

**TRADE MARKS ACT 1994**  
**and**  
**THE TRADE MARKS (INTERNATIONAL REGISTRATION) ORDER 1996**

**IN THE MATTER OF APPLICATION NO M682956**  
**IN THE NAME OF REWE - ZENTRAL AG**

**AND**

**IN THE MATTER OF OPPOSITION THERETO**  
**UNDER NUMBER 70060 IN THE NAME OF**  
**LIDL STIFTUNG & CO. KG**

**TRADE MARKS ACT 1994 and  
The Trade Marks (International Registration) Order 1996**

**IN THE MATTER OF application No M682956  
in the name of Rewe - Zentral AG**

**and**

**IN THE MATTER OF opposition thereto under No 70060  
in the name of Lidl Stiftung & Co. KG**

**Background**

On 14 October 1997, Rewe - Zentral AG registered the trade mark SALVITA under the Madrid Union and the Madrid Protocol, designating the United Kingdom as a country to which protection was sought to be extended.

The trade mark is protected in Class 30 in respect of the following goods:

Chocolate, cocoa, confectionery and pastry.

On 20 July 1998, Lidl Stiftung & Co. KG filed notice of opposition to this application saying that they are the proprietors of the following United Kingdom trade mark application:

<b>Number</b>	<b>Mark</b>	<b>Class</b>	<b>Specification</b>
1405671	SOLEVITA	32	Non-alcoholic drinks; vegetable juice; fruit juice; fruit juice nectar; fruit drinks; preparations for making all of the aforesaid goods; all included in Class 32

The grounds of opposition are in summary:

- 1. Under Section 5(2)(b)** Because the application is for a mark which is similar to the opponent's mark and has been applied for in relation to goods which are similar to those within the specification of the opponent's registration and there is a likelihood of confusion.
- 2. Under Section 5(3)** Because the application is for a mark which is similar to the opponent's mark and has been applied for in relation to goods which are dissimilar to those within the specification of the opponent's registration. The opponent's trade mark enjoys a reputation such that use of the mark applied for would, without due cause, take unfair advantage or be detrimental to the distinctive character or repute of the opponents' trade mark.

- 3. **Under Section 5(4)(a)** By virtue of the law of passing off.
- 4. **Under Section 3(3)** Because registration would be contrary to public policy because the public would assume that the goods sold by reference to the trade mark originated from the opponents.
- 5. **Under Section 3(6) & 32(3)** Because at the date of filing the application the applicant had no intention of using the trade mark in relation to all of the goods in the specification.

The applicants filed a Counterstatement in which they deny all of the grounds on which the opposition is based.

Both sides request that costs be awarded in their favour.

Both sides filed evidence in these proceedings. The matter came to be heard on 2 April 2001, when the applicants were represented by Mr Mark Engelman of Counsel, instructed by A A Thornton & Co, their trade mark attorneys, and the opponents by Mr Douglas Campbell of Counsel, instructed by Castles, their trade mark attorneys.

**Opponent’s evidence**

This consists of a Statutory Declaration dated 29 April 1999, and comes from Martin Alfred Kottbauer, Purchasing Director of Lidl UK GmbH, a position he has held since February 1997, having been employed with the company since April 1996. He says that his company is a wholly owned subsidiary of Lidl Stiftung & Co KG, a German company.

Mr Kottbauer begins saying that the trade mark SOLEVITA was first used in the United Kingdom on 28 October 1994 and that it has been used it continuously in respect of fruit juices and fruit nectars of various flavours. He refers to exhibit MAK1 which consists of 6 examples of cartons for fruit juices bearing the trade mark SOLEVITA in yellow lettering on a white rectangular background, placed over an orange or red circle. He next refers to exhibit MAK2 which consists of copies of certificates issued by a quality control company, the earliest dating from December 1995 and issued in respect of a range of Sole Vita fruit drinks and nectars. Later certificates refer to the brand in the same way or as SoleVita.

