

THE TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 9304 BY
UNILEVER PLC AND VAN DEN BERGH FOODS LIMITED
FOR REVOCATION OF AND A DECLARATION OF INVALIDITY
IN RESPECT OF TRADE MARK NO. 1559983 IN THE NAME
OF KERRY GROUP PLC**

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DECISION

10 Trade Mark No. 1559983 is registered in Class 29 for "vegetable fat spread containing butter-
milk; butter; margarine; vegetable oil based spreads; cheese; yoghurt; milk; dairy products;
spreads; edible oils and fats; buttermilk."

15 In fact it is a series of two marks as follows:

20 **You'd B^etter
Believe It!**
YOU'D B^ETTER BELIEVE IT!

25 It stands registered from the filing date of 31 October 1994.

30 By application dated 27 November 1996 Unilever PLC and Van Den Bergh Foods Ltd
(jointly) applied for this registration to be revoked and declared invalid. This action was filed
shortly after an opposition to an application for a similar mark in the ownership of Kerry
Group Plc. The grounds are in substance the same as those raised in the opposition case and
are based on the invalidity provisions of Section 47(1) and 47(2) of the Act. The revocation
35 aspect of the action is not explained and in practice has not been pursued. I dismiss that part
of the action.

The first applicant is the proprietor of the following registrations:

40 No.	Mark	Class	Journal	Specification
1444932	I CAN'T BELIEVE IT'S NOT BUTTER!	29	5976/Page 3473	Margarine; edible oils and fats; all included in Class 29.

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10 The applicants also say that they have made substantial use of the mark I CAN'T BELIEVE IT'S NOT BUTTER! in the UK. Having regard to the provisions of Section 47(2)(a) objection is, therefore, said to arise under Section 5(2) and 5(3) of the Act. The applicants also rely on Section 47(1) and 47(2)(b) in raising objections based on Section 3(3)(a), 3(3)(b), 3(4), 3(6) and 5(4)(a).

15 The registered proprietors filed a counterstatement denying these grounds.

Both sides ask for an award of costs in their favour.

20 Both sides filed evidence and the matter came to be heard on 11 October 2000 when the registered proprietors were represented by Mr G Hamer of Counsel instructed by Marks and Clerk and the applicants by Mr R Miller of Her Majesty's Counsel instructed by Castles.

Applicants' Evidence

25 The evidence filed by the applicants is in substance the same as that filed in the related opposition proceedings. I propose, therefore, to adopt my summary of the evidence from that case as follows:

30 "The opponents filed a declaration by Gillian Noble, Marketing Manager of Van den Bergh Foods Ltd, one of the joint opponents. She says that the company is a manufacturer of mass market foodstuffs with a total annual turnover of approximately £700-800 million. It is a subsidiary of Unilever Plc, the other joint opponent.

35 Ms Noble firstly gives evidence as to the use of the trade mark I CAN'T BELIEVE IT'S NOT BUTTER. This commenced in the UK in October 1991 in relation to a vegetable spread containing buttermilk. Sample invoices from the years 1991 to 1997 are at exhibit GN1.

40 When the product was launched the Independent Television Commission banned the associated television advertisements from being broadcast. This was because the Independent Television Commission believed that they contravened an EC Directive which prohibited the use of dairy designations on non-dairy products, such as the vegetable fat spread sold by the opponents. Though the original television advertisements did not go ahead there were, nevertheless, full page advertisements in a number of newspapers at that time which featured the story board of the banned television commercial. Copies of examples of the press coverage are exhibited at GN2 and GN3. Since then the amount spent on advertising the product and the resultant sales have been as follows:

YEAR	ADVERTISING		SALES
1991	£2.3 million	-	-
1992	£3.8 million	-	£15.9 million
1993	£3.1 million	-	£26.2 million
1994	£2.4 million	-	£33.1 million
1995	£3.9 million	-	£43.3 million
1996	£4.1 million	-	£52.3 million

10 Further examples of promotional material for the years 1991 to 1997 are exhibited at GN4, GN5 and GN6.

15 I note that the material covers television advertisements, poster campaigns, magazine advertisements and trade press advertising. Other types of promotional activity (recipes, books, t-shirts etc) are shown at GN7.

