

**TRADE MARK ACT 1994**

**IN THE MATTER OF APPLICATION NUMBERS 2159942  
AND 2166950 BY MAGIGROW INTERNATIONAL LIMITED  
TO REGISTER TRADE MARKS IN CLASS 1**

**AND**

**IN THE MATTER OF OPPOSITION THERETO UNDER NUMBERS  
49180 AND 49583 BY SCOTTS MIRACLE-GRO PRODUCTS INC**

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**IN THE MATTER OF Opposition thereto under  
Numbers 49180 and 49583 by Scotts Miracle-Gro Products Inc**

**BACKGROUND**

1. On 5 March 1998 and 18 May 1988 respectively, Magigrow International Limited applied to register the following trade marks in Class 1:-

MARK	GOODS	APPLICA TION NUMBER
MAGIGROW MAGI-GROW Application for a series of two marks	Fertilisers for plants; liquid fertilisers for plants; solid fertilisers for plants; boron; iron; copper; manganese; molybdenum; zinc; phosphorous pentoxide; potassium oxide; inorganic nitrates; inorganic sulphates; ammonium citrate; urea; manure; and plant food.	2159942

 <p>The applicant claims the colours red, yellow, black, green and white as elements of the second mark in the series.</p> <p>Application for a series of two marks</p>	<p>Fertilisers for plants; liquid fertilisers for plants; solid fertilisers for plants; boron; iron; copper; manganese; molybdenum; zinc; phosphorous pentoxide; potassium oxide; inorganic nitrates; inorganic sulphates; ammonium citrate; urea; manure; and plant food.</p>	<p>2166950</p>
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2. The applications were subsequently accepted by the Registrar and published in the Trade Marks Journal. On 12 November 1998 and 15 March 1999 Clifford Chance on behalf of Scotts Miracle-Gro Products Inc filed Notices of Opposition against the applications and the oppositions were subsequently consolidated. In summary, the grounds of opposition were:-

- (i) Under Section 3(1)(b) and/or (c) of the Act in that Application 2159942 is devoid of any distinctive character and/or consists exclusively of signs which may serve in the trade to designate the kind and intended purpose of the goods applied for.
- (ii) Under Section 3(6) of the Act in that the applications were applied for in bad faith.

- (iii) Under Section 5(2)(b) of the Act because the trade marks applied for are confusingly similar to trade mark registrations 953945, 1519227, 1519228, 1519229, 1519230, 1519284 and 1519318 in Classes 1 and 8, owned by the opponent and registered for the same goods and similar goods. Details of these registration are at Annex One to this decision.
- (iv) Under Section 5(4)(a) of the Act in that the trade marks applied for are liable to be prevented by virtue of rule of law (in particular, the law of passing off) by reason of the extensive reputation acquired by the opponent in their trade marks, as detailed at Annex One.

3. The applicants, through their agents Murgitroyd & Co, filed counterstatements denying the grounds of opposition. Both sides have asked for an award of costs in their favour and have filed evidence. The matter came to be heard on 23 April 2001 when the applicant for registration was represented by Mr Fernando of Counsel, instructed by Murgitroyd & Co, and the opponents by Mr Malynicz of Counsel, instructed by Clifford Chance.

### **Opponents Evidence**

4. This consists of an affidavit by H L Reichart dated 20 July 1999. Mr Reichart is the Advertising Vice President of Scott Miracle-Gro Products Inc, a company incorporated in the state of New York, USA. He goes on to say that he has held this position with the company and its predecessor in title for over twenty years and that he has full access to the records, books and accounts of the company.

5. Mr Reichart states that his company (the opponent) has used the trade marks MIRACLE-GRO, MIRACLE-GRO DEVICE, MIRACLE-GRO 3 IN ONE and MIRACLE-GRO NO-CLOG (the "Trade Marks") continuously in the United Kingdom since 1989 in respect of:

"Chemical products for use in horticulture and agriculture, fertilizers, plant foods, fertilizer spikes and preparations for controlling the acidity of soil; sprayers for use in watering and applying fertilizers to flowers, plants and the ground and parts and fittings for such sprayers".

