

O-107-14

TRADE MARKS ACT 1994

In the matter of application no 2635825

by Olumolawa Olusi

to register the trade mark:

Visamalt

and the opposition thereto

under no 104417

by Royal Unibrew A/S

1) On 22 September 2012 Olumolawa Olusi applied to register the trade mark Visamalt. The application for registration was published for opposition purposes on 26 October 2012 for *non alcoholic malt drinks*; these goods are in class 32 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) Royal Unibrew A/S, hereinafter Royal, filed a notice of opposition to the registration of the trade mark of Mr Olusi. Its grounds of opposition are made under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (the Act). In relation to these grounds of opposition, Royal relies upon five earlier trade mark registrations. All of the trade marks had been registered or protected for more than five years at the date of the publication of Mr Olusi's application. Consequently, as per Section 6(A) of the Act they are subject to proof of use. Mr Olusi only requested proof of use in respect of three of the registrations. Owing to the findings in this decision, it is only necessary to consider one of the trade marks of Royal; a trade mark in relation to which Mr Olusi has not requested proof of use, Community registration no 1610997 for the trade mark VITAMALT. The trade mark was applied for on 14 April 2000 and the registration procedure was completed on 4 October 2004. It is registered for goods in classes 5 and 32 and Royal states that it had been used in the five year period up to the date of the publication of Mr Olusi's trade mark for all of the goods of the registration. It is only necessary to consider the class 32 goods of the registration, namely: *non-alcoholic drinks and preparations for making drinks, all included in class 32 and containing malt extract and/or malt flavouring*. Owing to the findings in this decision, it is only necessary to consider the ground of opposition under section 5(2)(b) of the Act.

3) Section 5(2)(b) of the Act states:

“(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.”

4) Royal claims that its VITAMALT product was first launched in the United Kingdom in 1996 and is one of the country's leading brands of malt beverage and has an extensive reputation. It claims that the goods of the application are identical to those for which it has protection.

5) Mr Olusi filed an extensive counterstatement in which the grounds of opposition are denied. The submissions made in the counterstatement will be

dealt with at the appropriate points in the decision. Mr Olusi admits that the respective goods are identical.

6) Royal filed evidence and written submissions. Part of the evidence contains witness statements from a Mr Husain and a Mr Abbott. Messrs Husain and Abbott give their opinions as to the reputation that Royal enjoys and the likelihood of confusion. These are jury questions, for the decision maker to make. No cognisance is taken of the evidence of Messrs Husain and Abbott. (It is also noted that the key parts of the witness statements, re reputation and confusion, are written in the same words and so it appears that they have adopted the view of somebody who has drawn up the witness statements rather than given their own views; see *Re Christiansen's TM* [1885] 3 RPC 54 at 60.)

7) The other witness statement on behalf of Royal has been written by Chresten Christensen. Mr Christensen is the export director of Royal.

8) Mr Christensen states that Royal has been the dominant supplier of malt drinks in the United Kingdom for many years. He states that the key brand is Supermalt with a market share of 80%. He refers to other brands, VITAMALT and Power Malt. The issues engaged in this decision relate to the trade marks upon which Royal relies, not Supermalt or Power Malt. Mr Christensen states that Royal has a market share of 85% of all malt drinks in the United Kingdom; which means that between them VITAMALT and Power Malt have 5% of the market. He states that three types of VITAMALT beverage have been sold; VITAMALT, VITAMALT GINGER and VITAMALT used in combination with the brand G-POWER for an energy drink. Mr Christensen states that from 1996 to 2007 approximately 150,000 bottles have been sold each year. Exhibit CC3 contains details of sales of the various VITAMALT products in the United Kingdom from 2008 to 2012. The turnover was as follows:

2008	£31,843
2009	£481,793
2010	£69,315
2011	£16,737
2012	£9,934

The number of bottles sold in these years, as per exhibit CC3, was:

2008	93,312
2009	1,226,784
2010	185,712
2011	34,512
2012	20,736

9) As can be seen, there was a spike in 2009 but since then the sales figures have fallen off at a very sharp rate.