20 Sales are said to have been made throughout the UK through major and minor retail outlets including leading supermarkets, convenience stores, cash and carry outlets and petrol forecourts.

The remainder of Ms Noble's evidence is in the nature of submissions on the issue of confusing similarity and the position in law. I bear these points in mind in coming to my own view of the matter.

25 The opponents also filed statutory declaration by Ann Critchell-Ward, a paralegal assistant with Messrs Martineau Johnson. She describes a visit she paid to an Asda store in Spondon, Derbyshire on 3 July 1997 which resulted in her picking up what she describes as an Asda own brand product sold by reference to the mark YOU'D BUTTER BELIEVE IT rather than the intended purchase which was the opponents' I CAN'T BELIEVE IT'S NOT BUTTER. She says that one of her children spotted the product and she removed it from her trolley. She subsequently mentioned the incident to the head of the department and he contacted Van Den Bergh's to advise them of the confusion."

35 **Registered Proprietors' Evidence**

The registered proprietor filed a statutory declaration by Brian Durran, their Company Secretary, who also filed evidence in the related proceedings. His evidence in the invalidity action touches on some of the same issues identified in his opposition evidence. The main points to emerge are:

- 40 **S** he accepts that the applicants' mark has been used but claims not to be aware of the exact nature or extent of such usage
- 45 **S** he notes that the applicants' evidence refers to the mark of the registration under attack as YOU'D BUTTER BELIEVE IT rather than YOU'D BETTER BELIEVE IT (the actual mark is shown at the start of this decision)

5 S he offers observations on the issue of confusion and claims the applicants are seeking a monopoly in the word BELIEVE

5 S he refers to certain other marks (BELIEVE IT OR NOT and YOU'D NEVER BELIEVE IT) which are used on goods produced by the registered proprietors for the multiples Co-op and Somerfield and a product entitled UNBELIEVABLE which is no longer available but was on the market through Tesco's from June 1994.

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S he confirms an intention to use the mark.

Applicants' Evidence In Reply

15 Gillian Noble has filed a further statutory declaration. Inter alia she denies that the opponents are asserting a monopoly in the word BELIEVE and says that she bases her views on a consideration of the totality of the respective marks. She denies the relevance of the other marks referred to in Mr Durrans' evidence.

20 That completes my review of the evidence.

There is an almost complete overlap between the issues and grounds raised in this invalidation action and the related opposition proceedings (No 45888) between the parties.

25 There are nevertheless a number of points of difference between the two cases. The main ones are as follows:

30 S the mark at issue differs in two material respects (the U of BUTTER has been crossed out and an E inserted above it and the flower device is not present)

S the applicants do not claim to have used this mark

S Ms Critchell-Ward's evidence does not relate directly to this mark though that is not to say that her evidence carries no weight

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S Ms Noble's evidence too fails to distinguish between the Kerry Group marks that are the subject of the separate proceedings.

40 Submissions at the hearing concentrated on the opposition against No 2020424 but I think it is fair to say that both Counsel were in effect inviting me to apply those submissions, mutatis mutandis, to the invalidity proceedings as well. In broad terms that corresponds with my own intended approach. It follows that I would also hold that my findings on the opposition case apply here. I, therefore, adopt them for the purposes of this decision (see Annex). In relation to the central ground of attack (Section 5(2)(b)) I consider that, if anything, there is even more distance between the mark at issue and the applicants' I CAN'T BELIEVE IT'S NOT BUTTER. The crossing out of the letter U does two things. It reinforces the message that the mark is playing on a well known expression. It also creates a more visually striking mark.

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Trade marks are not usually presented with letters crossed out and replaced. The 'amendment', therefore, creates a somewhat unusual feature. As such it makes a material difference. The registered proprietors succeed in relation to this ground.

5 The grounds based on Section 3(3)(a), 3(3)(b), 3(4), 5(3) and 5(4)(a) also fail for the reasons given in my related decision (see annexed extract).

10 That leaves the objection under Section 3(6) on the basis that "at the date of application there was no intention on the part of the proprietors to use the mark the subject of registration No 1559983 in relation to all of the goods covered by the specification as filed".