He then draws attention to Exhibit HLR 1 to his affidavit which consists of brochures featuring goods bearing the trade marks. Mr Reichart goes on to explain that between 1990 and 1993, the goods were distributed solely by ICI, between 1993 and 1995 they were distributed solely by Zeneca and between 1995 to 1998 solely by Miracle Garden Care. The goods were distributed throughout the UK and at Exhibit HR2 to the affidavit are samples of packaging showing use of the mark in relation to the goods.

6. Next, Mr Reichart states that the approximate total turnover in goods provided under the trade marks in the United Kingdom, until 1998, was £46,903,000 and that the annual turnover in goods provided under the trade marks in the UK to date was as follows:-

<b>YEAR</b>	<b>SALES TURNOVER (£)</b>
1990	1,435,000
1991	1,900,000
1992	2,981,000
1993	3,870,000
1994	6,133,000
1995	8,018,000
1996	7,171,000
1997	7,962,000
1998	7,433,000

7. Mr Reichart explains that MIRACLE-GRO plant foods are market leaders in the UK, that the launch of MIRACLE-GRO lawn food in 1992 was a great success and seized a large share of the lawn fertilizer market. He adds that the opponents have invested an enormous amount of time, resources and expenditure in promoting and advertising their trade marks in the UK through eg advertising on peak time television and in widely circulated trade and consumer magazines and attendance at shows and exhibitions. The approximate amount spent on advertising and promoting goods under the trade marks in the UK until March 1998 is £9,796,000 and he goes on to state that the approximate amounts spent annually on advertising and promoting the goods under the trade marks (including television advertising) in the United Kingdom for the year 1990 through to 1998, are as follows:-

<b>YEAR</b>	<b>EXPENDITURE(£)</b>
1990	1,244,000
1991	987,000
1992	1,255,000
1993	1,122,000
1994	1,218,000
1995	1,366,000
1996	1,300,000
1997	1,304,000

and that the approximate amounts spent in television advertising featuring the trade marks for the years 1990 to 1998 are as follows:-

<b>YEAR</b>	<b>EXPENDITURE(£)</b>
1990	750,000
1991	810,000
1992	1,093,000
1993	975,000
1994	998,000

1995	994,000
1996	879,000
1997	952,000
1998	1,334,000

8. Mr Reichart draws attention to Exhibit HLR 3 to his affidavit consisting of a press schedule for the television advertising campaigns which have taken place over the years. He explains that his company has a policy of booking peak time spots on well known television programmes to advertise its goods and at Exhibit HLR 4 are examples of leaflets distributed to dealers listing the dates and times on which goods bearing the trade marks have been advertised on television, and at Exhibit HLR 5 are videos featuring compilations of particular television advertising campaigns.

9. Mr Reichart next details those publications containing advertisements and features relating to the trade marks. The list is considerable and includes most national newspapers in addition to numerous popular and specialist weekly and monthly magazines. Exhibit HLR 6 to the affidavit contains numerous examples of advertisements and features showing how the opponent's marks have been advertised.

10. Mr Reichart continues by explaining that his company has promoted its trade marks in ways other than advertising, for example by attending exhibitions and shows, as well as sponsoring public events and involvement in other promotional activities. He goes on to provide specific examples, and refers to joint ventures undertaken with large chain stores eg Woolworths who sold watering cans bearing the opponent's trade marks. He adds that the opponents have been awarded several industry awards for goods sold under the MIRACLE-GRO trade marks and that they have sponsored gardening competitions.

11. Mr Reichart states that television advertisements featuring his company's trade marks have regularly been highly rated by Marketing magazine which carries out regular surveys of the British public to ascertain the power of advertising and tests public awareness of advertised products and Exhibit HLR 11 to his affidavit consists of relevant extracts from Marketing magazine showing high public recognition of opponents trade marks. He further supports his by Exhibit HR 12 which contains results of an RSGB Omnibus Survey conducted in September 1997 of 10,000 adults in the UK public regarding awareness of the trade mark MIRACLE-GRO from which it can be seen that there was over 60% recognition of the opponent's products under the trade mark. Mr Reichart concludes that in light of the high degree of public awareness and recognition of the opponent's mark and because of the visual and conceptual similarities between the opponent's and applicant's trade marks, use of the applicant's marks would result in confusion amongst customers.

