder of the goods in Class 21, the connection is less direct since the goods are specified in more general terms e.g. *Household or kitchen utensils and containers*, or the connection is non-existent or not obvious, such as *napkin rings; fitted picnic baskets; plant pots; planters of pottery; hurricane lamps (non-electrical); candle holders; fragrant and essential oil burners; statues, figurines, plaques and works of art, made of porcelain, terra-cotta, glass, china, crystal or earthenware*. Other than the coffee and tea-related goods listed in my paragraph 50 above, I find the applied-for goods in Class 21 are **not similar** to any of the Opponent’s goods. Since at least some similarity of goods or services is a requirement under section 5(2)(b) of the Act, I shall give no further consideration to these goods under this claim.
53. Finally, I turn to consider services challenged under Class 43, which are:

7 BL-0-255-13 - Daniel Alexander KC

Cafes; café services; coffee shops; coffee shop services; coffee bar services; eateries; bar services; juice bar services; snack-bar services; salad bars; restaurant services; services for the provision of food and drink; providing food and drink in restaurant and bars; serving food and drinks; preparation of food and drink; preparation and provision of food and drink for immediate consumption; provision of information relating to the preparation for food and drink; information, advice and reservation services for the provision of food and drink; information, advice and reservation services for the provision of food and drink; hiring of rooms for social functions; information, advisory and consultancy services in connection with all of the aforesaid.

54. The Opponent submits that the Applicant's Class 43 services are similar to the Opponent's goods on the basis that the services "are for the provision of food and drink and related services which may include coffee-based beverages" and "that services for providing coffee-based beverages are similar to the goods themselves."
55. It may be that some very well-known coffee shop names, such as *Costa* and *Starbucks* sell not only cups of coffee or tea for immediate consumption, but also sell – for instance through supermarkets or their website - coffee that a consumer may make at home. I accept therefore that there may be instances of overlap of trade channels, although the evidence does not establish that this is a widespread practice. The evidence at Exhibit CH3 of ground coffee or beans being offered for sale on the Starbucks website for instance, dates (according to the copyright notice) from after the relevant date and comes from the .com website, with no currency indication to suggest a UK market.⁸ Services and goods are fundamentally different in nature and their methods of use. The intended purpose is similar in that the Opponent's services provide goods that quench thirst and the Applicant's goods are intended to quench thirst. There may also be an element of competition where the consumer may have a choice between making a retail purchase of the goods or visiting an outlet where the beverage is made fresh for them. I find that the Opponent's coffee and tea goods in Class 30 and its non-alcoholic beverages in Class 32 share a **low degree of similarity** with the following of the Applicant's services in Class 43: *Cafes; café services; coffee shops; coffee shop services; coffee bar services; eateries; bar services; juice bar services; snack-bar services; services for the provision*

8 The evidence relating to cups at least has a starbucks co.uk suffix.

of food and drink; providing food and drink in restaurant and bars; serving food and drinks; preparation of food and drink; preparation and provision of food and drink for immediate consumption;

56. I find that the **degree of similarity diminishes** in respect of *eateries; salad bars; restaurant services* and still further in respect of *provision of information relating to the preparation for food and drink*. There is in my view **no similarity** in respect of *information, advice and reservation services for the provision of food and drink; information, advice and reservation services for the provision of food and drink; hiring of rooms for social functions; information, advisory and consultancy services in connection with all of the aforesaid*.

The average consumer and the purchasing process

57. It is necessary to determine who is the average consumer for the respective goods and how the consumer is likely to select them. 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 question⁹. In *Hearst Holdings Inc*¹⁰, 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 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 word “average” denotes that the person is typical... [it] does not denote some form of numerical mean, mode or median.”