15 I have some sympathy with the applicants' position. I find it more than a little surprising that the registered proprietors intend to use a mark of this kind in relation to, for example, cheese, yoghurt and milk. However the applicants have not identified the specific goods or ranges of goods which give rise to their claim. Nor have they filed evidence which challenges the registered proprietors' position. In the circumstances I do not think I have good or sufficient grounds for finding that the registered proprietors did not have the necessary intention at the relevant date.

20 The application for invalidity and revocation fails on all the grounds on which it was brought. The registered proprietors are entitled to a contribution towards their costs. I order the applicants to pay the registered proprietors the sum of £735. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

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Dated this 7th day of November 2000

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35 **M REYNOLDS**
For the Registrar
the Comptroller-General

**EXTRACT FROM THE DECISION IN RELATED OPPOSITION PROCEEDINGS
UNDER NO. 45888 AGAINST APPLICATION NO. 2020424**

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It is not disputed that both the specifications of the mark applied for and the opponents' earlier trade mark in Class 29 cover identical goods and/or similar goods. Margarine, edible oils and fats are common to both specifications. I would regard the various 'spreads' in the applicants' specification as similar to, if not the same as, edible fats. Dairy products is a broad term but one which must include dairy spreads.

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Both parties claim to have put their marks to use though in each case the actual use by the material date appears to be in relation to a single product rather than across the breadth of the specifications. The applicants in particular have sought to differentiate the respective products primarily by reference to the 12% real butter content of their own goods compared to the opponents' spread which is said to be a margarine with buttermilk. Further detailed elaboration of the differences in products and packaging is at Exhibit BD1. I have not found this part of the evidence to be of particular assistance and cannot entirely reconcile Mr Durran's comments on the real butter content of the applicants' product with the statement on the packaging that it is a fat spread made from a blend of vegetable oil and buttermilk.

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The evidence of use filed bears on the reputation attaching to the opponents' earlier trade mark and the issue of likelihood of confusion. The opponents' evidence is summarised above. The controversy surrounding the advertising launch and the ITC ban was presumably something of a mixed blessing. No doubt it was highly inconvenient at the time but it yielded an unusual marketing angle which was subsequently exploited in newspaper advertising. The success of the product is, I think, demonstrated by the turnover figures, the press coverage generated and items such as GN4 which records the growing market share enjoyed by I CAN'T BELIEVE IT'S NOT BUTTER. Mr Hamer was entitled to say that there was no direct evidence before me as to recognition of the mark by the trade and public but there is in my view sufficient surrounding evidence to satisfy me that the mark is likely to enjoy some reputation in the marketplace but that has to be balanced against my views on the inherent characteristics of the mark (of which more below).

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The evidence in support of the applicants' claim to use is much thinner. The product is said to have been launched in October 1994. A modest but not negligible level of trade occurred in the period up to the material date. Sales appear to have been exclusively in ASDA supermarkets for whom it appears to have been an own brand item.

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The ECJ cases referred to above establish that the overall distinctive character of a mark derives from its inherent characteristics and the recognition/reputation it enjoys in the marketplace. The marks before me are slogans. It is in the nature of such marks that they are intended to convey a message, often descriptive or laudatory, about the underlying product. The opponents' mark carries just such a message, namely that the product has a buttery taste albeit that it is not butter. There may even be a sub text that here is a product that offers an alternative to butter for the health conscious consumer. For the mark to succeed it relies on customers reading the message. That points to two things. Firstly it confirms that the

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particular slogan is laudatory and/or descriptive. Secondly it suggests that the mark is directed towards a very specific and narrow product range. It is unlikely to enjoy a broad penumbra of protection. Reference has been made in the evidence to a mark on the register I CAN'T BELIEVE IT'S YOGHURT. That application was initially rejected by the Registry but held
5 on appeal to be registrable. Robin Jacob QC (as he was then) sitting as the Secretary of State's tribunal said at the time "although I think this case is on the borderline I think it is registrable in Part B without evidence of use". I regard that as support for my own view that the (similar in kind) earlier trade mark relied on by the opponents has an inherently low level of distinctive character counteracted in part by the reputation arising from use.

