

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No 2119750  
BY QUAKER OATS LIMITED TO REGISTER THE MARK  
CHOCO PUFFS IN CLASS 30**

**AND**

**IN THE MATTER OF OPPOSITION THERETO UNDER No 47133  
BY SAFEWAY STORES PLC**

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**IN THE MATTER OF Opposition thereto under No 47133  
by Safeway Stores Plc**

### **DECISION**

On 2 January 1997 Quaker Oats Limited applied to register the mark CHOCO PUFFS in respect of the following goods in Class 30 "cereals and cereal preparations; biscuits; snack bars; confectionery; muesli and muesli preparations." The application is numbered 2119750.

On 2 July 1997 Safeway Stores Plc filed notice of opposition to this application. Objection is raised under Section 3(1)(a) and 1(1), 3(1)(b), 3(1)(c) and 3(1)(d). The wording closely follows that of the Act itself but without further explanation.

The applicants filed a counterstatement denying the above grounds and, inter alia, referring to a number of registrations of their own incorporating the word PUFFS or PUFF.

Both sides filed evidence and the matter came to be heard on 22 May 2001 when the applicants were represented by Mr D Alexander of Counsel instructed by Marks & Clerk and the opponents by Mr G Tritton of Counsel instructed by W P Thompson & Co.

### **Opponents' evidence**

The evidence appears to have come in in a somewhat piecemeal fashion reflecting, I think, the fact that further material became available to, or was discovered by, the opponents during the course of the proceedings. The statutory declarations admitted into the proceedings prior to the hearing are as follows:

John Patrick Kinch	-	27 November 1997
Alan Skinner	-	9 March 1998
William John Andrew Beeston	-	30 July 1998
William John Andrew Beeston	-	23 September 1998
John Patrick Kinch	-	27 October 1999
Robin Jonathan Bartle	-	28 October 1999
William John Andrew Beeston	-	20 December 2000

Mr Kinch is Company Secretary of Safeway Stores Plc. Messrs Beeston and Bartle are with W P Thompson & Co, the opponents' professional representatives. Mr Skinner is Sales and Marketing Director of Dailycer who manufacture a range of breakfast cereals.

The thrust of the opponents' case is that the elements which make up the applicants' mark (and by implication the totality of the mark) are either descriptive and/or generic terms in relation to the goods. Thus Mr Kinch contends that CHOCO is simply a convenient abbreviation for chocolate or chocolate coated. The evidence in support of this is

- his own exhibit JPK1 which includes packaging for Kellogg's Choco Flakes cereal
- Mr Skinner's evidence as to his own company's Colliers brand range which contains a Choco Rice cereal
- Mr Beeston's declaration which introduces an extract from The Grocer magazine announcing the launch of a Choco Hits cereal from Granovita
- further examples in Mr Kinch's second declaration of cereal items being sold with names incorporating the word CHOCO (Asda's Choco Shells and Choco Snaps, Sainsbury's Choco Snaps, Safeway Choco Crunchies)
- evidence in Mr Beeston's second declaration that a Tesco product formerly known as Coco Puffs has been renamed Choco Snaps (Exhibit WJAB3)
- the packaging for an ASDA own brand product called Choco Puffs (WJAB5 to Mr Beeston's third declaration)
- copies of Trade Mark Journal pages showing that Choco is a common element in trade marks and is often disclaimed (Exhibit JPK2).

