

**O-602-17**

**TRADE MARKS ACT 1994  
IN THE MATTER OF  
TRADE MARK APPLICATION NO 3169814  
BY DANIEL SMITH  
TO REGISTER**



**AS A TRADE MARK IN CLASSES 32 & 33  
AND  
OPPOSITION THERETO (UNDER NO. 407557)  
BY  
MONSTER ENERGY COMPANY**

## BACKGROUND

1) On 15 June 2016, Daniel Smith ('the applicant') applied to register the mark shown on the cover page of this decision. Further to an amendment of the specification<sup>1</sup>, the goods covered by the application are as follows:

**Class 32:** Beers; Mineral, carbonated and aerated waters and juices; non-alcoholic beverages; low alcohol beers and ciders; fruit and vegetable beverages and fruit and vegetable juices; frozen carbonated, fruit and vegetable beverages; syrups, essences, powders, concentrates and other preparations for making beverages; flavoured carbonated beverages; flavoured water; water; spring water; soft drinks; smoothies; almonds (Milk of - ) [beverage]; aloe vera beverages; beers enriched with minerals; beverages enriched with added minerals and or added trace elements; Beverages (Whey -); cordials; cider, non-alcoholic; cocktails, non-alcoholic; coconut milk [beverage]; coconut water; coffee flavoured beverages; effervescing beverages; fruit-based soft drinks flavoured with tea; hop extracts for use in the preparation of beverages; Isotonic beverages; jelly drinks; liqueurs (Preparations for making -); mixes for making sorbet beverages; Sorbets [beverages]; Non-carbonated soft drinks; Nutritionally fortified beverages; Protein-enriched sports beverages; Quinine water; Rice-based beverages, other than milk substitutes; Sherbet beverages; Soya-based beverages, other than milk substitutes.

**Class 33:** Alcoholic beverages except beers; wines; whisky; alcoholic beverages, namely distilled spirits and liqueurs; alcoholic beverages containing fruit; alcoholic bitters; alcoholic cocktails; alcoholic extracts, alcoholic essences; alcoholic punches; alco-pops; aperitifs; beverages distilled -; digesters [liqueurs and spirits]; distilled beverages; fortified wines; liqueurs; liqueurs containing cream; low alcoholic drinks; Pre-mixed alcoholic beverages, other than beer-based; rice alcohol; rum; sake; schnapps; tequila; vermouth; gin; vodka; sparkling wine.

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<sup>1</sup> As per Form TM21B filed on 11 August 2017.

2) The application was published in the Trade Marks Journal on 01 July 2016 and notice of opposition was later filed by Monster Energy Company ('the opponent'). The opponent claims that the trade mark application offends under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ('the Act').

3) In support of its grounds under section 5(2)(b) of the Act, the opponent relies upon the following trade marks and goods:

Trade Mark details	Goods relied upon
<p><b>EU TM Registration No: 9584244 ('244)</b></p> <p><b>REHAB THE BEAST!</b></p> <p><b>Filing date: 09 December 2010</b></p> <p><b>Date of entry in register: 20 May 2011</b></p>	<p><b>Class 30:</b> Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages in Class 30.</p> <p><b>Class 32:</b> Beverages, namely, carbonated soft drinks; non-alcoholic carbonated and non-carbonated drinks enhanced with vitamins, minerals, nutrients, proteins, amino acids and/or herbs; energy or sports drinks; fruit juice drinks in Class 32.</p>

<p><b>EU TM Registration No: 5093174 ('174)</b></p> <p>UNLEASH THE BEAST!</p> <p><b>Filing date: 24 May 2006</b>  <b>Date of entry in register: 19 March 2007</b></p>	<p><b>Class 32:</b> Beverages.</p>
<p><b>EU TM Registration No: 10645968 ('968)</b></p> <p>UNLEASH THE BEAST WITHIN!</p> <p><b>Filing date: 15 February 2012</b>  <b>Date of entry in register: 09 October 2013</b></p>	<p><b>Class 30:</b> Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages.</p> <p><b>Class 32:</b> Non-alcoholic beverages, namely energy drinks, energy drinks flavored with tea, energy drinks flavored with juice, sports drinks, and fruit juice drinks having a content of 50% or less by volume; all of the foregoing enhanced with vitamins, minerals, nutrients, amino acids and/or herbs.</p>