58. The average consumer for the goods and services at issue will be the general public at large (notwithstanding that tea or coffee will also be sold wholesale and will to that extent include businesses). The purchasing process will entail the average consumer browsing the goods on shelves food stores or, say, in fridges in cafés. The consumer will see the marks used as labelling or branding or in advertising. For café services, the consumer would see the mark on signage and on menus for instance. The purchase process is

⁹ *Lloyd Schuhfabrik Meyer*, Case C-342/97

¹⁰ *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)

therefore a primarily visual one. Aural considerations may also play a part, such as on the basis of word-of-mouth recommendations, so I also take into account the aural impact of the marks in the assessment.

59. The goods and services are inexpensive and coffee and other beverages will be bought with some frequency; mugs and cups less so. I find that the average consumer will pay no more than a medium level of attention in selecting the goods and services at issue in this case.

Distinctive character of the earlier trade mark

60. The distinctive character of the earlier marks must be considered. The more distinctive an earlier mark, either by inherent nature or by use, then there is potentially a greater the likelihood of confusion (*Sabel*). In *Lloyd Schuhfabrik*¹¹ 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 ...

*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).”*

61. The distinctive character of a trade mark can be appraised only, first, by reference to the goods specified in the registration and, secondly, by reference to the way it is perceived by the relevant public.¹²

¹¹ *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97
¹² *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91

62. Marks A/D, B and C/E are:




63. I find that in relation to the Opponent's goods in class 30, **Mark A/D** is inherently distinctive to a reasonably high degree. While it may be that coffee is grown in and exported from Papua New Guinea, it seems to me that a typical member of the public would be unaware that Mount Hagen is a city located in Papua New Guinea,¹³ nor do I believe that the bird device would prompt that conclusion (notwithstanding the evidence that the Raggiana bird-of-paradise is the national bird of Papua New Guinea).¹⁴ Mark A carries no clear allusive origin reference that would strike the average consumer (whereas, say, Costa Rica, would be descriptive for coffee). Mark A is the only one of the three shown to have been used at all, and only in respect of coffee. The scale of use shown in the evidence falls far short of achieving any enhancement to the distinctiveness that arises inherently from the two words in combination presented with the flamboyantly-tailed bird device.
64. Similar analysis applies to **Mark B**, where the bird depiction is clearer and more prominent, and the two words, featured on the red banner, are a little smaller proportionately. Mark B is inherently distinctive to a reasonably high degree.
65. In **Mark C/E**, the bird depiction and two words "MOUNT HAGEN" are presented in an identical manner to Mark B. The mark features the word FRESHFLÄSCH and the words 'inspired by'. The Opponent submits that FRESHFLÄSCH means "fresh bottle" in German and that "as such, has a very low distinctive character alone and does not alter the overall impression of the mark." In my view, the average consumer in the UK will not understand the German meaning and the word will be seen as a foreign word of unclear significance. All elements contribute to the distinctive character of mark C/E, which is

13 Exhibit SM01
14 Exhibit SM02

inherently distinctive to a high degree.

Comparison of the marks

66. It is clear from *Sabel* that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.¹⁵ The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo* 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.”¹⁶
67. It would therefore be wrong to dissect the trade marks artificially, but it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features that are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are shown below:

<p>The Opponent's earlier Mark A/D:</p>	
<p>The Applicant's contested trade mark:</p>	<p>HAGEN</p>

68. The Applicant's contested trade mark consists of the word-only registration "HAGEN".

¹⁵ *Sabel BV v Puma AG*, Case C-251/95

¹⁶ *Bimbo SA v OHIM*, Case C-591/12P (paragraph 34)

There are no other elements to contribute to the overall impression which lies in the single word itself.