In relation to the word PUFFS Mr Kinch says that the word has been used generically since before the application filing date by various companies in the field, Tesco, Asda, Sainsbury's, Morrisons, Netto and Safeways. He adds that the puffing of wheat and the resultant products, puffed wheat or puffed whole wheat, with or without coatings of sugar, honey etc. have been known for many years. Mr Skinner expands on this by saying "the process of introducing gas into foods such as cereals or rice is well known and widely used, and 'puffs' is the accepted description of the product of this process." In support of this there is the following evidence

- exhibit JPK1 showing various cartons for Golden Puffs products from different supermarkets
- exhibit WJAB2 to Mr Beeston's first declaration which is a copy of The Grocer magazine for June 1998 consisting of an advertisement for Golden Wonder Ltd's WOTSITS. The latter are described as 'The Original Profit-Making Corn Puff Snack'

- attention is also drawn to parts of the applicants' own evidence which it is said demonstrate that puffs is a natural descriptive term
- the packaging for the ASDA Choco Puffs product exhibited at WJAB5
- packaging for Tesco Golden Honey Puffs exhibited to Mr Bartle's declaration
- various trade mark registrations/ applications which have either been accepted on the basis of use and/or special circumstances or are subject to opposition proceedings.

### **Applicants' evidence**

The applicants filed a statutory declaration by Sas Horscroft, their Marketing Manager. She opens her declaration with the following remarks:

"My Company is the owner of the Trade Mark CHOCO PUFFS which is used in the United Kingdom upon and in relation to cereal preparations. The Trade Mark CHOCO PUFFS is one product within my Company's HONEY PUFFS range of products which includes our famous Trade Mark SUGAR PUFFS. Although my Company has only recently commenced use of the Trade Mark CHOCO PUFFS in the United Kingdom, I believe that the reputation which my Company enjoys in the Trade Marks SUGAR PUFFS and HONEY PUFFS is such that customers will readily understand that CHOCO PUFFS is part of this range of products and will associate the name CHOCO PUFFS with my Company exclusively."

She goes on to deal with use of her company's other marks referred to above:

"The Trade Mark HONEY PUFFS has been used by my Company continuously in the United Kingdom upon and in relation to cereal preparations since 1992. There is now produced and shown to me marked Exhibit SH1 specimen showing how the Trade Mark is actually used upon and in relation to the goods. It can be seen that the Trade Mark is clearly shown on the side panel of the packaging and is also referred to in the Trade Mark "notice". Up until now, the primary Trade Mark used by my Company in relation to this range of products is SUGAR PUFFS which has been used throughout the United Kingdom since the mid 1950s. As a result of the extensive use and advertising connected with the Trade Mark SUGAR PUFFS, these goods are now sold in enormous quantities and this has clearly brought to the attention of consumers the many other Trade Marks used by my Company in relation to these goods including the Trade Marks QUAKER, QUAKER logo, HONEY MONSTER and HONEY PUFFS. As examples of early use of SUGAR PUFFS, there is now produced and shown to me marked Exhibit SH2 copies of advertisements which appeared in 1956 and 1958.

The following are the annual values of the said goods sold by my Company in the United Kingdom under the Trade Marks SUGAR PUFFS/HONEY PUFFS for the period 1992 to 1998 (inclusive).

Year	£
1992	33.5 million
1993	35.9 million
1994	34.1 million
1995	33.8 million
1996	37.0 million
1997	29.0 million
1998	32.0 million

During the period 1992 to 1998 (inclusive) my Company has expended sums of money in advertising in the United Kingdom the said goods upon or in relation to which the Trade Marks SUGAR PUFFS and HONEY PUFFS are used. Advertisements appeared in all major grocery multiples and national TV campaigns. There is now produced and shown to me marked Exhibit SH3 a video of some of the recent TV advertisements. My Company no longer uses press advertisements to publicise this range of products and advertising is now concentrated on television campaigns, on-pack promotions and in-store pricing support. The annual amount expended by my Company in such marketing activities is in the region of £7.5 - £8 million."

Much of the remainder of Ms Horscroft's declaration is in the nature of observations and submissions on the opponents' evidence. The main points are that

- the examples of packaging exhibited by the opponents are after the material date
- her company's mark can be distinguished from all the other marks
- the adoption by Tesco of Coco Puffs was intended to 'sail close to the wind' and that name has now been changed
- the applicants' use of CHOCO PUFFS does not inhibit other traders' use of the English language in any way
- the fact that companies adopt suggestive trade marks does not mean that those trade marks are generic. This is not an OVENCHIPS case.

