

O-567-15

IN THE MATTER OF THE TRADE MARKS ACT 1994

IN THE MATTER OF UK TRADE MARK 3052887

IN THE NAME OF MAGNUM PACKAGING (NE) LIMITED

AND IN THE MATTER OF AN APPLICATION FOR A DECLARATION OF INVALIDITY THEREOF
UNDER NUMBER 500652

IN THE NAME OF ASTROCROFT LIMITED

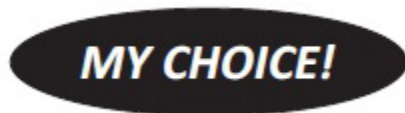
AND IN THE MATTER OF AN APPEAL FROM THE DECISION OF
MR C J BOWEN DATED 21 MAY 2015

DECISION

1. This is an appeal from a decision of Mr C J Bowen, the Hearing Officer for the Registrar, in an application by Astrocroft Limited (“Astrocroft”) for a declaration of invalidity of a mark belonging to Magnum Packaging (NE) Limited (“Magnum”). Mr Bowen decided that the application succeeded and that Magnum’s mark was wholly invalid. Magnum appeals.

Background

2. Magnum applied for its trade mark No. 3052887 on 25 April 2014 and it was registered on 8 August 2014. The mark is set out below:



3. It was registered for

Class 8: Disposable tableware [cutlery] made of plastics.

Class 16: Bags (garbage -) of paper or of plastics; bags made of plastics for packaging; bags of plastics for lining refuse bins; carrier bags; dustbin bags;

O-567-15

dustbin liner bags of plastic; film (plastic cling -) extensible, for palletization; greaseproof paper; paper bags; plastic bin liners; plastic cling film, extensible, for palletization; carrier bags; films for wrapping foodstuffs; paper; paper bags; paper bags for packaging; paper for wrapping and packaging; plastic bags for packaging; wrapping paper; carrier bags; films for wrapping foodstuffs; paper; paper bags; paper bags for packaging; paper for wrapping and packaging; plastic bags for packaging; wrapping paper.

Class 21: Containers for household or kitchen use; cups; cups of paper or plastic; drinking cups; foil food containers; gloves for household purposes; household or kitchen utensils and containers; foil food containers.

4. On 16 October 2014, Astrocroft filed an application for invalidity, pursuant to sections 47(2)(a) and 5(2)(b), in the light of its earlier UK trade mark No. 2572304. Astrocroft's mark was filed in February 2011, and registered in November 2011. It is as follows:



The mark is shown on the Register with the word 'my' and the tick in purple, although no colour is claimed specifically in the registration.

5. Astrocroft's mark is registered for a wide range of goods; it relied upon the following selection of goods for the purposes of the application:

Class 8: Hand tools and implements (hand-operated); cutlery; side arms; razors.

Class 16: Paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks.

Class 21: Household or kitchen utensils and containers (not of precious metal or coated therewith); combs and sponges; brushes (except paint brushes); brush-

O-567-15

making materials; articles for cleaning purposes; steel wool; un-worked or semi-worked glass (except glass used in building); glassware, porcelain and earthenware not included in other classes.

6. Astrocroft claimed that Magnum's mark was similar to its mark, and that the goods in its specification were identical to those it relied upon, which would lead to a likelihood of confusion. Magnum denied this in its Counterstatement, in which it emphasised the differences between the marks and pointed to the existence of other "My Choice" marks on the Register. It took no point about the alleged identity of the parties' respective goods. Neither party filed evidence or requested a hearing. Astrocroft filed written submissions and the Hearing Officer decided the matter on the papers.
7. The main findings of the Hearing Officer so far as relevant to the appeal may be summarised as follows:
 - a. The Hearing Officer decided that the average consumer for the goods would be a member of the general public, and would be likely to select the goods off the shelf or on-line, so that visual considerations would dominate the selection process. However, the average consumer for cling films "for palletization" would be a business, such as a transport business, who would pay a higher level of attention to the purchase.
 - b. He noted Magnum's lack of response to the allegation that its goods were identical to those relied on by Astrocroft but went on to consider the merits of that claim. He found (i) identity of the Class 8 goods, (ii) a significant degree of identity of the Class 16 goods and similarity of the remainder; and (iii) identity of the Class 21 goods, save for 'gloves for household purposes' which he decided were similar to Astrocroft's 'articles for cleaning purposes.'
 - c. He found that Magnum's mark was dominated by the words 'My Choice,' as the exclamation mark was commonplace and had lower relative weight in the whole impression created by the Mark, and the oval background was "entirely banal".