69. The Opponent submits that "the distinctive and dominant component of the respective marks is the HAGEN word which is the element that also overlaps between the marks". The Applicant argues against that position, submitting that "the dominant element of the Opponent's marks is not attributed to the word HAGEN by itself, but instead is shared between the bird element and combined MOUNT HAGEN which are of equal prominence in the logo marks".
70. I find that the overall impression of the Opponent's Mark A/D is that it comprises the two words "Mount Hagen" behind which sits an image of a bird with a long red tail, perched on a branch. Since the breast of the bird is black, that part of the image is lost against the black background. Nonetheless the bright red tail is large, central and eye-catching and in my view the words and the device are more or less equally dominant in the overall impression. I note that the Opponent disputes the Applicant's contention that the bird device is of equal dominance, and submitted that the average consumer will associate the mark with the distinctive word element "Hagen" above any visual device. I accept that the word elements in the Mark A/D are more *distinctive* than the bird device, partly because of the partial loss of image, and partly because it is by the words that the average consumer will refer to the mark. In view of the Opponent's submissions seeking to reduce the *dominance* of device, I will bear in mind the possibility that the words may also be considered more dominant than the device.
71. I bear in mind too that the Opponent disputes the Applicant's submission that the word HAGEN is of equal distinctiveness to the word MOUNT within the Opponent's earlier marks. The Opponent argues that "*the word MOUNT is a common word in the English language used to denote a mountain. It is common to see mountains or areas surrounding large mountains named in the format MOUNT [NAME] including Mount Everest, Mount Fuji and Mount Kilimanjaro. This is illustrated by the large number of mountains named in the format MOUNT [NAME] as shown in Exhibit CH01.*" I accept, of course, that in relation to mountains, the word that follows "Mount" is the distinctive element; what distinguishes, for example, Rainier from St Helens. However, "Mount Hagen" is a two-word unit, which, in relation to the Opponent's earlier goods, I find has a distinctiveness that differs from "Hagen" alone. I shall take due account of all of these

various factors in my assessments.

Visual comparison

72. The Opponent submits that “viewed as a whole, the marks are similar as the MOUNT word is very weak (as discussed above) and the stylisation, red ribbon and bird devices are additional decorative elements.”
73. The Applicant submits that the marks “are clearly of very different structures and lengths, the Opponent's word elements of the marks containing two words of five letters each Additionally, three of the Opponent's marks incorporate a bird, and two of the marks have a red ribbon element bordering the words MOUNT HAGEN. In contrast, the Applicant's mark only includes one word of five letters. Therefore, the marks are instantly distinguishable on a visual basis.” The Applicant took issue with the Opponent's submission that “the stylisation and additional elements of the Opponent's prior rights do not alter the similarity of the HAGEN word shared between the respective marks.” The Applicant emphasised that “the comparison of the respective marks should be focussed on the marks as a whole.” In line with my paragraph 67 above, I agree that the marks must be compared as wholes, without artificial dissection, taking account of their distinctive and dominant components and giving due weight to any other features that are not negligible and therefore contribute to the overall impressions created by the mark. In my view, the marks have only **a low degree of visual similarity**, taking account of the additional first word and the prominent bird device.

Aural comparison

74. The Applicant's mark has only two syllables, whereas there are three syllables in Mark A/D. The two shared syllables are identical. The additional word “Mount”, which begins Mark A/D creates a phonetic difference. I find the respective marks may be considered **aurally similar to a medium degree**.

Conceptual comparison


75. As I noted earlier, the geographical location of Mount Hagen is evidenced at Exhibit SM01, which Wikipedia entry shows to be the third largest city of Papua New Guinea, with a population of 46,000 people, and named after a nearby eroded volcano, in turn

named after Curt von Hagen, who was a late 19th century German colonial officer.