That concludes my review of the evidence so far as I consider it necessary at this stage.

This is one of two oppositions to the same application involving different opponents. The cases have not been consolidated but were heard on the same day. The same Counsel were instructed in each case and a composite set of submissions were made. I do not understand Counsel to suggest that a different outcome is likely in respect of the separate cases. The principal submission on behalf of the applicants is based on a brand extension (from SUGAR PUFFS) argument and is common to both cases. The applicants' evidence in support of that argument is also in large measure the same in each case as one might expect. The opponents have each filed their own separate (and different) evidence in support of the claims made. In

this particular opposition the admission of further evidence arose as a preliminary point at the hearing. The evidence concerned is

- a statutory declaration of Mr W J A Beeston dated 4 February 2000
- a statutory declaration by Mr R J Bartle dated 22 May 2000
- a witness statement by Mr S P Hosford (the applicants' professional representative) dated 15 May 2001

Mr Hosford's witness statement is in fact a response to further evidence submitted by the opponents under cover of Mr Beeston's declaration of 20 December 2000. It is not objected to and the opponents indicated that they did not need to respond (other than through submissions at the hearing). I admitted this evidence. The evidence from Messrs Beeston and Bartle is mainly concerned with introducing further examples of third party use of CHOCO. Mr Alexander did not concede that this further evidence should be admitted. It was, he said, 'more of the same' evidence and was of course gathered some time after the material date. Mr Tritton submitted that the issue at the heart of this case concerns other traders and the material sought to be introduced is further evidence as to trade usage. He referred me to the principles set out in SWISS MISS, 1996 RPC 233 in relation to the admission of further evidence. I accept that it may not have been possible to file these particular pieces of evidence earlier (the first of the SWISS MISS criteria) though I do not think that that should relieve a party from the obligation to make as thorough researches as possible at the outset. The evidence does not come as a surprise to the applicants as it largely reinforces material already filed. I can see no particular prejudice to the applicants in admitting it and there was no suggestion that its admission would call for reply (other than submissions) or otherwise cause delay to the proceedings. All of the above further evidence therefore stands admitted. I put the above on record in case the applicants wish to appeal the point.

At the hearing Mr Tritton relied on the objections based on Section 3(1)(b) and (c) of the Act and in fact no distinction needs to be drawn between the sub paragraphs in the circumstances of this case. It follows that the remaining grounds under Section 3(1)(a) (and 1(1)) and (d) fall away.

Section 3(1)(b) and (c) read as follows

- "3.-(1) The following shall not be registered -
- (a) .....
  - (b) trade marks which are devoid of any distinctive character,
  - (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

(d) .....

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it."

I was referred to a number of authorities dealing with Section 3(1) or the equivalent CTM provisions. Mr Tritton relied on the Court of First Instance's (CFI) decision in *Procter & Gamble v Office for Harmonisation in the Internal Market*, 1999 ETMR 767, dealing with an application to register BABY DRY for diapers. The CFI held that "the term BABY DRY, read as a whole, immediately informs consumers of the intended purpose of the goods". He also took me to the following passage from MAXIMA, a decision of the First Board of Appeal of OHIM in case 51/1998 as providing a helpful test as to whether a trade mark is descriptive or devoid of distinctive character -

*"The assessment as to whether a trade mark is descriptive or devoid of distinctive character is a complex exercise which involves a combination of objective and subjective elements. The examiner must have regard to the general impression created by the mark as a whole, taking into account the nature of the goods or services, the level of awareness of the likely consumers of those goods or services, and any other relevant factors. The examiner must in particular have regard to the consequences flowing from the registration of a Community trade mark. Essentially, a Community trade mark, by virtue of Article 9(1) CTMR entitles its proprietor to prevent all third parties from using in the course of trade an identical or confusingly similar sign in relation to identical or similar goods or services. It is precisely because of the exclusive nature of the rights conferred by a Community trade mark that the provisions of Article 7(1)(b) and (c) CTMR prohibits the registration of signs which lack distinctiveness or merely describe the goods or services in relation to which the sign is to be used. No undertaking may be given an exclusive right to use in the course of trade a sign which does no more than describe, in ordinary language, the nature, quality or intended purpose of the goods or services in respect of which it is to be used." (para 12)....*