### **Applicant's Evidence**

12. This consists of two statutory declarations, one each from Robert Gault and David Montgomerie, both dated 21 December 1999.

13. Mr Gault is the Managing Director of Magigrow International Limited (the applicants), a position he has held since the company's incorporation on 7 September 1995. He explains that in 1995 his company, Premier Way Limited, launched a new fertilizer product under the mark MAGI-GROW which was officially launched at the trade show "Glee" in June 1995 and at Exhibit RG 1 to his declaration is an extract of the flyer for that trade show which refers to the MAGI-GROW product. Mr Gault states that "Glee is the major gardening trade show in the UK and Exhibit RG 2 illustrates the packaging used for the MAGI-GROW product around that time.

14. Mr Gault next draws attention to trade mark registration No.1118360 which Premier Way Limited obtained from J K Peters & Co (Trees) Limited and when Magigrow International Limited was incorporated was assigned to that (the applicant) company by Premier Way Limited. He explains that registration No 1118360 was registered on 27 July 1979, consists of the mark MAGI-GROW plus a tree device and is registered in respect of the similar goods "composts for use as mulches" - (See Annex Two to this decision). Mr Gault states that his registration pre-dates the opponent's registrations 1519227, 1519228, 1519229, 1519230, 1519284 and 1519318 and has co-existed with these registrations for at least twelve years. He adds that the MAGI-GROW marks, which are the subject of application Nos 2159942 and 2166950, were first used in the UK in 1995 and Exhibit RG 3 to his declaration consists of sample packaging and the pricing schedule for the MAGI-PRODUCT in September 1995, the product being soluble plant fertilizers.

15. Mr Gault goes on to say that the MAGI-GROW product is sold as part of the "PREMIER" range of goods which are available to members of the trade (typically independent garden centres) who are members of the PREMIER organisation, who then retail the products to the public. At Exhibit RG 4 is a list of retail outlets stocking the PREMIER range of products and also a listing of those outlets selling the MAGI-GROW products in 1996, 1997 and 1998 which, Mr Gault states, demonstrates the wide geographical spread of the MAGI-GROW products throughout the United Kingdom. He adds that, the MAGI-GROW marks have been continuously used in the United Kingdom on the PREMIER newsletters (sent to all PREMIER members) and on packaging, examples of both of which are at Exhibit RG 5 to the declaration.

16. Next, Mr Gault states that the MAGI-GROW marks have been advertised in the following publications: - DIY Week, March 29/April 5 1996; Horticulture Week Focus on Scotland, December 12 1996; Gardening Which, January/February 1997; DIY Week February 7/14 1997, Horticulture Week, February 20 1997. Copies are at Exhibit RG 6 to the declaration. Mr Gault then draws attention to the yearly turnover in the UK for the products provided under the MAGI-GROW marks for the financial years 1996 to 1998, which was:

1996	46,169.57
1997	19,468.88
1998	3,170.54

17. Mr Gault has read the affidavit of Mr Reichart on behalf of the opponents and disputes the assertions made therein, as in Mr Gault's view the words "magic" and "miracle" have clear and distinct meanings which is demonstrated by dictionary references. Further, Mr Gault

states that the marks in suit are MAGI-GROW and MAGIGROW, not MAGIC-GROW or MAGICGROW, and that the word MAGI has itself an independent meaning and specifically related to the wise men who paid homage to the infant Christ according to Christian teaching. At Exhibit RG 7 to his Declaration is an extract of the “New Collins English Dictionary” Edition 1988, for the word “magi”.