10) Mr Christensen states that VITAMALT products are sold mainly in the London and Birmingham areas, as well as in the West Midlands and South Wales. He states that Royal does not advertise the VITAMALT brand in the United Kingdom directly but that point-of-sale signs are produced by Royal

11) On Mr Christensen's own evidence VITAMALT and Power Malt only share 5% of the malt beverage market. It cannot be ascertained what the market share is for VITAMALT on its own. Since the spike of 2009 the sales of the product have fallen off rapidly; the material date for these proceedings is 22 September 2012. Mr Christensen states that the distribution of the product is not generally throughout the United Kingdom and that there has been no direct advertising. Taking all these factors into account, if the section 5(3) of the Act objection were to be considered, it would fail as the evidence does not establish the requisite reputation. The evidence supplied cannot, either, support a claim that the trade mark(s) have increased distinctiveness owing to the use made of it/them. The evidence does show use of the trade mark in the United Kingdom for non-alcoholic malt beverages. However, as there was no request for proof of use in relation to two of the registrations, both for the trade mark VITAMALT, the filing of evidence in relation to this was otiose.

12) Overall, the evidence filed by Royal is without effect and has served no purpose in supporting its case. Consequently, no costs will be awarded in relation to the evidence of Royal.

Average consumer and the purchasing process

13) The average consumer "is deemed to be reasonably well informed and reasonably circumspect and observant". In *New Look Ltd v Office for the Harmonization in the Internal Market (Trade Marks and Designs)* Joined Cases T-117/03 to T-119/03 and T-171/03 the General Court (GC) stated:

"49 However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (BUDMEN, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other

hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs.”

14) The products under consideration are non-alcoholic malt drinks. The average consumer is the public at large. They are products that could readily be bought on impulse and are likely to be of low cost. A careful and educated purchasing decision will not be involved. Consequently, the effect of imperfect recollection will be increased.

15) Primarily the goods will be bought from displays and will be self-service items; consequently, visual similarity will be of greater importance than aural similarity.

Similarity of goods

16) Mr Olusi accepts that the respective goods are identical.

Similarity of trade marks

17) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various detailsⁱⁱ. 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 componentsⁱⁱⁱ; in relation to this the Court of Justice of the European Union (CJEU) in *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* Case C-342/97 stated:

“27. In order to assess the degree of similarity between the marks concerned, the national court must determine the degree of visual, aural or conceptual similarity between them and, where appropriate, evaluate the importance to be attached to those different elements, taking account of the category of goods or services in question and the circumstances in which they are marketed.”

There cannot be an artificial dissection of the trade marks, although it is necessary to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he/she has kept in his/her mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant^{iv}. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public^v.

18) The trade marks to be compared are VITAMALT and Visamalt. Nothing turns upon the fact that one is in upper case and the other is a capitalised word.

19) Owing to the nature of the products, being malt based beverages, the respective trade marks fall into two components; the second one of each trade mark being the word malt. Taking into account the descriptive nature of malt, the dominant and distinctive component of each trade mark is the first component ie vita and visa.

20) Mr Olusi submits that in the comparison of the respective trade marks “the word ‘malt’ is entirely descriptive of the nature of the respective goods and should therefore be disregarded in the comparison”. This is directly contrary to the jurisprudence. The trade marks must be compared in their entirety. In their entirety the respective trade marks differ solely in relation to one letter out of eight, the third letter. There is clearly a great deal of visual similarity between the respective trade marks.

21) Mr Olusi argues that phonetically the visa and vita elements of the trade marks are very different. He submits that the vita element will be pronounced as in vitality. Mr Olusi refers to various web addresses in relation to this. However, no evidence is adduced in relation to this. It is not possible to be prescriptive as to how the first vowel in vita will be pronounced. The first vowel can be pronounced as in eat; as with the author Vita Sackville-West. Consequently, the first vowel in the respective trade marks can be pronounced in the same manner. In this case the sole difference aurally between the trade marks in their entirety is the second consonant. Consequently, there is a good deal of aural similarity between the respective trade marks.