76. The Applicant submitted during the evidence rounds that *“HAGEN has no direct geographic meaning. The mark has links to a Scandinavian family name belonging to the Applicant. Whilst the mark does make up the second half of the word Copenhagen, HAGEN is not a commonly used term to describe this location. Furthermore, even if the element HAGEN was associated with Copenhagen, it is unlikely that a consumer would associate the Opponent’s marks with Copenhagen, considering Denmark is renowned as a flat and non-mountainous country.”*¹⁷
77. The Opponent disagrees that the Applicant’s mark has no geographical meaning, arguing as follows: *“If the consumer will understand the mark MOUNT HAGEN to refer to a geographic location, then it follows that the consumer will also understand the mark HAGEN to refer, to some degree, to this location also. As discussed above, the common practice of referring to a mountain or mountainous area by the format MOUNT [NAME] is well known in English. As such, it follows that it is commonly understood that when the MOUNT element is dropped, the remaining name element is still understood to refer to the same region e.g. Everest in place of Mount Everest. On this basis, HAGEN will be understood to refer to the same area as MOUNT HAGEN. Therefore, the marks are conceptually similar.”*
78. Having noted the parties’ submissions, I repeat my finding that the average consumer will not be aware of the location of Mount Hagen. However, they will understand the two words to signify a mountain of that name. Contrastingly, Hagen alone has no apparent meaning, although I do not discount that some may possibly perceive it as a surname. Since only the Opponent’s marks contain the concept of a mountain, this represents a point of conceptual difference between the marks, notwithstanding the distinctive shared element “Hagen”. A further point of conceptual difference is created by the presence in the Opponent’s marks of large and striking bird device, which has no counterpart in the Applicant’s mark. Overall, the marks may be considered to have a degree of conceptual overlap based on the shared element, but there are also significant conceptual differences.

17 Exhibit SM03 gives information about Denmark.



79. The Opponent's earlier Mark B is . The overall impression of Mark B is that it comprises the two words "Mount Hagen", on a red ribbon, beneath the image of a bird on a branch. The ribbon is not negligible, but is somewhat banal. The bird device is clear and prominent, positioned over the wording, and is at least equally dominant in the overall impression. In comparing Mark B with the Applicant's mark, similar analysis applies as for Mark A above. There is a low degree of visual similarity, a medium degree of aural similarity and a degree of conceptual overlap along with significant conceptual differences.



80. The Opponent's earlier Mark C/E is . The overall impression of Mark C/E mirrors that of Mark B, but with the additional words "FRESHFLÄSCH" and 'INSPIRED BY'. As I found earlier, "FRESHFLÄSCH" will be seen as a foreign word of unclear significance. It creates a notable further point of difference. The additional words **lower the degree of visual similarity** from that I found for the other earlier marks. In referring to Mark C, the average consumer would voice the word "FRESHFLÄSCH", which is prominent, distinctive and first in the mark; even if the average consumer were not to voice the smaller-sized words "INSPIRED BY" (but still voiced the words "Mount Hagen) the degree of **aural similarity is low**. "FRESHFLÄSCH" will have no clear concept for the average consumer (beyond, perhaps recognition of the concept of "fresh"), but at any rate, the conceptual overlap is certainly no stronger than for the other marks, and the conceptual differences remain.

Assessment of likelihood of confusion

81. The Opponent's claim is that owing to the degree of similarity between the marks and the goods and services, there is a likelihood of confusion between the Application and the Opponent's earlier marks which includes a likelihood of association, the consumer being led to believe that the Application is connected with the Opponent, which is not the case.
82. Confusion can be direct or indirect. Whereas direct confusion involves the average consumer mistaking one trade mark for the other, indirect confusion is where the average consumer realises that the trade marks are not the same but puts the similarity that exists between the trade marks/goods down to the responsible undertakings being the same or related. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of making a global assessment of all relevant factors in accordance with case law principles, especially those outlined at my paragraph 30 above.
83. There are notable factors that favour the Opponent's claim:
- the respective goods include some that are identical (or at least highly similar) and case law allows that a great degree of similarity between goods may offset a lesser degree of similarity between the marks;
 - there is a greater likelihood of confusion where the earlier mark has a highly distinctive character and I have found the Opponent's marks to have, on an inherent basis, at least a reasonably high level of distinctiveness;
 - the average consumer (the public at large), will exercise a degree of attention certainly no higher than medium; and
 - there is also some similarity between the marks based on the shared presence of "Hagen", which is itself distinctive.
84. The question is whether there is a likelihood of confusion amongst a significant proportion of the relevant public¹⁸; occasional confusion by a small minority is not sufficient to find a likelihood of confusion. The relative weight of the factors is not laid down by law, but is a matter of judgment for the tribunal on the particular facts of each case.¹⁹ The legal test

¹⁸ Kitchin L.J. in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41 at §34
¹⁹ See paragraph 33 of the decision of Iain Purvis QC sitting as the Appointed Person in Case No. O-079-17, (*Rochester Trade Mark*).