<p><b>UK TM Registration No: 2589444 ('444)</b></p> <p><b>Unleash The Beast!</b></p> <p><b>www.monsterenergy.com</b></p> <p><b>Filing date:</b> 28 July 2011 <b>Date of entry in the register:</b> 28 October 2011</p>	<p><b>Class 32:</b> Non-alcoholic beverages.</p>
<p><b>EU TM Registration No: 10649184 ('184)</b></p> <p>REHAB THE BEAST! WWW.MONSTERENERGY.COM</p> <p><b>Filing date:</b> 16 February 2012 <b>Date of entry in the register:</b> 05 March 2014</p>	<p><b>Class 30:</b> Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages.</p> <p><b>Class 32:</b> Beverages, namely, carbonated soft drinks; non-alcoholic carbonated and non-carbonated drinks enhanced with vitamins, minerals, nutrients, proteins, amino acids and/or herbs; energy or sports drinks; fruit juice drinks.</p>

4) The first two trade marks in the table above are also relied upon under section 5(3) of the Act. The opponent claims that those marks have a strong reputation in respect of the goods covered by them in class 32. It is claimed that the consumer will make a link between the respective marks leading to unfair advantage to the applicant and detriment to the earlier marks' reputation and distinctive character.

5) Under section 5(4)(a) of the Act, the opponent relies upon use of the signs **REHAB THE BEAST!** and **UNLEASH THE BEAST!**, throughout the UK since 2008, in relation to 'Non-alcoholic beverages, energy drinks'. It is claimed that use of the applicant's mark in respect of the goods applied for will mislead the public into believing that its goods are provided by, endorsed, or in any other commercial way, linked to the opponent. It is said that this confusion will lead to damage to the opponent's goodwill associated with its earlier signs.

6) The trade marks relied upon by the opponent under Sections 5(2) and 5(3) are earlier marks, in accordance with section 6 of the Act. As marks '244 and '174 completed their registration procedure more than five years prior to the publication date of the contested mark, they are subject to the proof of use conditions, as per section 6A of the Act.

7) The applicant filed a counterstatement in which it requested the opponent provide proof of use of earlier marks '244 and '174. Aside from admitting that its goods in class 32 are identical to those in class 32 covered by the earlier marks, it denies all of the grounds of opposition and provides detailed submissions in support of those denials.

8) Both parties filed evidence. Neither party requested to be heard; both filed written submissions in lieu. I now make this decision on the basis of the papers before me.

### **Opponent's evidence**

9) The opponent's evidence comes from Rodney Cyril Sacks, Chairman and Chief Executive Officer of Monster Corporation and its subsidiaries. One of those subsidiaries is the opponent. Mr Sacks' evidence is voluminous. He not only provides evidence which, he says, shows use of the opponent's "BEAST marks" but also a large amount of evidence showing use of other marks which are not relied upon, such as the opponent's "Claw Icon" and its MONSTER brands. In the circumstances, I do not intend to summarise the evidence here. Rather, I will refer to it, as necessary, in the following decision, when I address the matters to which the evidence relates.

## **Applicant's evidence**

10) This comes from two individuals. Dale Campbell, the applicant's representative in these proceedings, provides evidence which is said to show that the opponent has not used its "BEAST marks" as claimed, including photographs of the opponent's drinks stocked in a Tesco supermarket which show no use of any "BEAST marks" on the cans. The evidence is thin and most of it (including the aforementioned photographs) emanates from after the relevant date. There is also evidence from the applicant, Daniel Smith, in which he explains how he came up with the contested mark and provides prints from the internet which he says shows that there are other drinks on the market containing the word "BEAST".

## **DECISION**

### **Approach**

11) Owing to the findings in this decision, and for reasons of procedural economy, I shall assume that the opponent has shown genuine use in relation to the goods relied upon for earlier marks '244 and '174 and that its marks enjoy enhanced distinctiveness. Further, it is noted that the applicant concedes that its goods in class 32 are identical to those relied upon by the opponent in the same class. Bearing this in mind, I intend to firstly assess matters on the basis of the parties' identical goods in class 32. If the opponent is unsuccessful on that basis, it can be in no stronger position as regards the applicant's goods in class 33.

12) I will begin by considering the 5(2)(b) grounds of opposition and will firstly consider the likelihood of confusion between the contested mark and the opponent's mark '174, returning to consider the other marks later.

### **Section 5(2)(b)**

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

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

(a)....

(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.”