22) Mr Olusi submits that vita is a dictionary word meaning life. There are a vast number of words in dictionaries which the average consumer does not know. There is nothing to suggest that the word vita is commonly used in the United Kingdom or is known to the average consumer. Visa clearly has a meaning that will be known to the average consumer. However, in comparing trade marks, one is looking at the perception of the average consumer and what is important is sense rather than meaning. For visa to have the sense of the word, it would be necessary for the average consumer to “unpack” the trade mark of Mr Olusi; for the sense of the word visa to be brought to the mind of the average consumer of a malt beverage; rather than seeing an invented whole. In the context of the trade mark as a whole it is doubtful that the average consumer will grasp the sense of visa (as per *Phillips-Van Heusen Corp v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-292/01).

23) The respective trade marks, in their entirety, are visually and aurally highly similar. Even if there is conceptual dissimilarity, as advanced by Mr Olusi, this conceptual dissimilarity is not going to counter these similarities. The respective trade marks have, overall, a high degree of similarity.

Likelihood of confusion

24) It is necessary to consider the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa^{vi}. In this case the respective goods are identical. The GC in *Aldi GmbH & Co KG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-505/11 stated:

“91 In addition, the Opposition Division considered that the goods at issue were identical, as was recalled in the contested decision, without the Board of Appeal’s taking a final decision in that regard (see paragraph 40 et seq. above). That implies, in accordance with the case-law cited at paragraph 23 of the present judgment, that, if there is to be no likelihood of confusion, the degree of difference between the marks at issue must be high (see, to that effect, judgment of 29 January 2013 in Case T-283/11 *Fon Wireless v OHIM – nfon (nfon)*, not published in the ECR, paragraph 69).”^{vii}

Owing to the nature of the earlier trade mark, this is not a case where the considerations in *Meda Pharma GmbH & Co KG c Office de l’harmonisation dans le marché intérieur (marques, dessins et modèles) (OHMI) les affaires jointes T-492/09 et T-147/10* come into play; ie the trade mark of Royal does not have a very limited degree of distinctiveness^{viii} (see below).

25) It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark the greater the likelihood of confusion^{ix}. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public^x. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods from the goods or services of other undertakings^{xi}. The malt element of the earlier trade mark is descriptive of the goods, however, *vita* is neither descriptive nor allusive in relation to the goods. Mr Olusi submits that *vita* is commonly used in relation to health products. However, there is no evidence to this effect and the class 32 goods for which the earlier trade mark is registered are not per se health products. The earlier trade mark in its entirety, as an invented word, has a reasonable degree of inherent distinctiveness.

26) Mr Olusi prays in aid the existence on the Community trade mark register and the United Kingdom register of the trade mark *Vita-malz*. He submits that this trade mark is more similar than his but co-exists on the register with those of *Royal*. Whether *Vita-malz* is more similar to the trade mark of *Royal* than that of

Mr Olusi is not pertinent to this decision. This tribunal is seised with the likelihood of confusion between the trade mark of Mr Olusi and those of Royal.

27) Taking into account the high degree of visual and aural similarity between the trade marks, the identity of the goods and the nature of the purchasing decision; there is a likelihood of confusion and the application for registration is to be refused.

Costs

28) Royal having been successful is entitled to a contribution towards its costs. As per paragraph 12 above, no costs are to be awarded in respect of the evidence filed by Royal.

Opposition fee	£200
Preparing a statement and considering the statement of Mr Olusi:	£400
Written submissions:	£300
Total:	£900

Olumolawa Olusi is ordered to pay Royal Unibrew A/S the sum of £900. 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 6th day March 2014

**David Landau
For the Registrar
the Comptroller-General**

ⁱ *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* Case C-342/97.

ⁱⁱ *Sabel BV v Puma AG* Case C-251/95.

ⁱⁱⁱ *Sabel BV v Puma AG* Case C-251/95.

^{iv} *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* Case C-342/97.

^v *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02.