'likely to cause confusion amongst the average consumer' is inherently imprecise, not least because the average consumer is not a real person; it involves a prediction as to how the public might react to the presence of two trade marks in ordinary use in trade and, it is often very difficult to make such prediction with confidence.²⁰

85. Visual considerations will be particularly influential in the purchasing act and my primary finding is that the marks are visually similar only to a low degree. I have considered the notion of imperfect recollection, where the average consumer does not have the chance to make a direct comparison of the marks, but instead relies on the imperfect picture of them that they have kept in their mind. However, in my view, taking all of the relevant factors into account, including the overall impression of the marks, there will be no direct confusion, even in respect of identical goods. The visual differences of the bird device and the additional opening word "Mount" combine to remove a likelihood of the marks being directly mistaken one for the other.²¹ The distinctiveness of the earlier marks comes from the words "Mount Hagen", which forms a conceptual unit of a mountain of that name. The idea of a mountain is a conceptual hook that the average consumer is likely to retain in mind. The applied-for mark has no such concept. Nor does the applied-for mark involve a bird device which is striking in the earlier marks and which itself carries a concept. Although Marks A/D and B are aurally similar to the applied-for mark to a medium degree, they differ by the additional first word and the aural factor is secondary to the visual consideration. Case law suggests that visual similarity (and difference) is most important in the case of goods that are self-selected or where the consumer sees the mark when purchasing the goods.²² Mark C/E is, as I have earlier considered, still less similar.

86. Indirect confusion, was considered by Iain Purvis KC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*,²³ where he noted that the average consumer "*taking account of the common element in the context of the later mark as a whole*" may conclude that it is another brand of the owner of the earlier mark. However, no likelihood of confusion arises where a later mark merely calls to mind the earlier mark (mere

²⁰ Again see comments of Iain Purvis as the Appointed Person, *ibid*.

²¹ The Opponent is not aided in this regard by case law suggestions that a consumer may tend to attach greater importance to the beginnings of marks, potentially increasing the importance of similarity or difference between the first part of textual elements as a factor in the global assessment.

²² See for example paragraphs 68 and 69 of the ruling of the General Court in *Quelle AG v OHIM*, Case T-88/05.

²³ Case BL-O/375/10

association). As emphasised by James Mellor QC, sitting as the Appointed Person in *Eden Chocolat*: “... it is important to stress that a finding of indirect confusion should not be made merely because the two marks share a common element.”²⁴

87. While I acknowledge that “Hagen” is distinctive, I am not satisfied that it has *independent* distinctive character in the earlier marks such that the Applicant’s mark would lead the consumer to conclude that goods or services bearing the mark “HAGEN” or



come from the same source. I find this to be the case even in respect of identical goods. The earlier marks do not benefit from any enhanced distinctive character acquired through use, and the inherent distinctive character of the earlier marks derives to a significant extent from elements that are not shared between the respective marks. In my view, the common element may call the other’s mark to mind, but I see no reason why use of the marks would result in indirect confusion. The Opponent has set out no explanation as to why I should find indirect confusion. A finding of indirect confusion is not to be regarded as a consolation prize where there is no direct confusion. There is no obvious reason that leads me to conclude that there is a proper basis for a finding of indirect confusion. It does not, for instance, seem to me a natural brand extension to discard the “MOUNT” element, severing the unitary phrase of the earlier mark, dropping the concept of a mountain (or place), and, moreover, also to discard the distinctive bird device.

OUTCOME: There is no likelihood of confusion and the section 5(2)(b) ground fails.

The section 5(3) ground

88. Section 5(3) of the Act reads as follows:

(3) A trade mark which—

(a) is identical with or similar to an earlier trade mark, and

²⁴ Case BL O-547-17 *Duebros Limited v Heirler Cenovis GmbH* (27 October 2017) at paragraph 81.4.