Mr Kottbauer sets out details of the turnover and volume sales of fruit drinks and nectars under SOLEVITA for the years 1994 to 1998, which for the years 1994 to 1996 (the complete years prior to the relevant date) are as follows:

Year	Turnover (£)	Unit Sales (Litres)
1994	122,000	282,000
1995	1,400,000	3,635,000
1996	4,308,000	11,363,000

Mr Kottbauer gives the average prices for the various fruit juices and nectars and states the total volume sales since 1994 as 52.9 million litres, of which 15,280,000 litres of sales were made in the three years prior to the relevant date. He also gives the approximate annual expenditure on promoting and advertising SOLEVITA fruit drinks as £10,000 per item (although does not say that this is in respect of the United Kingdom) and details various local newspapers and their circulation figures, in which SOLEVITA has been advertised. Exhibit MAK3 consists of copies of advertisements dating from June to August 1997 and relate to a range of goods, including SOLE VITA fruit juices, and pages from regional papers with similar advertisements although these are dated after the relevant date. Mr Kottbauer confirms that SOLEVITA fruit drinks are sold in all of his company's stores, referring to exhibit MAK4 which consists of a map showing their locations throughout the United Kingdom as of 31 March 1999.

Mr Kottbauer gives the reasons why he considers the mark SOLEVITA and SALVITA to be open to confusion. He also says why he considers the application to have been filed in respect of similar goods to his company's fruit drinks sold under SOLEVITA, referring to exhibit MAK5 which consists of an extract from Collins English Dictionary showing the term chocolate and cocoa to encompass beverages. He goes on to say that if the registrar does not consider the goods to be similar, then by virtue of the distinctiveness and reputation of his company's mark and its closeness to the mark applied for, that confusion is likely to occur and that the registrar should interpret the goods as being similar.

Mr Kottbauer goes on to say that if the respective goods are not considered similar, the opponent's use of SOLEVITA and the extent of the reputation it has acquired is such that use of their mark by the applicants would take unfair advantage of or be detrimental to his company's mark, which he says is unique in the marketplace in respect of fruit drinks, referring to exhibit MAK6 which consists of the results of a search for SOLEVITA marks taken from Marquesa.

He goes on to say that in his opinion that even if the respective goods are considered dissimilar, they are nonetheless related in terms of trade channels at the consumer and manufacturer levels, and that it is not unrealistic to suggest that a manufacturer of non-alcoholic beverages could produce chocolate, cocoa and pastry. Mr Kottbauer says that it is not fanciful to suggest that a consumer would expect a brand extension, citing non-alcoholic beverages into chocolate and confectionery products, referring in particular to Mars who manufacture a chocolate bar and a chocolate drink under the same mark. He considers that if SALVITA is registered the distinctiveness of his company's mark will be lessened and that confusion will result in detriment to the mark and its reputation.

#### **Applicant's evidence**

This consists of an Affidavit dated 23 December 1999, and comes from Dr Matthias Humborg, a lawyer with Rewe-Zentral AG, a position he has held since 1 April 1993. Dr Matthias confirms that he is familiar with the English language and is authorised to make the affidavit which is made from his own knowledge or from the records of the company.

Dr Humborg says that his company was formed in 1927 by the joining of 17 cooperatives, and introduces exhibit MH-I which consists of a copy of his company's brochure "Retailing for Europe" which confirms its history and details the company's growth and current activities. He refers to the opposition to his company's application, and to the declaration by Martin Kottbauer. He comments first on paragraph 11 in which Mr Kottbauer asserts that the respective marks are visually, phonetically and conceptually similar, and accepting that SOL and SAL only differ in respect of one letter, says that VITA is a commonly used suffix in relation to food and drink products, and in support refers to exhibit MH-II. The exhibit consists of details of trade marks for, or incorporating VITA as a suffix or prefix, registered in, inter alia, Classes 5, 29, 30, 31 and 32 (the food and drink classes). Dr Humborg says that the public are accustomed to differentiating between marks incorporating VITA which in his view contradicted the assertion that confusion would arise through imperfect recollection. He also refutes the assertion that there could be confusion through mispronunciation, as much because purchases of goods of this type is made by visual means.