O-567-15

- d. Equally, although Astrocroft's mark had a number of added factors, the Hearing Officer considered that it too was dominated by the words 'My Choice.' The Mark had an inherently low distinctive character.
 - e. There was a likelihood of direct or, at least, indirect confusion in relation to all of the goods.
 - f. The application for a declaration of invalidity therefore succeeded.
8. In its Grounds of Appeal, Magnum submitted that the Hearing Officer
- a. erred in his assessment as to the degree of care taken by the general public in relation to the goods;
 - b. made unreasonable assumptions of shared trade channels, contrary to the facts. In this regard, Magnum indicated its intention to seek permission to adduce evidence as to the parties' respective users and the trade channels in which the respective goods are sold;
 - c. erred in his assessment of the similarity of the marks (and in particular erred as to the impact of colour in Astrocroft's mark); and
 - d. erred in his conclusions as to the likelihood of confusion.
9. Magnum was represented at the hearing of the appeal by Ms Denise McFarland of counsel. Astrocroft's attorneys provided me with written submissions but did not attend the hearing.

Approach to the appeal

10. This appeal is by way of a review not a rehearing. *Reef Trade Mark* [2003] RPC 5 ("*Reef*") and *BUD Trade Mark* [2003] RPC 25 ("*BUD*") show that neither surprise at a Hearing Officer's conclusion, nor a belief that he has reached the wrong decision, suffice to justify interference in this sort of appeal. Instead, I need to be satisfied that there is a distinct and material error of principle in the decision in question or that the Hearing Officer was clearly wrong; as Robert Walker LJ (as he then was) said at [28] in *Reef*:

O-567-15

“...an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance to interfere in the absence of a distinct and material error of principle.”

11. Those principles have since been affirmed by the House of Lords in *Datec Electronics Holdings Ltd & Ors v. United Parcels Services Ltd* [2007] UKHL 23, [2007] 1 WLR 1325. Mr Daniel Alexander QC sitting as the Appointed Person in case BL O/471/11, *Petmeds*, 14 December 2011, summarised the position:

“Datec and other cases since REEF and BUD all reinforce the need for caution before overturning a finding of the tribunal below of the kind in issue in this case. Difference of view is plainly not enough and, to that extent, the applicant’s submissions are correct. However, those cases and the practice of appellate tribunals specifically to trade mark registration disputes show that the degree of caution should not be so great as to permit decisions based on genuine errors of approach to go uncorrected.”

Error as to the degree of care taken by the general public in relation to the goods

12. This Ground of Appeal was put on the basis that the Hearing Officer had erred in paragraph 9 in analysing the degree of care which the general public would exercise in choosing the goods. In particular, at the hearing it was submitted that he was wrong to refer to the cost of cutlery varying considerably, as Magnum’s registration was limited to disposable plastic cutlery which would be inexpensive. Astrocroft’s specification covered ‘cutlery’ of all kinds, so that the Hearing Officer was presumably thinking of its specification when making this point. More to the point, however, I cannot see how this can be said to have led to an error which affected the decision in any way adverse to Magnum – had the Hearing Officer simply said that disposable cutlery would be likely to be selected with a low degree of care, that would not have helped Magnum’s case on likelihood of confusion.

Error in making unreasonable assumptions of shared trade channels and application for permission to adduce evidence on the appeal

O-567-15

13. I turn to the application to adduce evidence on the appeal. The evidence consisted of a witness statement of Mr Mohammed Younis, a director of Magnum, who gave evidence that the parties had operated for a substantial period in parallel, in that they traded in different trade channels, as Magnum sells to wholesalers and Astrocroft directly to consumers. He exhibited a number of documents which included a list of some of Magnum's trade customers and said that My Choice branded packaging products had for some years been a "fairly significant part" of Magnum's multi-million pound business.