(b)

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 European Union trade mark or international trade mark (EC), in the European Union) 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.

Section 5(3A) states that those provisions apply “irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

89. To succeed on this ground, the Opponent must establish that the earlier marks are (i) similar to the contested mark HAGEN (ii) have a reputation in respect of the goods relied on (iii) and that use of HAGEN, without due cause, would lead to one or more of the heads of damage listed in the section. Those elements are cumulative, so the absence of any one element will defeat the claim.
90. The earlier marks satisfy the first requirement - similarity between the marks, so I move on to consider the second requirement – whether at the relevant date the earlier marks benefited from the necessary reputation. To show that an earlier mark has acquired a reputation there must be clear and convincing evidence to establish all the facts necessary for a tribunal to conclude safely that the mark is known by a significant part of the public. Reputation cannot be merely assumed and must be evaluated by making an overall assessment of all factors relevant to the case.
91. In *Enterprise Holdings Inc. v Europcar Group UK Ltd*,²⁵ Arnold J (as he was then) stated that proving a reputation “is not a particularly onerous requirement.” However, the evidence before Arnold J in that case showed that the claimant was in fact the market leading car hire company in the UK with a 30% share of the UK market. It was in that context that the judge said that proving a reputation “is not a particularly onerous requirement.” He had no reason to turn his mind to situations where the claimant had only a small and/or unquantified share of the relevant market.
92. Professor Phillip Johnson, as the Appointed Person in the SACURE appeal decision,²⁶

²⁵ [2015] EWHC 17 (Ch)
²⁶ Case BL O/360/20

stated to the effect that it is not the case that a party relying on an earlier mark who has filed only weak, incomplete, or irrelevant evidence to establish the reputation should be given the benefit of the doubt at the expense of the other party. The reason it is not an onerous requirement is because where a mark has the necessary reputation collecting the evidence should be straightforward (even if time consuming).

93. The CJEU in *General Motors* gives guidance on assessing the existence of a reputation of a trade mark.²⁷ The reputation must be established in relation to the relevant section of the public as regards the goods for which it is registered and the trade mark must be known by a significant part of that relevant public.²⁸ Paragraph 27 of the *General Motors* judgment requires that I “take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”
94. In the present case, there is no evidence to indicate that there has been use at all of Mark B or Mark C/E. The evidence of use Mark A/D is in my view clearly insufficient to permit a finding that that earlier mark had acquired a reputation in the UK by the relevant date. Exhibit KS4 shows only 17 invoices from before the relevant date, all to a single customer for whom no context is given, for example, any onward distribution. The numbers of historical reviews shown on Amazon are tiny. As the Applicant noted in its submissions, the Opponent provided no advertising figures or indication of spend to demonstrate that the Opponent has undertaken any activity to raise the profile of its mark in the UK market, and no industry references are provided to support the recognition of the Opponent’s mark in the UK market. The market for coffee and tea in the UK is enormous. The figures Mr Suhr gives, even if taken to be expressed in pounds, demonstrate modest turnover, each year averaging around £15,000 and around 6000 units of product. I agree with the Applicant’s submission that the Opponent has, at best, a very limited commercial presence in the UK; its earlier marks have no reputation in the UK and the Opponent is therefore unable to rely on the provisions of section 5(3).

OUTCOME: the opposition based on section 5(3) fails.

27 Case C-375/97, *General Motors*, [1999] ETMR 950
28 Ibid, at paragraphs 24 and 26

The section 5(4)(a) claim

95. Section 5(4)(a) of the Act states that:

“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 or law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

[...]

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.”

96. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark ...”

Relevant legal principles

97. The essential requirements that a claimant must establish to sustain a passing off claim are:²⁹

- (a) a protectable goodwill in the UK owned by the claimant at the relevant date;
- (b) a misrepresentation made by the defendant which is liable to deceive the public; and
- (c) damage to the claimant’s goodwill caused by the misrepresentation.