Dr Humborg denies and gives his reasons as to why he considers the respective goods not to be similar, that there is no justification for extending the interpretation of what constitutes similar goods, stating that the opponents have not established that they have a significant reputation. He comments that the opponent's claim to have been using SOLEVITA since October 1994 is not substantiated by the evidence, the earliest evidence being the quality analysis dating from December 1995 showing the mark as SOLE VITA, the earliest commercial use shown as being in June 1997. Dr Humborg refutes the assertion that his company's use of SALVITA would derive some advantage from the opponent's use of SOLEVITA, or would be detrimental to any reputation it may acquired.

Dr Humborg goes to paragraph 15 in which Mr Kottbauer asserts that the trade channels are the same in respect of consumer and manufacturer, and to paragraph 16 in which it is claimed that the consumer would expect brand extension from non-alcoholic beverages to chocolate and confectionery products. Dr Humborg says that there is no evidence to support either contention and concludes his Affidavit by denying that there is a likelihood of confusion.

### **Opponent's evidence in reply**

This consists of three Statutory Declarations. The first is dated 18 May 2000 and comes from Joanne Mary Ling, a Trade Mark Attorney employed by Castles, the opponent's representatives in these proceedings. Ms Ling confirms that she makes the declaration from her own knowledge.

Ms Ling refers to the investigations that she carried out in March and April 2001 to disprove the claim by Dr Matthias Humborg that a manufacturer of non-alcoholic beverages would not produce confectionery, chocolate, cocoa and pastry, or that the public would not expect brand extension from fruit juices, fruit drinks and fruit nectars to such goods. She gives details of visits to various retailers in the Croydon and Billericay area, and lists items of drink and confectionery that she purchased (shown as an annex to this decision), and introduces the wrappings as exhibit JML1. Ms Ling says that based on her investigations she notes that several manufacturers of non-alcoholic beverages also produce cocoa, chocolate and confectionery, although does not say that this was the case at the relevant date in these

proceedings. The list and exhibit shows that a number of traders sell confectionery, primarily chocolate and a beverage, also usually chocolate, under an identical trade mark. There are some exceptions; Nesquik sell chocolate confectionery and a strawberry drink, Lucozade who sell fruit flavoured energy drinks and a fruit energy lozenge, and Boots who sell a range of foods under Boots Shapers.

The next Statutory Declaration comes from Roland Christopher Wilding, a Trade Mark Attorney employed by Castles, the opponent's representatives in these proceedings. Mr Wilding confirms that he makes the declaration from his own knowledge.

Mr Wilding says that he carried out investigations to determine whether non-alcoholic chocolate based beverages and fruit flavoured beverages were sold near to each other, and he gives details of various retailers in Croydon that he visited where he noted that fruit flavoured non-alcoholic beverages were sold side by side with chocolate flavoured drinks. He refers to exhibit RCW1 which consists of photographs of the exteriors and interiors of various retail premises, and shelves and chilled cabinets containing beverages, inter alia, fruit drinks and chocolate drinks. Mr Wilding says that he observed shoppers making their purchases and noted that they took very little time to select the drink.

The final Statutory Declaration is dated 7 July 2000 and is a second declaration of Martin Alfred Kottbauer.

Mr Kottbauer comments on the declaration of Dr Humborg, expressing his disagreement that the respective marks are not similar, and gives his reasons why the assertion that VITA is a common suffix in respect of food and drink is not valid or proven, inter alia, because registration does not mean the mark is in use. He gives an example where the marks may be referred to in conversation and aural confusion could arise, and that he considers the marks to be visually similar, referring to Mr Wilding's finding that consumers select these products without much deliberation.

Mr Kottbauer gives his personal view on why he considers fruit drinks and chocolate or cocoa based beverages to have identical purposes. He refers to Joanne Ling's declaration, setting out the examples she gives where a manufacturer is using the same mark in respect of confectionery and a beverage, saying that this shows that consumers are used to seeing the same companies producing non-alcoholic beverages and confectionery and would reasonably expect brand extension from fruit drinks to the goods covered by the application.