18. Mr Gault concedes that the opponent’s registration No 953945 for the mark MIRA-CLE-GRO dates from 21 January 1970, before the applicant’s registration of MAGI-GROW plus device under No 1118360. However, he argues that the presentation of the mark MIRA-CLE-GRO is very different from the marks in suit as it consists, in effect, of three words with no discernable meaning. Mr Gault goes on to assert that the marks MAGI-GROW/MAGIGROW and MIRACLE-GRO are very different and he refers to the Gardening Which article (at Exhibit RG 6 to his declaration) which compares a number of soluble fertilizer products, including the MIRACLE-GRO and MAGI-GROW products. He says that a clear and unambiguous distinction is made between the opponents product and the MAGI-GROW product. Next, Mr Gault refers to Exhibit RG 8, which comprises copies of unsolicited letters received from members of the public following purchase and use of the MAGI-GROW product, and he states it is clear that no confusion has occurred with the individuals in question. Mr Gault makes it clear that the letters presented at Exhibit RG 8 comprise the total correspondence received from the public concerning use of the MAGI-GROW product.

19. Mr Gault concludes by stating that no evidence of any confusion between the MAGI-GROW product and that of the opponent has ever been brought to his attention despite co-existence in the market place for four years.

20. The second statutory declaration contained in the applicant’s evidence is by David Montgomerie who is the Administration Manager of Magigrow International Limited, a position he has held since the company’s incorporation in 1995.

21. Mr Montgomerie explains that in 1995 a new fertilizer product was launched under the trade mark MAGI-GROW (the subject of the applications) and that this product forms part of the PREMIER range of products, only available to PREMIER members. He goes on to say that, at the time of the launch of the MAGI-GROW product, he was in charge of producing the newsletter which was sent regularly to PREMIER members and that as part of Newsletter No 36 (a copy of which is at Exhibit DM 1 to his declaration), a questionnaire covering different aspects of the marketing of the MAGI-GROW product was included. This questionnaire was sent by facsimile to all PREMIER members on or about 30 August 1996, a list of whom is at Exhibit DM 2 to this declaration. Mr Montgomerie stated that the questionnaire included questions about the relative sales of the MAGI-GROW product vis-a-vis the two competing products sold under the trade marks MIRACLE-GRO and PHOSTROGEN. He then refers to Exhibit DM 3 to his declaration which is a copy of all the returned questionnaires received which, he concludes, show that the retailers experienced no difficulty in distinguishing between the MAGI-GROW product and the two competing products specifically referred to.



## **Opponent's Evidence in Reply**

22. This consists of an affidavit by William Dittman dated 9 June 2000. Mr Dittman is the Senior Vice President of Scotts Miracle Gro Products Inc, a position he has held for six months.

23. Mr Dittman contends that the applicant's registration No 1118360 (MAGI-GROW & TREE DEVICE in respect of "composts for use as mulches") should be disregarded because the goods covered are not relevant, the mark is significantly different from the applications in suit and any co-existence with the opponent's trade marks has been for different goods. In relation to the turnover figures provided by the applicants, Mr Dittman points out that they have decreased steadily between 1996 and 1998 and he criticises the level of use.

24. Mr Dittman asserts that the overall impression of the MAGI-GROW and MIRACLE-GRO marks is similar, and that the MAGI-GROW name was chosen to trade off the reputation of MIRACLE-GRO, and that this is accentuated by similarity, he says, in the packaging. Turning to the questionnaire about the marketing of the MAGI-GROW products mentioned in Mr Montgomerie's declaration, Mr Dittman states that as this involved members of the trade, who are more brand aware than the general public or average consumer, it should be disregarded.

25. This concludes my summary of the evidence filed in this case. I now turn to the decision.

## **DECISION**

26. Prior to the hearing Mr Malynicz withdrew the ground of opposition under Section 3(1) of the Act.

27. I turn first of all to the ground of opposition under Section 5(2)(b) which reads as follows:-

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

- (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
- (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. An earlier right is defined in Section 6, the relevant parts of which state:

6.-(1) .....

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

29. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:-

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG*, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, 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; *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* paragraph 27;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*, paragraph 23;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*, paragraph 23;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*, paragraph 24;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*, paragraph 26;
- (h) further, 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; *Marca Mode CV v. Adidas AG*, paragraph 41;

- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 29.