14) The leading authorities which guide me are from the Court of Justice of the European Union ('CJEU'): *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

### **The principles**

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;



(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

## **Average consumer and the purchasing process**

15) It is necessary to determine who the average consumer is for the respective goods and the manner in which they are likely to be selected. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

16) The average consumer of the parties’ goods in class 32 is an ordinary member of the public. The opponent submits that:

“The goods are inexpensive and are purchased frequently. Therefore, the degree of attention of the relevant public is lower than average.”

I agree. I would expect the purchased to be mainly by eye from retail shelves and the like. However, I do not discount the potential for aural use of the marks.

## **Comparison of marks**

17) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

It would therefore be wrong to artificially dissect the marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

18) The marks to be compared are:

Applicant's mark	Opponent's mark
	<p data-bbox="927 1279 1337 1317">UNLEASH THE BEAST!</p>

19) The opponent's mark consists of a slogan in plain block capitals followed by an exclamation mark. There is no one element which dominates the mark. I find that the distinctiveness lies in the mark as a whole.

20) Turning to the applicant's mark, this naturally breaks down into more than one element. The first element is the image of a blue, fluffy character and bubbles ('fluffy

character’). The second is the domain name THIRSTY BEASTS.COM. The third is the strapline ‘Quenching your thirst & keeping you healthy’. The fourth is the black rectangular background. The opponent argues that the dominant and distinctive element of the mark is the word ‘BEASTS’. I disagree. Both the domain name (as a whole) and the fluffy character are distinctive and have striking visual impact. I find that those elements make a substantial contribution to the overall impression of the mark and have roughly equal weight. The strapline, although not negligible, has much less visual impact and is descriptive in nature; it has far less weight in the overall impression than the fluffy character and the domain name. As for the black background, this acts as little more than a backdrop for the other elements; it has the least weight in the overall impression.

21) Visually, the single point of coincidence lies in the common inclusion of the word ‘BEAST’ in both marks. The opponent argues that this results in a high degree of visual similarity. I disagree. This single point of visual similarity is far from sufficient, when the numerous obvious visual differences between the marks are taken into account, to conclude that the marks are highly similar to the eye. In my view, the marks are visually dissimilar overall or, at best, similar to a very low degree.

22) Aurally, the fluffy character and the strapline in the applicant’s mark are unlikely to be vocalised. The domain name may be pronounced in its entirety or, perhaps, as just the phrase ‘Thirsty Beasts’; either way, bearing in mind that it is usually the first part of a mark that will have the greatest impact on the ear, I consider there to be low degree of aural similarity between the applicant’s mark and ‘UNLEASH THE BEAST’.

23) Conceptually, the opponent’s mark is entirely self-explanatory; it will be perceived as an instruction to unleash the beast. Insofar as the applicant’s mark is concerned, the main conceptual hook for the consumer is likely to be the idea of a thirsty beast (given that the fluffy character serves to reinforce those words in the mark, the .COM merely indicates a domain name and the strapline is entirely descriptive and has little impact). I find that, whilst the concept portrayed by both marks involves the idea of a beast, the overall conceptual images are similar only to a low degree.

## Likelihood of confusion

24) I must now feed all of my earlier findings into the global assessment of the likelihood of confusion, keeping in mind the following factors: i) the interdependency principle, whereby a lesser degree of similarity between the goods may be offset by a greater similarity between the marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*); ii) the principle that the more distinctive the earlier mark is, the greater the likelihood of confusion (*Sabel BV v Puma AG*), and; iii) the factor of imperfect recollection i.e. that consumers rarely have the opportunity to compare marks side by side but must rather rely on the imperfect picture that they have kept in their mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*).

25) The respective goods are identical and I have assumed that the earlier mark has a high degree of enhanced distinctiveness. Both of these are factors weighing strongly in the opponent's favour. However, I have also found that the marks are visually dissimilar or, at best, visually similar to a very low degree. This is a particularly important factor given that the purchase is likely to be mainly a visual one. Furthermore, both the aural and conceptual similarity between the marks is also low. Taking all of these factors together, I find that, even bearing in mind that a lower than average degree of attention is likely to be paid by the average consumer, thus increasing the effects of imperfect recollection, the marks are unlikely to be mistaken for one another; there is no likelihood of direct confusion. Neither do I find that the average consumer is likely to believe that the respective goods emanate from the same or linked undertaking(s). The common element is not "so strikingly distinctive"<sup>2</sup>, the applicant's mark does not "simply add a non-distinctive element to the earlier mark"<sup>3</sup>, it does not appear to me to be "entirely logical and consistent with a brand extension"<sup>4</sup> of the opponent's mark and I cannot see any other reason why the marks may be indirectly confused.