Mr Kottbauer denies that his company has not demonstrated that they have a reputation, saying that SOLEVITA is inherently distinctive, is the only trade mark used on the packaging and that the reputation is shown by the value of the sales. He repeats the claim to having used the mark since 28 October 1994, saying that although his company used the mark in the form SOLE VITA (rather than SOLEVITA) until some time in 1998, this does not have any significance.

That concludes my review of the evidence insofar as it is relevant to these proceedings.

## Decision

Prior to the hearing Mr Campbell stated that the ground under Section 3(3) was not being pursued. With this in mind I turn first to the ground founded under Section 5(2)(b) of the Act. That section reads as follows:

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

**(b)** it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

The term **earlier trade mark** is itself defined in Section 6 as follows:

**6 (1)** In this Act an earlier trade mark means -

**(a)** a registered trade mark, international trade mark (United Kingdom) 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,

I look to the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 2, *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] 45 F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723. It is clear from these 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; 15 (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;

5 (g) mere association, in the sense that the later mark brings the earlier mark to 30 mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*, paragraph 26;

10 (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;

15 (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.

20 Turning first to the respective goods. The opponents rely on one registration which in essence covers non-alcoholic drinks and preparations for making such drinks, whereas the application is in respect of confectionery. In deciding whether the respective goods are similar I look to the guidance of Jacob J. in *British Sugar Plc v James Robertson & Sons Ltd* (1996) RPC 281 and to the judgement of the European Court of Justice in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C- 39/97 case. With these cases in mind I propose to consider the question of similarity by a consideration of the following factors:

- 25
- (a) The nature of the goods or services;
  - (b) The end-users of the goods or services;
  - 30 (c) The way in which the goods or services are used
  - (d) Whether the respective goods or services are competitive or complementary. This may take into account how those in trade classify goods and the trade channels through which the goods or services reach the market;
  - 35 (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
  - 40 (f) In determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account.

45 The opponents have two strands to their arguments. The first is that they say that have a reputation for fruit drinks, etc, and because the application covers fruit flavoured sweets there would be confusion in the minds of the public who would expect the two to have originated

from a single source, presumably because of the connection with fruit. It seems to me that this is primarily an argument based on brand extension, a concept to which the opponents have directed part of their evidence which shows that manufacturers of confectionery, almost exclusively chocolate, use the identical mark on a chocolate, and a chocolate based beverage. However, apart from Lucozade having been used in relation to a glucose drink and an energy sweet there is nothing to establish that it is customary for manufacturers of fruit drinks to also produce fruit sweets, or vice versa. These goods are very different in nature and purpose, and although they are sold in the same establishment, they are located in quite different areas. Consequently I see no reason to consider fruit sweets and fruit drinks to be similar.

Their second line of argument is that the application also covers drinks and that these are similar to the beverages in their registration. The application includes the term “chocolate” (specifically and in the term confectionery), which from exhibit MAK5 clearly encompasses chocolate based drinks, so insofar as both cover beverages the opponent’s argument has some merit. That said, a chocolate based beverage is quite different in nature to a fruit juice or drink. I see no reason why the end users should not be the same, and that both are beverages must mean that they are similar in their uses. I am not sure how far they could be said to be complementary or in competition, I have only my own experience to go on and I can say that I do not recall having taken a chocolate drink as an alternative to fruit juice or a fruit drink but I attach no weight to this.

There is no evidence of how the trade classifies such goods and although there the opponents have provided examples where a brand name established on confectionery (or a drink) has been used in respect a drink (or confectionery), the evidence shows this to be almost exclusively from a chocolate bar to chocolate based drink. The Boots Shapers example shows use of a mark to denote a range of foodstuffs that are suitable for persons watching their diet rather than as a brand name that has been established on one product being used on different products.