14. The principles applicable to an application to adduce fresh evidence on appeal to the Appointed Person are well established. In *Du Pont De Nemours & Company v S.T. Dupont* [2003] EWCA Civ 1368, [2004] FSR 15, [2006] 1 WLR 2793, May LJ said at [95] on "an appeal by way of review the court will not receive evidence which was not before the lower court unless it orders otherwise. There is an obligation on the parties to bring forward all the evidence on which they intend to rely before the lower court, and failure to do this does not normally result in indulgence by the appeal court." *Ladd v Marshall* (1954) 1 WLR 1489, [1954] 3 All ER 745, [1954] EWCA Civ 1 identified three considerations for admitting fresh evidence on appeal. These apply to trade mark appeals. May LJ went on in *Du Pont* to say at [103-4]:

"103 Pumfrey J in my view correctly summarised the position in paragraph 57 of his judgment [in *Wunderkind Trade Mark* [2002] R.P.C. 45], where he said:

'There is no doubt that in a trade mark appeal other factors outside the *Ladd v. Marshall* criteria may well be relevant. Thus in my judgment it is legitimate to take into account such factors as those enumerated by Laddie J in *Hunt-Wesson*, provided always that it is remembered that the factors set out in *Ladd v. Marshall* are basic to the exercise of the discretion to admit fresh evidence and that those factors have peculiar weight when considering whether or not the overriding objective is to be furthered.'

104. This passage, in my view, properly recognises that the same principles apply in trade mark appeals as in any other appeal to which Part 52 applies; but that

O-567-15

the nature of such appeals may give rise to particular application of those principles appropriate to the subject matter.”

15. As a result, whilst factors other than the *Ladd v. Marshall* requirements may be relevant to trade mark appeals, those requirements remain central to the exercise of my discretion. The three requirements are: (1) the evidence could not have been obtained with reasonable diligence for use at the hearing below, (2) the further evidence is such that, if given, it would probably have an important influence on the result of the case, though it need not be decisive, and (3) the evidence is such as is presumably to be believed.

16. The additional/overlapping considerations relevant to trade mark appeals identified in *Wunderkind* and *Hunt Wesson* are:
 1. Whether the evidence could have been filed earlier and, if so, how much earlier.
 2. If it could have been, what explanation for the late filing has been offered to explain the delay.
 3. The nature of the mark.
 4. The nature of the objections to it.
 5. The potential significance of the new evidence.
 6. Whether or not the other side will be significantly prejudiced by the admission of the evidence in a way which cannot be compensated, *e.g.* by an order for costs.
 7. The desirability of avoiding multiplicity of proceedings.
 8. The public interest in not admitting onto the register invalid marks.

17. Magnum accepts that the evidence now filed could have been made available for use below. Its only explanation is that it did not see the need for it until receipt of the Hearing Officer’s decision. The witness statement could presumably have been filed and served on Astrocroft at the same time as the appeal was lodged in June 2015 or at the least shortly afterwards. Instead, with no explanation for the additional delay,

O-567-15

it was not filed until 6 November, only one clear working day before the appeal hearing.

18. This application therefore fails the first of the *Ladd v Marshall* considerations, as well as the second consideration set out in *Hunt Wesson*.
19. The additional delay after lodging the appeal would generally prejudice the Respondent, and hamper it in responding to it effectively. In this case, however, as Ms McFarland pointed out, Astrocroft's attorneys did not assert that their client would have wished to challenge any of the factual assertions made by Mr Younis. Instead they submitted that the evidence was not relevant and so should not be admitted.
20. There is no reason to doubt the veracity of the witness statement and supporting documents. It is to that extent credible.
21. The parties disagree as to the significance of the new evidence in terms of its potential to influence the result of the appeal. Magnum submits that it shows that the parties have been trading in parallel for years with no actual confusion, suggesting that there is no real 'likelihood of confusion', whilst Astrocroft says that a number of points made in the statement are unsubstantiated by the exhibits and that the statement does not in any event reflect the breadth of the parties' respective specifications.
22. As I have said, Mr Younis's evidence alleges that the parties have been active in different trade channels. However, as he accepts in paragraph 5 of his witness statement, "differences in trade channels are not necessarily material to an assessment as to confusion." That must be right where, as here, neither specification is restricted to sale of the goods through particular trade channels. Furthermore, it seems to me that Mr Younis's evidence is inadequate to identify the trade channels through which Magnum's goods have been sold, let alone the channels through which Astrocroft's goods have been sold.