98. The concept of goodwill has been described as “*the benefit and advantages of the good name, reputation and connection of a business*” and “*the attractive force which brings in custom.*” The same case law commented that “*it is the one thing which distinguishes an old-established business from a new business at its first start*”.³⁰

99. In *Hart v Relentless Records*, Jacob J. (as he then was) stated his view that “the law of passing off does not protect a goodwill of trivial extent. one is looking for more than

29 The “classical trinity” per Lord Oliver in *Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341 HL, the “Jif Lemon” case.

30 House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217

a minimal reputation.”³¹ This does not mean that a small business is incapable of establishing goodwill - even though its goodwill may be modest, a business can protect signs which are distinctive of that business under the law of passing off.¹⁶ Thus in *Lumos Skincare Ltd v Sweet Squared Ltd*¹⁸, the Court of Appeal upheld a claim for passing off based on the claimant’s use of the mark “LUMOS” for around three years before the defendant’s use of the same mark, even though sales volumes and turnover were modest. In that case, the Claimant sold skincare products under the name LUMOS and alleged passing off by the Defendants’ sale of nail care products under the same name. Both parties sold their products to beauty salons whose technicians used the products on their customers. The claimant’s products sold for between £40 and £100 each and between early 2008 and September 2009, the claimant had achieved a turnover of around £2,000 for quarter. From the latter date up until the relevant date in October 2010, the claimant’s turnover increased to around £10k per quarter and had repeat custom from over 25 retail clients. Even so, the claimant remained a very small business with a modest number of sales, yet the court was prepared to protect the goodwill in that business under the law of passing off. It is also the case that a relatively short period of time may sometimes be sufficient to build up goodwill.³² Each case turns on the individual facts found in the evidence.

100. In my view, the evidence in the present case, of sales to a single supplier, at the very modest levels shown, and where the extent to which the goods were subsequently purchased by the UK general public is unclear, indicates that at the relevant date, the Opponent’s business had, at best, trivial goodwill associated with the claimed sign “Mount Hagen”. The level of goodwill appears to me insufficient for the Opponent to sustain a claim for passing off.

OUTCOME: It follows that the section 5(4)(a) ground must therefore also fail.

³¹ Hart & Anor v *Relentless Records* [2002] EWHC 1984 (Ch) [62]

³² Mr Edwards acknowledged that there are some examples of claims to passing off succeeding with trivial amounts of trading such as where Buckley J found that three weeks of trading with the modern equivalent of thousands of pounds worth of revenue each week, such as *Stannard v Reay* [1967] F.S.R. 140, 144. However, he argued that such cases relate to claims to goodwill in local areas (e.g. in *Stannard v Reay*, the Isle of Wight), and that a claimant with a limited and local goodwill, will not be able to invalidate a trade mark under s.5(4)(a) of the 1994 Act but could rely on the local goodwill defence under s.11(3) of the 1994 Act.

COSTS

101. The Applicant is entitled to a contribution towards its costs in successfully defending the opposition. In line with the scale published in the annex to Tribunal Practice Notice (2/2016), I award the following costs:

Considering the Opponent's statement of grounds and preparing a counterstatement	£300
Considering and commenting on the other side's evidence and preparing evidence and submissions during the evidence rounds	£800
Preparing submissions in lieu of attending the hearing	£400
TOTAL	£1,500

102. I order Wertform GmbH to pay by Tim Schroeder the sum of £1500 (one thousand five hundred pounds). This sum is to be paid within 21 days of the end of the period allowed for appeal or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings (subject to any order of the appellate tribunal).

Dated this 3rd day of April 2023

Matthew Williams

For the Registrar

Annex 1 – full applied-for specification

Class 18: Leather and imitations of leather; bags; leather handbags; attaché cases; briefcases; handbags; key cases; wallets; purses; satchels; wheeled shopping bags; rucksacks; game bags; back packs; travelling cases; umbrellas and parasols; walking sticks; make-up cases; beauty cases; card cases; satchels; parts and fittings for all the aforesaid goods; none of the aforementioned goods for use in relation to skiing.