These are inexpensive drinks that through his observations Mr Wilding is in a position to say are selected with little time spent in deliberation. This may well be the case, but as said above, the assessment is based on a consumer who is “*deemed to be reasonably well informed and reasonably circumspect and observant*”. The apparent lack of time in making a choice could well be down to the consumer knowing what they want, or that they are assisted in the selection by the fact that, as shown in exhibit RCW1, such beverages are displayed in the same chilled cabinets although I do not consider the exhibit to be conclusive in showing the manner in which the drinks are usually positioned within stores. Chiller cabinets contain drinks which need to be kept at a low temperature to maintain freshness, or that are cooled for immediate consumption and it cannot be totally unexpected to find different types of drinks stored together. The photographs show milk and milk based drinks, water, fruit juice, carbonated beverages all displayed alongside each other, and also yogurts, sandwiches, etc. However, not all drinks need to be kept chilled and accepting that some of the photographs show shelves in small retail outlets where space constraints may govern how goods are displayed, what the exhibit does not show is how these are usually displayed in the larger stores.

If, as the opponents say, the respective goods are usually displayed together, this creates that rare opportunity for a potential purchaser to make direct comparisons between marks rather

than having to rely upon an imperfect picture kept in the mind, and could be said to lessen the likelihood of confusion. But it could equally be said to create the circumstance where a consumer in a rush, expecting the drink they know to be in the chiller cabinet, may select one in mistake for the other, although I treat this approach with caution for it is clear that the consideration should be based upon an informed and circumspect purchaser. My experience is, and this is supported by exhibit RCW1, that a trader will use the same mark on variants of the same item, for example, flavours, ordinary, low calorie, caffeine free, etc, which in my view will make the selection a more deliberate act.

The applicants say that the opponents only sell their fruit juices in their own shops which would seem to indicate that the consumer has not, and presumably is unlikely to see the drinks displayed side by side and may not expect to encounter them outside of the opponent's premises. That may well be so, but there is nothing to say that the opponents only sell their own goods and as the registration is not limited in any way it would, at least notionally, cover trade in the same markets as the applicants.

Turning to the respective marks. A very relevant consideration is the manner in which the consumer will encounter and select the goods. In most instances the goods at issue are put on display, be it in a chiller cabinet or on a shelf, and are available for self selection by the purchaser, and I take the view that it is the visual similarity of the marks that will be of primary importance. At the hearing Mr Campbell took the same position. There may be instances where a shop assistant may be asked where the products are located so aural similarity cannot be ignored. Apart from the fact that both are invented words sharing a common suffix, I do not see that there is much in the way of conceptual similarity.

As far as I am aware, and there is no evidence to prove otherwise, SOLEVITA and SALVITA are invented words and distinctive trade marks. In an exhibit consisting of details of trade mark registrations the applicants sought to show that VITA is in common use within the trade, but registration does not prove that the marks are actually in use. The most that can be said is that the number cited indicates the attractiveness of the element to the trade, but the reason for this has not been explained.

What is clear is that marks must be compared as a whole, although in any comparison it is inevitable that reference will be made to the distinctiveness and dominance of individual elements. In this case I do not consider that any element in either mark could be said to be any more distinctive or dominant than another. Although it is not usual for a consumer to be able to view the marks together, it has been put forward that it will happen here, but I accept this may not always be the case. When placed side by side the similarities and differences in appearance between SOLEVITA and SALVITA are plain to see. Both begin with the letter S, have the letter L as the third letter and terminate with the suffix VITA. They differ in respect of the second and fourth letters, which being at the beginning (generally accepted to be of most importance) has a more significant impact on their similarity than at the termination of a word. They are also not particularly long words, and in such cases small differences can have a disproportionate effect on similarity.

That the opponent's mark has three syllables compared to the applicant's two could effect their aural similarity, but words are not usually pronounced with regard to every letter or

syllable. Given that SOLE is a well known word in its own right where the terminal letter E is not pronounced, it seems to me that the mark will be spoken as if it is composed of two syllables, most likely as SOUL-VITA but also possibly as SOLL-VITA.