10 The applicants' mark is also a slogan. I would venture to say that it has a slightly more ambiguous message. In cross examination Ms Critchell-Ward did not have an immediate answer as to the meaning it conveyed. That does not surprise me. The most obvious point to be derived from it is that it is a play on the expression 'you'd better believe it'. It is the kind of
15 wordplay much favoured by marketing and publicity departments. It nevertheless contains a reference to butter and might also be seen as alluding to the goods. When pressed Ms Critchell-Ward thought it might point to a butter content. What both marks share therefore is the fact that they are slogans. Beyond that one is a personal expression of surprise (I CAN'T BELIEVE IT'S NOT BUTTER!) but clearly indicating the product is not butter,
20 the other an arguably more ambiguous mark based on a familiar expression.

My preceding observations bear on the conceptual similarities and differences between the marks. Their visual and aural characteristics must also be taken into account.

25 The applicants' mark has a device element but it is the words that are likely to make the greater impact. I do not, therefore, place any great weight on the capacity of the device to differentiate between the respective marks. I note in passing that the device does not appear on the examples of packaging supplied in evidence which instead have a knife and swirl of
30 butter. Both marks are what might be termed slogans. As will often be the case with slogans they make for 'wordy' trade marks. Self evidently there are some words in common but these relate to the message that the marks are intended to convey. Mr Miller submitted that the fact that the opponents' mark is in the nominative case and the applicants' in the vocative should not count for a great deal. That may be true up to a point but it is not something that is likely to go unnoticed. Given the nature of the marks I do not find the visual similarity to be
35 particularly strong. Aurally the marks are in my view easily distinguishable. The double negative of the opponents' mark makes for a somewhat cumbersome construction and a rather staccato rhythm to the sentence. The applicants' mark is both easier on the ear and a variation on a familiar phrase. On the whole, however, aural considerations are likely to be less important having regard to the goods concerned and the normal purchasing process.

40 This brings me to the instance of confusion that has arisen. Ms Critchell-Ward was cross examined on her evidence at the hearing. I found her to be an honest and credible witness and someone who could reasonably be regarded as an 'average consumer' as set out in the Lloyd Schufabrik case. She was a purchaser of the Van den Bergh product because she considered it
45 to be a healthy choice. She said she was aware of the name of the product and made her choice primarily on the name of the product rather than the packaging. When pressed she mentioned the length of the name and referred also to the writing being in a swirl. The

surrounding circumstances were that she was shopping with her two children in the evening after a day's work. Although Mr Hamer tried to make something of the latter as in some way representing circumstances most likely to contribute to mistakes I am not inclined to make too much of that point. The circumstances were those likely to be met by many working mothers.

5 Ms Critchell-Ward conceded that on a fair reading the respective marks were unlikely to be confused. Counsel took divergent views on what constituted a fair reading. Mr Hamer wanted to suggest that surrounding circumstances such as the packaging or the position of goods within the store/cabinet may have resulted in a choice being made with insufficient attention being paid to the mark itself or that Ms Critchell-Ward was momentarily distracted.

10 On that basis it is suggested the mark had not been given a fair chance. Mr Miller rightly took the view that the purchasing process (and it is particularly true with repeat purchases of low cost consumer items) is unlikely to involve a detailed scrutiny of a mark let alone a comparison with a rival brand.

15 It is not easy to reconstruct the influences, conscious or otherwise, that led to a particular action. I am satisfied that Ms Critchell-Ward believed that she made her selection primarily on the basis of the name rather than features of packaging or product location. Against this she remembered the length of the name which could be construed as suggesting that she reacted to that factor and perhaps unwittingly paid less or insufficient attention to the words themselves.

20 Mention was also made of the swirl. I do not altogether understand this point. It might describe the presentation of the applicants' mark (the words are written in a wave effect) or the swirl of butter which appears on the packaging behind the words and in combination with the device of a knife. But on re-examining the evidence I can find no examples of the opponents' mark being presented in this way. If this point of difference was noticed it is

25 somewhat surprising that it did not trigger a closer look at the words themselves. It seems also that Ms Critchell-Ward may have been viewing a slightly different combination of features than the mark applied for which has flowers in addition to the words.