31. In light of the opponent's prior registrations in Class 1 it was common ground before that identical and similar goods are involved. Furthermore, Mr Malynicz pointed out that the goods in issue are not a sophisticated or expensive product and that such goods are sold side-by-side on the shelves of retail outlets. I will take this into account in my decision.

32. The reputation of a mark is an element to which importance may be attached in Section 5(2) considerations and at the hearing Mr Malynicz drew attention to the opponent's sales, advertising and publicity spend and the "survey results" contained in or attached to the exhibits accompanying Mr Reichart's statutory declaration of 20 July 1999, which he claimed meant that Miracle-Gro mark had achieved a particularly distinctive character, notwithstanding that, on a prima facie basis, the mark was "fairly weak". In response, Mr Fernando pointed out, quite rightly, that evidence of extensive use alone is not sufficient to demonstrate substantial reputation, that the "survey evidence" was flawed in that this evidence was not collected as part of a properly controlled or conducted exercise, that the Miracle-Gro mark was often used with the ICI house mark and that on, a prima facie basis the opponents Miracle-Gro marks are weak in that they consist of terms ("Miracle" and "Gro") which individually lack distinctiveness. While I take due cognisance of Mr Fernando's criticisms, it seems to me that overall, the evidence demonstrates that the opponents possesses a large share of the market for plant fertilizers and the business is being conducted with "Miracle-Gro" being prominently displayed as a trade mark on the goods, albeit often with an ICI house mark (not adjacent) on the packaging. Furthermore, the opponent has spent considerable sums on promoting and advertising their mark on a national basis, through peak period television advertising, national newspapers, general and specialist periodicals. It is also apparent that Miracle-Gro has been subject to considerable press-comment e.g. in articles. While I do not place any great weight on the "survey evidence", its conclusions are consistent with the use and promotion of the Miracle-Gro mark. In my view the opponent's have established a reputation in their mark and I will take this into account in my decision.

33. During the hearing Mr Fernando stated that the opponent's have brought forward no evidence of actual confusion, which should have been expected given the promotion and sale of the applicant's products since 1995. In response, Mr Malynicz drew attention to the relatively weak sales under the mark in suit, which according to the applicant's evidence amounted to around £46,000 in 1996 and £19,500 in 1997, and given these modest figures it was, in Mr Malynicz's submission, not surprising that there was no clear evidence of confusion in the market place. I think Mr Malynicz has a point and I do not intend to give any significant weight to this issue in my considerations under Section 5(2)(b).

34. In essence, the test under Section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In this case I accept that identical goods involved and that the opponent's mark possesses a reputation. However, it was held in *Marca Mode v Adidas AG (2000) ETMR 723*:

"The reputation of a mark, where it is demonstrated, is thus an element which, amongst others, may have a certain importance. To this end, it may be observed that marks with a highly distinctive character, in particular because of their reputation, enjoy broader protection than marks with a less distinctive character (*Canon*, paragraph 18). Nevertheless, the reputation of a mark does not give grounds for presuming the existence of a likelihood of confusion simply because of the existence of a likelihood of association in the strict sense."

35. In my consideration of whether there are similarities sufficient to show that a likelihood of confusion I am guided by the recent judgements of the European Court of Justice mentioned earlier in this decision. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural or conceptual similarity between the marks, evaluating the importance to be attached to those different elements, taking into account the category of goods in question and how they are marketed.

36. The mark MIRACLE-GRO consists of two words hyphenated, the former being an ordinary dictionary word and the latter the phonetic equivalent of the dictionary word GROW. I do not overlook that the opponent's class 1 registrations also include the mark MIRA-CLE-GRO (for which no reputation has been demonstrated) and one of the Miracle-Gro marks is shown on a black circle. In my view this does not add to the opponent's case. The marks applied for consists of the word MAGIGROW, the dictionary words MAGI and GROW hyphenated, the dictionary words MAGI and GROW hyphenated, within a background device of a chrysanthemum plant contained within a circle, one version of the last mark has a colour limit. It is, of course, possible to over analyse marks and in doing so shift away from the real test which is how marks would be perceived by customers in the normal course of circumstances of trade and I must bear this in mind when making the comparisons.