*As a general rule, there are compelling reasons for not allowing an individual trader to monopolise the use of ordinary words, or obvious adaptations of ordinary words which imply that a product possesses exceptional characteristics as regards quality, power, performance, size, fitness for purpose and so forth. (para 17)"*

Mr Alexander, for his part, referred me to Mr Hobbs QC's remarks in *Maasland's Application*, 2000 RPC 893 referring inter alia to the ECJ's guidance in *CANON*

"5. A sign possesses enough of "a distinctive character" to be registrable as a trade mark if goods identified by it would for that reason be thought by "the relevant class of persons or at least a significant proportion thereof" to have come (directly or indirectly) from one and the same undertaking as envisaged by the judgment of the European Court of Justice in *Case C-39/97 Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* [1999] E.T.M.R. 1; [1999] R.P.C. 117.

"27. Indeed, article 2 of the directive provides that a trade mark must be capable of distinguishing the goods or services of one undertaking from those of other undertakings, while the tenth recital in the preamble to the Directive states that the function of the protection conferred by the mark is primarily to guarantee the indication of origin.

28. Moreover, according to the settled case-law of the court, the essential function of the trade mark is to guarantee the identity of the origin of the marked product to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin. For the trade mark to be able to fulfil its essential role in the system of undistorted competition which the Treaty seeks to establish, it must offer a guarantee that all the goods or services bearing it have originated under the control of a single undertaking which is responsible for their quality (see, in particular, Case C-10/89 HAG GF (HAGII) [1990] ECR I-3711, paragraphs 14 and 18)."

He also drew my attention to Advocate General Jacobs' Opinion in *Procter & Gamble v OHIM* (case C383/99P) particularly paragraph 75 et seq. Although the Advocate General's views are not binding on me he suggested that they nevertheless carry considerable weight. In that Opinion the Advocate General suggests that it may be better to think of Article 7(1)(c) of the Trade Mark Regulation [our Section 3(1)(c)] as intended not to prevent any monopolising of ordinary descriptive terms but rather to avoid the registration of descriptive brand names for which no protection could be available. He goes on (in paragraphs 79 and 80) to acknowledge the apparent conflict between this approach and certain passages in *Windsurfing Chiemsee*, 1999 ETMR 585, where the ECJ held that Article 3(1)(c) of the Trade Marks Directive [our Section 3(1)(c)] pursues an aim which is in the public interest namely that descriptive signs or indications relating to the categories of goods or services in respect of which registration is applied for may be freely used by all. The decision of the Court both on the general approach and in relation to the *BABY DRY* mark is still awaited.

I understand that the applicants here do not deny that there is some descriptive content to their mark but contend that the mark is registrable because "the overall meaning in context is not descriptive." That is a reference to Mr Alexander's main submission that *CHOCO PUFFS* would be taken to be a brand extension product of *SUGAR PUFFS*, their well established mark. However, before I get to that particular argument I should set out my views on *CHOCO PUFFS*. In doing so I approach the matter on the basis that it is an unused mark. I should also say by way of preliminary observation that, on the authority of *EUROLAMB Trade Mark*, 1997 RPC 279, both Counsel were of the view that the burden of proof was effectively neutral or, as it was put in *Procter & Gamble's Trade Mark*, 1999 RPC 673, "it is doubtful whether it helps to discuss the judgment which the registrar has to make in terms of burden of proof". The mark proposed for registration needs to be considered upon its own merits and in the light of the evidence and submissions put before me.