5 The opponents lay claim to use dating from 28 October 1994, which at best gives them some  
3 years of use to the relevant date. However, they are only able to substantiate use from  
December 1995, and then only in respect of quality control certificates (exhibit MAK2) which  
refer to the mark separated into two elements: SOLE VITA or SoleVita. The only evidence  
10 showing use of the mark in trade is a small number of advertisements (exhibit MAK3), the  
earliest dating from June 1997, at best some 4 months prior to the relevant date. All of the  
advertisements dated earlier than the relevant date, and most of those from after also show the  
mark being used as two separate elements, SOLE VITA. Both exhibits show use of the mark  
in respect of a range of fruit drinks, fruit juices and fruit nectars.

15 Turnover and volume sales in respect of goods sold under the mark have been significant, and  
although this does not necessarily mean that they have established a reputation, they are of a  
sufficient scale for it to be reasonable to infer that this is in fact the case. That the opponents  
appear to have used their mark in a different form to which it is registered may have some  
20 impact on the degree of recognition of the mark in the form in which it is registered, but as  
this is no more than a separation of the elements I would not think it likely to be that  
significant. There is the fact that they have only sold goods under the mark in their own shops  
which may also have some effect on the extent of their reputation. The public will only have  
come into contact with the mark in this environment which may have created an expectation  
that this is the only place that they are available.

25 Whilst there are parallels, there are many, albeit small circumstances and differences that I  
consider to have a cumulative effect, and adopting the “global” view advocated, I come to the  
position that whilst the applicant’s mark may call to mind the opponent’s mark, there is no  
real likelihood of confusion, and consequently, the ground under Section 5(2)(b) fails.

30 Turning to the ground under Section 5(3). That section reads as follows:

**5(3)** A trade mark which -

- 35 (a) is identical with or similar to an earlier trade mark, and
- (b) is to be registered for goods or services which are not similar to those  
for which the earlier trade mark is protected,
- 40 shall not be registered if, or to the extent that, the earlier trade mark has a  
reputation in the United Kingdom (or, in the case of a Community trade mark,  
in the European Community) and the use of the later mark without due cause  
would take unfair advantage of, or be detrimental to, the distinctive character  
or the repute of the earlier trade mark.”

45 The opponent’s registrations cited in the notice of opposition is an earlier trade mark within  
the meaning of Section 6(1) of the Act set out earlier.

At the hearing Mr Campbell referred me to the DaimlerChrysler AG v Alavi (t/a Merc) case (2001 All ER (D) 189 (Jan) case in which Pumfrey J considered the considerations under Section 5(3) as a series of questions;

5 *Does the proprietor's mark have a reputation?*

The answer is yes, but whilst I have accepted that the opponents are likely to have established a reputation, because there is no evidence that they have used the mark in the form in which it is registered (prior to the relevant date), and then only in trade within their own retail outlets  
10 (with no suggestion that this is to change), there is some uncertainty with regard to the extent of this reputation.

and if so:

15 *Is the defendant's sign sufficiently similar to it that the public are either deceived into belief that the goods are associated with the proprietor so that the sign takes unfair advantage of the mark, or alternatively cause detriment in their minds to either (a) the repute or (b) the distinctive character of the mark, or even if they are not confused, does the use of the sign nonetheless have this effect?*

20 Apart from the registrations which incorporate the element VITA which cannot be taken to be representative of the market, there is nothing which gives an insight into its uniqueness or otherwise of the opponent's mark in the trade. Consequently I am unable to take a view on whether, or to what extent the distinctiveness of the opponents mark may be affected by  
25 registration of the application and I therefore consider it appropriate to adopt a neutral view on this. Whilst there are undoubtedly similarities in the respective marks, there are equally differences. which I would say make it possible that a consumer familiar with the opponent's mark, on seeing the applicant's mark may call to mind the mark they already know, but I do not consider the similarities to be such that they will believe that they are seeing the same  
30 mark or goods from that source. In Inlima S.L's application (2000 RPC 661) Mr Simon Thorley QC, sitting as the Appointed Person, said:

35 "The word "similar" is a relative term. One has to ask the question "similar for what purpose". The question of similarity accordingly can only be answered within the context of a particular set of facts, once one has identified both the facts and the purpose for which similarity is required. In the case of section 5(3), the purpose of requiring similarity is so that the possibility of detriment or unfair advantage might arise. In any particular case, a conclusion as to whether it does arise must depend not only upon the degree of similarity but on all the other factors of the case, not least, the  
40 extent of the reputation.