37. How then should I approach the comparison of the marks? Mr Fernando indicated that, although marks must be compared as a whole, the marks should be regarded essentially as the word MAGI versus the word MIRACLE, as GRO (phonetically GROW) and GROW are words traders are likely to want to use in relation to goods which help plants to grow. In my view this goes too far and even elements which are totally descriptive cannot be entirely discounted. Having said that, it is right in my view, to give additional weight to arbitrary features and reduced weight to descriptive features in assessing the impact that a mark has in the mind of the average customer. I am fortified in this view in the guidance of the European Court of Justice in *Lloyd Schufabrik Meyer & Co GmbH v Klijsen Handel B.V.*, paragraphs 24 and 26. However, the respective marks must be considered in their totality.

38. Mr Malynicz sought to equate MAGI with the dictionary word MAGIC (which has a similar connotation to the word MIRACLE) and he argued this would lend to confusion through imperfect recollection. In relation to visual or aural use, I accept that the average customer may well take the word MAGI as an allusion to the word MAGIC which, in turn, could lead them to think of the opponent's marks when they see or hear the marks applied for. However, it does not follow that a likelihood of confusion would exist and in my view the customer is likely to recognise and retain the idea of the allusion when recollecting the applicant's mark.

39. Finally, I turn to a conceptual comparison of the marks bearing in mind Mr Malynicz's argument about MAGI equating to or being very close to the word MAGIC which is conceptually identical or very close to the word MIRACLE in that both words have similar dictionary definitions and would be viewed as purporting to a claim that the product would assist plant growth in a manner beyond the laws of science. In response to this point I consider it likely that many people encountering the applicant's mark will, upon reflection, take the word MAGI as an allusion to the word MAGIC and could then be reminded of the opponent's marks. In my opinion for this to then go on and result in a likelihood of confusion involves taking a step too far. MIRACLE is a well known dictionary word which is unlikely to be imperfectly recollected and the MAGI is, in my view, unlikely to be imperfectly recollected as MIRACLE. The marks MAGI-GROW/MAGIGROW and MIRACLE-GRO are likely to be distinguished in trade.

40. On a global appreciation and after taking into account the possibility of imperfect recollection, the overall differences between the marks makes I believe, the possibility of confusion sufficiently remote and it cannot be regarded as a likelihood. The opponents have failed to discharge the onus placed upon them and I conclude that the opposition under Section 5(2)(b) fails.

41. Next, I consider the ground of opposition under Section 5(4)(a), which states:-

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

- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or
- (b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

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."

42. I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC in the WILD CHILD case (1998) 14 RPC 455. In that decision Mr Hobbs stated that:

"The question raised by the Grounds of Opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the Applicant from those of other undertakings (see Section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Art. 4(4)(b) of the Directive and Section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the Applicant in accordance with the law of passing off".

"A helpful summary of the elements of an action for passing off can be found in

guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

43. The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. This provision is clearly intended to implement Article 4(4)(b) of Directive 89/104/EEC. It is now well settled that it is appropriate to look to the wording of the Directive in order to settle matters of doubt arising from the wording of equivalent provisions of the Act. It is clear from Article 4(4)(b) that the earlier right had to have been "acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed .....". The relevant date is therefore the dates of the application for the marks in suit.

44. Earlier in this decision I found that the opponent does have goodwill in the UK but that the applications in suit and the opponent's registrations were not confusable. However, in addition to the points raised in relation to Section 5(2) Mr Malynicz referred me to the actual use of the respective marks with the overall packaging or "get-up" of the products. It is clear from the evidence that such use is prior to the relevant date and in Mr Malynicz's submission, the applicants have packaged their goods in such a way as to imitate the opponent's packaging or "get-up" so that this amounts to misrepresentation and damage for the purposes of Section 5(4)(a) of the Act. As a matter of law, my considerations under Section 5(4)(a) are limited to normal and fair use of the subject matter of the marks in suit. This includes the use of marks in traditional or common fonts or backgrounds e.g. a disc shaped background, but not the inclusion of additional distinctive features to the marks. However, in my view the evidence in the present case does not demonstrate that the "get-up" of the applicant's product is a misrepresentation or that confusion would result. The words Miracle-Gro and MAGI-GROW are very strong elements in the overall appearance and while the respective packaging contains flowers and similar product descriptors, the overall impression is of different products. I would add that the opponent has not submitted any evidence of actual confusion in the market place or that trade customers or the public would expect the marks to be economically linked. The opponents have not discharged the onus upon them.