23. In many cases, evidence of some parallel trading is dismissed as non-probative because it does not show use of the marks across the whole of the relevant specification (see Laddie J in *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 at [22]). Mr Younis did not specify which of the goods in their respective specifications had been sold by the parties, nor the periods of sale. He did not give details of the scale of Magnum's sales of the relevant goods, whilst the exhibits appear to show only a limited number of sales of plastic bags of various kinds, and the few documents which are dated all go back to 2006 or 2007, with no explanation as to why that was so. Those documents therefore relate to a period some years before Astrocroft's mark was filed, and I have no evidence as to when it commenced trading under the mark. As a result, the evidence does not show that parallel sales have been made of any, let alone all of the goods in both parties' specifications. It does not provide any persuasive evidence in support of the submission that there is no likelihood of confusion across the whole of Magnum's specification.
24. In my judgment, therefore, it is not appropriate to permit Magnum to adduce this evidence on appeal, not just because it is very late and there is no proper explanation for the delay, but also because the fresh evidence is not of any real probative value. I therefore refuse the application to adduce the witness statement of Mr Younis on the appeal.
25. In the absence of any evidence about the channels of trade for the goods in issue, the Hearing Officer had to assess the likelihood of confusion on the basis of his own common general knowledge. It was suggested in Magnum's skeleton argument that the Hearing Officer had erred in assuming shared trade channels, and relied too much on his own experience in identifying the appropriate average consumer. I do not accept that the Hearing Officer made any errors in this regard. The goods in Magnum's specification are items such as plastic bags, bin liners, and containers for household or kitchen use which would be bought by most members of the public on a regular basis, and (in most cases) at a modest price. In my view, the Hearing Officer was in a position to identify the average consumer for such goods and his findings as

O-567-15

to the average consumer for such goods disclose no error (or no material error, as discussed already). Given the unchallenged findings that most of Magnum's goods are identical to goods relied on by Astrocraft, I do not accept that the Hearing Officer made any errors in the analysis in paragraphs [9] or [10] of the decision. Moreover, it seems to me that it was reasonable for him to take judicial notice of the fact that articles for cleaning purposes are likely to be found in the same aisles of the supermarket as 'gloves for household purposes.'

Erred in assessment of the similarity of the marks

26. The next point pursued on appeal¹ was that the Hearing Officer had erred in his assessment of the level of similarity of the marks. He was criticised in particular for having failed to give sufficient weight to (a) the oval badge which forms the background to Magnum's mark, (b) the exclamation mark in Magnum's mark, (c) the inclusion of the tick in Astrocraft's mark, and (d) the likelihood that consumers would refer to and think of the latter as "My-choice-co-uk" rather than as just "My-choice." It was suggested that he had artificially dissected the common elements of the marks. Magnum submitted that the Hearing Officer was wrong to conclude that the marks were conceptually identical, arguing that where there is a .co.uk suffix, that lends to the mark, when seen as a whole, a clear indication that it is to be understood and remembered as a domain name.
27. It seems to me that the Hearing Officer took all of the points identified above into account in paragraphs [25] to [27] of his decision. I am not persuaded that there is any error in the Hearing Officer's approach and I do not consider that he failed to consider the marks as a whole. His conclusion took into account all of the differences between the marks, including the impact of the addition of the suffix "co.uk" to the My Choice name, yet he concluded that there was a fairly high degree of visual and aural similarity between the marks, as well as conceptual identity. That is not a

¹ The suggestion in the Grounds of Appeal that the Hearing Officer also erred in his approach to the impact of colour was not pursued before me.

O-567-15

conclusion which could lightly be revisited on appeal, and I see no reason why I should do so in this case.

Error in the conclusions as to the likelihood of confusion

28. I do not consider that Magnum raised any grounds for challenging the Hearing Officer's conclusions as to the likelihood of confusion other than the points discussed above.
29. In all the circumstances, in my judgment the appeal must fail.
30. Astrocroft did not attend the hearing of the appeal but did provide written submissions. I will order Magnum to make a contribution to its costs of the appeal in the sum of £350, to be paid by 5 PM on 16 December, in addition to the costs awarded by the Hearing Officer.

Amanda Michaels
The Appointed Person
1 December 2015

**Ms Denise McFarland instructed by Endeavour Partnership LLP appeared for the Appellant
Written submissions were made on behalf of the Respondent by Sanderson & Co.**