30 No other instances of confusion have come to light against which Ms Critchell-Ward's experience can be tested. The opponents point out that the circumstances which led to her experience being reported were exceptional (her firm saw an opportunity to market themselves to a large company). By implication it is suggested that other instances of confusion go unreported. Mr Miller foresaw other reasons too why confusion may not have arisen or gone unreported based on trading to date (differences in products and packaging, low sales by the

35 applicants, the ASDA name, Mr Durran being based in Ireland and not having initiated enquiries in the UK). Against this Mr Hamer reminded me that the opponents had not initiated enquiries of their own to test the position. There is some truth in all of this but in itself it does not greatly assist me in reaching a decision.

40 Taking all of the above factors into account I conclude as follows:

S apart from being 'lengthy' marks they are not visually similar. The presence of the device in the mark applied for should not be ignored but in itself is likely to be of marginal assistance only to the applicants

45 S the marks are not aurally similar

S both are slogans but in other respects convey different messages. To achieve the intended effect the opponents' mark relies on customers reading the message

5 S due allowance must be made for imperfect recollection but this factor does not lead me to a different view of the respective marks

10 S the opponents' earlier trade mark has a low level of inherent distinctiveness but this is counter-balanced in that it is likely to have achieved recognition as a result of the use made of it particularly as it is used as a standalone mark

15 S nevertheless the area of protection around the earlier trade mark is likely to be narrow even with the benefit of use given the nature of the mark and the fact that it is a one-product mark

S cross examination did not entirely undermine the value of Ms Critchell-Ward's evidence but there are still unexplained aspects to it

20 S a single instance of confusion (even if accepted) is not necessarily conclusive in itself but must be weighed in the balance

25 S the respective products have been sold (probably) close to one another if not side by side in ASDA stores. That might suggest scope for confusion arising if such were to be the case. Against that, existing usage appears to have been with the ASDA housemark but without the flower device.

30 In the end it is for me to reach my own view of the matter taking account of the above factors. Ms Critchell-Ward's evidence suggests at most there is a possibility that some people will be confused. But the test is higher than that and requires me to be satisfied that there is a likelihood of confusion if the opponents are to succeed. On a balanced view of the matter I am not persuaded that this is the case. The opposition thus fails under Section 5(2)(b).

35 I turn briefly to the remaining grounds. Section 5(3) was not pressed at the hearing but has not, I think, been quite given up. To have the basis for an objection under this head the opponents are required to have an earlier trade mark with a reputation and where the respective sets of goods would be dissimilar. The opponents have a registration in Class 16 for goods which are clearly dissimilar to the applicants' Class 29 goods. However there is no evidence of any reputation attaching to the mark in relation to any of the Class 16 goods. There is thus no basis for the objection.

40 Under Section 5(4)(a) the opponents were acknowledged to be in no stronger position than under Section 5(2). It follows from my finding in relation to the latter that this ground also fails.

45 In their statement of grounds the opponents raise objection under Section 3(3)(b) and say that "if used on goods containing butter application Number 2020424 is likely to cause deception to the public". That statement causes me to consider what message the mark conveys. I have

5 already suggested that, whilst the opponents' mark clearly indicates the product is not butter,
the applicants' mark carries a degree of ambiguity. First and foremost it would be seen as
simply a play on a well known expression. Beyond that some might read it as indicating a
butter content others might read it as merely suggestive of a buttery taste. The ambiguity
inherent in the mark leads me to the view that the average customer would probably pay some
attention to other labelling or ingredient designations to establish what they were being
offered.

10 In relation to Section 3(3)(b) the Trade Marks Registry's Work Manual at Chapter 6
paragraph 11.3 states:

15 In future, an objection under Section 3(3)(b) will only be raised if in the examiner's
view there is any real potential for deception of the public. The examiner should
consider whether there would be any possible advantage to any trader (not specifically
the applicant) from using the mark on anything other than goods with the
characteristics conveyed by the mark.

20 I cannot see that the objection as expressed by the opponents has any merit and I am not being
asked to consider an objection based on the EC Directive dealing with dairy descriptions. The
Section 3(3)(b) ground fails.