I therefore conclude that the same global appreciation as is required for confusion under section 5(2) is likewise to be applied to the changed circumstances of section  
45 5(3).

Adopting this composite approach advocated, the conclusions that I have set out above naturally lead me to the view that there is no advantage for the applicants to derive. As far as

detriment is concerned, Mr Campbell suggested that this would subsist in a reduction in the distinctiveness of the opponent's mark. I do not consider that registration of the applicant's mark could have an impact in this respect, be it to the distinctiveness of the mark or the reputation it enjoys. The final consideration by Pumfrey J asked the question whether the use complained of nonetheless with due cause?, which given my earlier findings I do not need to answer. Taking all factors into account I find that the ground under section 5(3) is not established and is dismissed accordingly.

Turning to the ground under Section 5(4)(a). That section reads as follows:

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

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

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.

No reference is made to any rule of law other than the law of passing off. Mr Hobbs QC set out a summary of the elements of an action for passing off in WILD CHILD Trade Mark 1998 RPC 455. The necessary elements are said to be as follows:

(a) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(b) 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

(c) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

I have accepted that the opponents have established a reputation, albeit an uncertain one, and I would not dispute that they have goodwill, in respect of fruit juices, fruit drinks and fruit nectars. The respective fields of activity are only associated insofar as both, at least notionally, could use their marks in respect of a beverage, but it is far from certain that they would be considered as being in the same market sectors. The evidence does show confectionery companies also trade in beverages, but primarily chocolate to chocolate beverages. The marks do have some similarities, but not to the extent that I would say that the applicants have adopted a mark which will lead the public to believe that their goods are those of the opponents, and consequently, do not see how the opponent's are likely to suffer damage. The ground under Section 5(4)(a) fails accordingly.

Finally, looking at the ground of opposition under Section 3(6). The objection also mentions Section 32(3), but in my view that section does no more than set out a requirement in respect of an application to register a trade mark. The prescribed application form contains a

statement in accordance with Section 32(3) and which has been signed by the applicant. Any allegation that this statement was made in bad faith falls to be considered under Section 3(6) of the Act. I do not consider therefore that Section 32(3) provides a ground of opposition in this case, or any other case, and is dismissed accordingly.

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With that in mind I turn to consider the ground under Section 3(6) which the opponent's base on the assertion that the applicant does not, and never has had a bona fide intention of using the mark in relation to all of the goods applied for. Section 3(6) is as follows:

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**3(6)** A trade mark shall not be registered if or to the extent that the application is made in bad faith.

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It is a requirement of Section 32(3) of the Act that an application states that the trade mark is being used, either by the applicant or with his consent, in relation to those goods or services, or that he has a bona fide intention that it should be so used. That section does not require that an applicant be using the trade mark in relation to all, or indeed any of the goods or services for which they seek registration, either at the time the application is made or at any time in the future, only that there is a bona fide intention that it will be so used.

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Distinct from an application for revocation (based on the non-use) where it can be established through evidence that the mark has either been used or not used in respect of all or some of the goods/services for which it is registered, the past actions of the trade mark applicant can at best give an indication of the extent to which they may use a mark not yet registered in the future. Trading conditions are fluid and companies develop or identify new products and market opportunities making history an unreliable basis on which to say that they will not develop use the mark in the future. If through evidence it can be established that an application covers goods/services which the applicant knows the trade mark will never be used in connection with, there is every likelihood that they would be found to have acted in bad faith in making the application. There is no such evidence before me and consequently the ground founded under Section 3(6) fails.

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The opposition having failed on all grounds I order the opponents to pay the applicants the sum of £635 as a contribution towards their costs. This sum 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 9<sup>th</sup> day of August 2001**

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**Mike Foley  
for the Registrar  
The Comptroller General**

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