I have recorded above the fairly extensive evidence filed in relation to the elements of the mark applied for and intended to show that *CHOCO* and *PUFFS* are in common use by traders who presumably consider it legitimate to use the words freely. I will, therefore, record my views



on the elements of the mark and then return to the combination bearing in mind that in the final analysis it is necessary to reach a decision in relation to the characteristics of the mark as a whole and not just the attributes of its component parts.

CHOCO is not so far as I am aware a dictionary abbreviation for chocolate but there is sufficient evidence before me to unhesitatingly conclude that traders at large use it as a convenient shorthand for chocolate. Its use is widespread and intended to convey the message that the goods in relation to which it is used are chocolate flavoured or chocolate coated. It is no less indicative of chocolate than the misspelling FROOT was of FRUIT in FROOT LOOPS Trade Mark, 1998 RPC 240.

There is also a body of evidence before me to suggest that PUFFS is also a descriptive word used in relation to breakfast cereals to indicate a puffed product usually wheat but possibly also rice. Before considering this evidence a few more general comments are called for about the presentation of marks and descriptive matter on cereal packaging not least because it is not always apparent which is intended. The root of the problem can be found in Ms Horscroft's comment (for the applicants) that "it is clearly the practice for producers of cereal products to adopt trade marks which are highly suggestive of the products. Some of these marks have, over the years, become generic names while others have preserved their trade mark character including, for example, SUGAR PUFFS." That seems to me to be a fair statement of the position but demonstrates the difficulty consumers face in dealing with such names/marks. Typically the cereal packaging before me (and it is, I think, an entirely representative sample) employs a housemark, Kelloggs say or a supermarket name, along with a visually more prominent indicator which is either a brand name (e.g. SUGAR PUFFS) or purely descriptive matter (e.g. PUFFED WHEAT).

The point is well illustrated by the usage of PUFFS in the various pieces of evidence before me. Exhibit JPK1 to Mr Kinch's evidence contains packaging for various GOLDEN PUFFS products. In fact seven different traders have adopted the name for their sugar and honey puffed wheat cereals. Given that so many traders use the name it is scarcely capable of serving as a badge of origin for any one of them. On the other hand SUGAR PUFFS is the name used by just one trader, Quaker Oats Ltd, and through careful nurture over the years the public has been educated to accept that it is an indicator of origin in relation to the Quaker Oats' product.

There is further evidence to indicate that PUFFS on its own is or has become a descriptive term. Two examples come from the applicants' own evidence. Exhibit SH2 to Mr Horscroft's declaration is an early advertisement for SUGAR PUFFS. A manuscript annotation puts the date at 1956. The narrative text includes "They're crisp wheat puffs...". The more recent television advertisement (Exhibit SH3) has a voice over referring to "delicious light puffs of wheat ....." . Further examples are contained in the opponents' evidence. Exhibit JPK1 contains packaging with what is clearly descriptive text referring to e.g. "golden puffs of wheat ...." (Tesco Golden Puffs) and "sugar and honey coated wheat puffs ...." (Safeway Golden Puffs). I conclude that trade usage has led the public to regard the word PUFFS as wholly descriptive of puffed wheat cereal products.

Examination of the merits of a mark of this kind necessarily involves consideration of the component elements but that process is not always a reliable indicator of the capacity of the

mark as a whole to act as a badge of origin. Mr Thorley QC addressed the point in FROOT LOOPS (referenced above) as follows:

“In my judgment the concession made by Mr Waugh that the word “froot” is the phonetic equivalent of “fruit” and that the law renders the phonetic equivalent of an unregistrable mark itself unregistrable is decisive of this appeal. I believe Mr Waugh is correct in saying that regard must be had to the whole of the mark applied for and that dissecting it into individual words may cause one to lose sight of the effect of the mark as a whole. This however does not mean that the exercise of considering the effect of individual parts of a mark when assessing the effect of the whole is neither impermissible nor unhelpful. It can provide useful assistance along the road to reaching a conclusion as to the registrability of the whole but it must not be used as a substitute therefor. To this extent therefore I believe Mr Waugh’s criticism of the hearing officer’s approach in considering the words “Froot” and “Loops” separately and not thereafter as a whole is well founded.”