45. In my opinion use of the applicant's mark, on a fair and notional basis does not amount to a misrepresentation resulting in passing off its products as those of the opponent. Accordingly, the opposition under Section 5(4)(a) of the Act must fail.

46. Finally, the bad faith ground. Section 3(6) of the Act states:-

"A trade mark shall not be registered if or to the extent that the application is made in bad faith."

47. At the hearing I was referred to *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* (1999) RPC 367, where Lindsay J stated at page 379:

"I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances."

48. Thus bad faith can be exercised where there is no actual dishonesty as such. Have the applicant's fallen short of the standards of acceptable commercial behaviour, however? At the hearing, Mr Malynicz's submission on the issue was that the applicant's deliberately sought to take advantage of the name and reputation of the MIRACLE-GRO mark by acquiring registration number 1118360 (see annex two) from a company in receivership and then designing a look-alike package. As evidence of this Mr Malynicz drew attention to Exhibit RG 6 to Mr Gaults statutory declaration of 21 December 1999, in particular an article in D.I.Y. Week March 29/April 5 1996 which states that the applicant, when searching for a name for its soluble plant feed, looked to identify names like or similar to Miracle-Gro. In the opponent's view this is enough for me to come to a bad faith finding.

49. However, I do not think that I am able to make such an inference. While it is well established that a tribunal should not be astute to find that there is no dishonesty where there is evidence that the applicant set out to deceive, it does not follow that the adoption of a mark with some similarity to a market leader is prima facie evidence of intention to deceive and association, in the strict sense, can be used as a means of denoting a products suitability as an alternative to the market leader's product. The question in each case is whether there is a likelihood of confusion and if there is not, the use is not objectionable and there is no bad faith. The objection under Section 3(6) fails.


50 The applicants are entitled to a contribution towards their costs and I therefore order the opponents to pay them the sum of £800.00. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.


**Dated this 30 day of May 2001**

**JOHN MACGILLIVRAY**  
**For the Registrar**  
**the Comptroller-General**




## ANNEX ONE

REGISTRATION NUMBER	MARK	GOODS	DATE OR REGISTRATION
953945	MIRA-CLE-GRO	Chemical products included in Class 1 for use in agriculture and horticulture; and fertilizers.	21 January 1970
1519227	MIRACLE-GRO	Chemical products for use in horticulture and agriculture; fertilisers; plant goods; fertilizer spikes; preparations for controlling the acidity of soil; all included in Class 1	18 November 1992
1519228	MIRACLE-GRO	Sprayers for use in watering and applying fertilizer to flowers, plants and the ground; parts and fittings for sprayers; all included in Class 8	18 November 1992
1519229		Chemical products for use in horticulture and agriculture; fertilizers; plant foods; fertilizer spikes; preparations for controlling the acidity of soil; all included in Class 1	18 November 1992

1519230		Sprayers for use in watering and applying fertilizer to flowers, plants and the ground; parts and fittings for sprayers; all included in Class 8	18 November 1992
1519284	MIRACLE-GRO 3 IN ONE	Sprayers for use in watering and applying fertilizers to flowers, plants and the ground, parts and fittings for sprayers; all included in Class 8	18 November 1992
1519318	MIRACLE-GRO NO-CLOG	Sprayers and sprinklers, all for watering and applying fertilizer to flowers, plants and/or the ground there around; parts and fittings for all the aforesaid goods	31 October 1994

**ANNEX TWO**

**REGISTRATION NUMBER 1118360  
PROPRIETOR: MAGIGROW INTERNATIONAL LIMITED**

<b>MARK</b>	<b>GOODS</b>	<b>DATE OF REGISTRATION</b>
	Composts for use as mulches. Class 31	27 July 1979