^{vi} *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

^{vii} In *Fon Wireless Ltd c Office de l'harmonisation dans le marché intérieur (marques, dessins et modèles) (OHMI)* l'affaire T-283/11 the GC stated :

« 67 Il convient de rappeler que le risque de confusion doit être apprécié globalement, selon la perception que le public pertinent a des signes et des produits ou des services en cause, et en tenant compte de tous les facteurs pertinents en l'espèce, notamment de l'interdépendance entre la similitude des signes et celle des produits ou des services désignés (voir arrêt *GIORGIO BEVERLY HILLS*, précité, points 30 à 33, et la jurisprudence citée). Ainsi, un faible degré de similitude entre les produits ou les services désignés peut être compensé par un degré élevé de similitude entre les marques, et inversement [arrêt de la Cour du 29 septembre 1998, *Canon*, C-39/97, Rec. p. I-5507, point 17, et arrêt *VENADO* avec cadre e.a., précité, point 74]. »

68 En l'espèce, comme indiqué au point 39 ci-dessus, il y a lieu de confirmer le constat de la chambre de recours selon lequel les produits et les services désignés par les marques antérieures et par la marque demandée sont hautement similaires s'agissant des produits relevant de la classe 9, et identiques s'agissant des services relevant de la classe 38.

69 Ce constat implique, conformément à la jurisprudence citée au point 67 ci-dessus, que le degré de différence entre les marques en conflit doit être élevé pour éviter un risque de confusion. Or, ainsi qu'il ressort du point 62 ci-dessus, il existe un degré de similitude visuelle et phonétique élevé et un certain degré de similitude conceptuelle entre les marques en conflit. »

^{viii} «50 La requérante soutient que, en cas d'identité de produits, il est nécessaire, pour exclure tout risque de confusion, que les signes présentent une plus grande différence que dans une situation où l'écart entre les produits est important. Or, dans les circonstances de l'espèce où l'identité des produits n'est pas contestée, la chambre de recours aurait dû conclure au risque de confusion, à l'instar de ce qui a été considéré dans la décision R 734/2008-1 de la première chambre de recours de l'OHMI, du 14 septembre 2009 (*Alleris et Allernil*). Selon la requérante, plusieurs décisions de l'OHMI démontrent que les décisions attaquées s'écartent de la pratique décisionnelle de l'OHMI, ce qui viole les principes d'égalité et de non-discrimination.

51 Il ressort de la jurisprudence que l'OHMI est tenu d'exercer ses compétences en conformité avec les principes généraux du droit de l'Union. Si, eu égard aux principes d'égalité de traitement et de bonne administration, l'OHMI doit prendre en considération les décisions déjà prises sur des demandes similaires et s'interroger avec une attention particulière sur le point de savoir s'il y a lieu ou non de décider dans le même sens, l'application de ces principes doit toutefois être conciliée avec le respect du principe de légalité. Au demeurant, pour des raisons de sécurité juridique et, précisément, de bonne administration, l'examen de toute demande d'enregistrement doit être strict et complet afin d'éviter que des marques ne soient enregistrées de manière indue. C'est ainsi qu'un tel examen doit avoir lieu dans chaque cas concret. En effet, l'enregistrement d'un signe en tant que marque dépend de critères spécifiques, applicables dans le cadre des circonstances factuelles du cas d'espèce, destinés à vérifier si le signe en cause ne relève pas d'un motif de refus [voir, en ce sens, arrêt de la Cour du 10 mars 2011, *Agencja Wydawnicza Technopol/OHMI*, C-51/10 P, non encore publié au Recueil, points 73 à 77, et la jurisprudence citée, et arrêt du Tribunal du 22 novembre 2011, *LG Electronics/OHMI (DIRECT DRIVE)*, T-561/10, non publié au Recueil, point 31).

52 Or il apparaît que, dans la présente affaire, la chambre de recours a correctement pris en compte les circonstances de l'espèce. À cet égard, elle a, à juste titre, constaté l'identité des produits concernés en l'espèce, elle a aussi retenu une similitude très faible des signes en cause sur les plans phonétique et visuel et une impossibilité de comparaison de ces mêmes signes sur le plan conceptuel, comme il ressort des points 40, 41 et 46 ci-dessus. Dès lors, comme le soutient à juste titre l'OHMI, l'identité entre les produits désignés est compensée par un très faible degré de similitude entre les signes en cause et la chambre de recours a pu conclure à bon

droit à l'absence de tout risque de confusion, d'autant que le degré d'attention du public est accru et qu'il n'est pas démontré que la marque antérieure présente un caractère distinctif élevé.”

^{ix} *Sabel BV v Puma AG* Case C-251/95.

^x *Rewe Zentral AG v OHIM (LITE)* Case T-79/00.

^{xi} *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97.