Does bringing the words CHOCO PUFFS together alter the character of the mark or result in a combination that is novel or merely alludes to rather than describes the nature of the goods? In my view it does not. It is a perfectly normal adjective and noun combination which does no more than act as a convenient description of the goods. The totality is no more than the sum of its parts.

That brings me to the main point of the applicants’ case which is that CHOCO PUFFS would be seen as a brand extension product. As Mr Alexander put it “it is submitted that CHOCO PUFFS comes to the market heavily freighted with an origin denoting meaning invested in the trade mark by the substantial pre-existing use and reputation of SUGAR PUFFS as a proprietary brand”.

I have recorded above the substance of the applicants’ evidence and the duration and extent of use of the marks SUGAR PUFFS and HONEY PUFFS. On the basis of Ms Horscroft’s evidence and the supporting exhibits I am not prepared to accept the claim so far as it relates to HONEY PUFFS. The overwhelming impression is that it is the SUGAR PUFFS brand which is promoted and known. It is a very old established brand having been around since the 1950s. I do not understand Mr Tritton to dispute the applicants’ claims in relation to SUGAR PUFFS. For the purposes of what follows I too accept that a considerable reputation attaches to SUGAR PUFFS.

The fact that the case for HONEY PUFFS having a reputation is not established on the evidence is not critical to Mr Alexander’s case. His claim is based not on the applicants’ having a family of marks but on customer expectation arising from familiarity with SUGAR PUFFS. Reference was made in his skeleton argument to a number of cases where commonality of elements within marks have been held to suggest a connection - RUS/SANRUS, 1937 RPC 341, WAGAMAMA/RAJAMAMA, 1995 FSR 713, PORTA/PORTOBLAST, 1990 RPC 471. These cases were infringement and passing off actions. Whilst I note the point about customer recognition of suffix/prefix elements that Mr Alexander wanted me to take from these cases I do not find them directly relevant to the Section 3 issue before me.

More relevant for present purposes is a further case which was drawn to my attention - BONUS GOLD Trade Mark, 1998 RPC 859 where, in the context of an objection under Section 3(1)(b) and (c), Mr Thorley QC, sitting as The Appointed Person, dealt with a claim that use of other marks containing the element GOLD had educated the public to expect that the mark at issue came from the same trade source. The relevant paragraphs of the decision read:

“However, Mr Hodgkinson went on to support his argument by reference to the previous registration of a number of marks by Halifax containing the word gold. He accepted that a number of these were registered with evidence of use, but said, quite properly, that taking the easy course and relying on use cannot be indicative that the marks were unregistrable as prima facie applications.

He submitted that the use that had been made of these other marks was indicative that there was no need to educate the public (that the mark BONUS GOLD was a trade mark) because they were already educated by reason of the use of the earlier marks. This is an argument which has to be considered with care.

In the TREAT case, *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 at 305 Jacob J considered the effect of previous registrations and concluded as follows:

“Both sides invited me to have regard to the state of the register. Some traders have registered marks consisting of or incorporating the word Treat. I do not think this assists the factual inquiry one way or the other, save perhaps to confirm that this is the sort of word in which traders would like a monopoly. In particular the state of the register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led the Registrar to put the marks concerned on the register. It has long been held under the old Act that comparison with other marks on the register is in principle irrelevant when considering a particular mark tendered for registration, see eg MADAME Trade Mark, and the same must be true under the 1994 Act. I disregard the state of the register evidence”.

Mr Hodgkinson did not dissent from this as a statement of law, but did urge that things were different when he was relying upon the use of the former marks rather than their mere existence on the register. I can see the substance of this as a point of argument, but what in truth he is seeking to do is to substitute the use of the old marks for use of the new mark to try and show that the new mark is itself distinctive.