Class 21: Household or kitchen utensils and containers; tableware and cookware; glassware for household purposes and glass tableware; porcelain ware, porcelain articles for decorative purposes; coffee brewers (not electric); coffee cups; coffee mugs; coffee grinders; coffee makers (non-electric); coffee mills (hand operated); coffee percolators (non-electric); coffee pots; coffee scoops; coffee services in the nature of tableware; coffee stirrers; non-electric coffee frothers; vacuum coffee bean containers; vacuum coffee makers; earthenware; crockery, picnic crockery; ceramic tableware; tea and coffee services [tableware]; bone china tableware [other than cutlery]; teapots; mugs; place mats and coasters (not of paper or textile); napkin rings; fitted picnic baskets; plant pots; planters of pottery; hurricane lamps (non-electrical); candle holders; fragrant and essential oil burners; statues, figurines, plaques and works of art, made of porcelain, terra-cotta, glass, china, crystal or earthenware.

Class 25: Clothing, footwear and headgear; leisure clothing; jerseys, jumpers, t-shirts, cardigans, waistcoats, socks, gloves, scarfs; outer clothing; aprons; hats, caps, headbands, headscarves, rain hat, sun hats, visors, woolly hats; none of the aforementioned goods for use in relation to skiing.

Class 30: Coffee, teas and cocoa and substitutes therefor; coffee beans; espresso; artificial coffee; flavoured coffee; coffee flavourings; coffee essence; coffee extracts; coffee concentrates; coffee bags; filters in the form of paper bags filled with coffee; coffee based beverages; coffee based beverages containing milk; iced coffee; tea bags; tea leaves; tea extracts; tea based beverages; fruit teas; herbal teas; preparations for making beverages [coffee based]; preparations for making beverages [cocoa based]; preparations for making beverages [tea based]; sugars, natural sweeteners, sweet coatings and fillings, bee products; sweet glazes and fillings; confectionery; cakes; doughnuts; croissants; pies [sweet or savoury]; biscuits [sweet or savoury]; tarts [sweet or savoury]; brownies; scones; gluten-free bakery products; salts, seasonings, flavourings and condiments; bread; filled rolls; filled sandwiches; fish sandwiches; multi-grain based snack foods; cereal based snack foods; grain-based snack foods; corn-based snack foods; wheat-based snack foods; syrups and treacles; sauces; fruit sauces.

Class 32: Beer and non-alcoholic beverages; alcohol-free beers; flavoured carbonated beverages; juices; smoothies; fruit juices; nut and soy based beverages; waters; sodas;

ginger beer; coffee flavoured soft drinks; fruit flavoured soft drinks; lemonade; fruit-based beverages; vegetable drinks; carbonated mineral water.

Class 33: Alcoholic beverages (except beers); spirits; distilled beverages; distilled spirits; alcoholic coffee based beverages.

Class 41: Education and training services; entertainment services; arranging and conducting of training courses and masterclasses; arranging and conducting of educational courses and seminars; preparation of educational courses; development and production of educational and instructional materials; arranging and conducting competitions; arranging and conducting of demonstrations for entertainment purposes; arranging and conducting of demonstrations for instructional purposes; educational demonstrations; live demonstrations for entertainment and instructional purposes; arranging and conducting coffee tasting events for educational and entertainment purposes; organisation of entertainment events and activities; organisation of exhibitions; organisation of live shows; presentation of live show performances; presentation of live entertainment events; arranging and conducting live music events; information, advisory and consultancy services relating to all of the aforesaid services.

Class 43: Cafes; café services; coffee shops; coffee shop services; coffee bar services; eateries; bar services; juice bar services; snack-bar services; salad bars; restaurant services; services for the provision of food and drink; providing food and drink in restaurant and bars; serving food and drinks; preparation of food and drink; preparation and provision of food and drink for immediate consumption; provision of information relating to the preparation for food and drink; information, advice and reservation services for the provision of food and drink; information, advice and reservation services for the provision of food and drink; hiring of rooms for social functions; information, advisory and consultancy services in connection with all of the aforesaid.