As I said, this is a submission which has to be approached with care. The nature and length of the use that was sufficient to obtain registration under the old Act may well not be the same as the nature and the extent of the use which is required to register under the new Act. Equally evidence of use in relation to a mark such as OVERSEAS GOLD may well be different to the evidence that would be needed to support the mark BONUS GOLD.

I have reached the conclusion that although this argument could carry weight, it can only carry weight if the hearing officer has before him the actual evidence of use that is relied upon so that both he and I on appeal can assess the weight that can be placed upon that evidence. Without that evidence I believe it is correct to come back to the prima facie case and ask: is the mark BONUS GOLD unused disqualified from registration? For the reasons I have given, I believe that it is.”

Mr Thorley thus emphasises that a submission of this kind needs to be approached with care but I accept that he does not rule out the possibility of use of other marks assisting consideration of the registrability of a later mark incorporating a common element. Further development and consideration of this line of argument was not possible in BONUS GOLD because Mr Thorley did not have evidence before him as to the nature and length of use of the other marks (I note too that the claim was in respect of ‘a number of marks’). By way of distinction I do have evidence before me of use of the SUGAR PUFFS mark.

I should also say at this point that one of the reasons that this brand extension argument needs to be approached with care is that the proviso to Section 3(1) which allows a trade mark to benefit, where necessary, from distinctiveness acquired through use, is framed in terms that point clearly to the use being of the mark at issue and not a sister mark or marks (the wording is ‘it has in fact acquired a distinctive character as a result of the use made of it’). For that reason Mr Alexander, rightly I think, indicated that the applicants’ case was not put under the terms of the proviso.

I have given careful consideration to both Counsels’ submissions on the point and, in the light of Mr Thorley’s comment, consider that I too should approach the matter with some caution. In essence Mr Alexander’s submission amounts to this, that as a result of the reputation of SUGAR PUFFS the public would simply regard CHOCO PUFFS as a chocolate flavoured version of the brand with which they were already familiar.

The position seems to me to be that, through substantial use, the descriptive significance of SUGAR PUFFS has been displaced and the words have come to denote the goods of one particular trader, that is to say Quaker Oats (whether or not customers know the identity of that trader). Rights in that mark are in the totality and not in its component elements. But that is not to say that an element of a mark cannot serve as a badge of origin in its own right. Whether it does so will turn on the facts and circumstances of the particular case including factors such as the nature and extent of use, the nature of the mark/element itself, whether other similar marks exist in the stable, whether other traders use the word etc. The common element which the applicants rely on here is the word PUFFS. I have concluded that this word is used in an entirely descriptive capacity by both the applicants and other traders. I fail to see, therefore, why the public should assume that CHOCO PUFFS is a brand extension product of SUGAR PUFFS when ‘puffs’ is a term used by the trade and GOLDEN PUFFS, for instance, is shown to be used by no less than seven different traders. That is not to say that a different outcome would not be possible if for instance the mark applied for had been CHOCO SUGAR PUFFS or if the applicants had been able to bring forward evidence to demonstrate that, notwithstanding its descriptive roots, PUFFS marks were exclusively associated with them. But that is not the case. On the basis of the evidence before me I therefore find that the mark

applied for is open to objection under Section 3(1)(b) and (c) and the applicants cannot prevail on the basis of their brand extension argument.

As the opponents have been successful they are entitled to a contribution towards their costs. As noted above this is one of two oppositions by different parties. The cases were not consolidated. Separate evidence was filed but the same Counsel was instructed and a composite set of submissions were made covering both oppositions. There were, therefore, some economies of scale in the later stages of the proceedings. I have taken this into account and adjusted the costs award accordingly between the two cases. I order the applicants to pay the opponents the sum of £900 in respect of this case. 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 11 Day of June 2001**

**M Reynolds  
for the Registrar  
The Comptroller General**