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<sup>2</sup> *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, [16].

<sup>3</sup> *ibid*

<sup>4</sup> *ibid*

26) It must follow that that there is also no likelihood of confusion in respect of the applicant's goods in class 33 which could be no more than similar (rather than identical) to the opponent's goods.

**27) The claim under section 5(2)(b) of the Act based on earlier mark '174 is dismissed.**

#### **Other marks relied upon**

28) The other marks relied upon under section 5(2)(b) do not offer the opponent any greater prospect of success for the following reasons (again, assuming identical goods, a lower than average degree of attention and a high degree of distinctiveness of those marks):

- The additional word, 'WITHIN' in mark '968 is such that it is even less visually and aurally similar and no more conceptually similar to the applicant's mark than mark '174.
- The additional www.monsterenergy.com element in mark '444 is such that this is also less visually and aurally similar and no more conceptually similar to the applicant's mark than mark '174 (notwithstanding the common presence of '.COM').
- Mark '244 is no more aurally, visually or conceptually similar to the applicant's mark than mark '174.
- It follows that mark '184 is even less visually and aurally similar and no more conceptually similar to the applicant's mark than mark '174 (despite the common presence of '.COM').

**29) The claims under Section 5(2)(b), on the basis of those marks, are also dismissed.**

### **Section 5(3)**

30) Turning to the claims under section 5(3) of the Act, even if I were to find that earlier marks '244 and '174 both have the requisite reputation in relation to the goods relied upon as per Case C-375/97, *General Motors* [1999] ETMR 950, I do not consider that a link would be made between either of them with the applicant's mark, having regard for all relevant factors, as identified in Case C-252/07, *Intel* [2009] ETMR 13. This is because, even supposing that they both have a strong reputation and high level of distinctiveness in relation to the identical goods in play, in the minds of the general public, these factors are insufficient to outweigh the low levels of similarity between each of the marks with the applicant's mark. Further, even if I am wrong, and those factors would lead to a link, I consider that any such link would be so weak/fleeting so as to be incapable of giving rise to any of the heads of damage.

31) Furthermore, and, in any event, none of the heads of damage would be made out on the evidence before me. In terms of 'dilution'/'blurring', the opponent has not shown, and it is not obvious to me, how, in the absence of confusion, the economic behaviour of the consumer would change<sup>5</sup>. Insofar as 'unfair advantage' is concerned, the evidence does not establish that the opponent's '244 and '174 marks have any particular image that could transfer to the applicant's goods or how or why any such transfer would occur<sup>6</sup> and, insofar as 'tarnishing' is concerned, the opponent's claim is rather unclear but appears to be made on the basis that the applicant may provide inferior quality goods leading to detriment to the earlier marks reputation. This amounts to nothing more than conjecture. There is no evidence to suggest that the applicant already has a negative reputation for providing poor quality goods and there is nothing inherent in the applicant's goods that would cause any form of negative reaction.<sup>7</sup> **The claim under section 5(3) of the Act is dismissed.**

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<sup>5</sup> See Case 252/07, *Intel*, [2009] ETMR 13 [76-77]

<sup>6</sup> See Case C-487/07, *L'Oreal v Bellure* [2009] ETMR 55 [41]

<sup>7</sup> See *Cristalino* case [2015] EWCH 2760 (Ch) [89-90]; *Unite The Union v The Unite Group Plc* (BL O/219/13) [46-47]

## **Section 5(4)(a)**

32) Insofar as the claim under this ground is materially the same as that advanced under section 5(2)(b), the opponent can be in no better position here. As for the limb of the opponent's claim that is based upon it being one of the top sponsors of various sporting events such that the public will be misled into believing that the applicant's goods are 'endorsed, or in any other commercial way, linked to the opponent', I remind myself that in *Harrods Limited v Harrodian School Limited* Millet L.J. stated:

"It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant's goods or services. A belief that the plaintiff has sponsored or given financial support to the defendant will not ordinarily give the public that impression. Many sporting and artistic events are sponsored by commercial organisations which require their name to be associated with the event, but members of the public are well aware that the sponsors have no control over and are not responsible for the organisation of the event. Local teams are often sponsored in similar fashion by local firms, but their supporters are well aware that the sponsors have no control over and are not responsible for the selection or performance of the players."

33) In any event, all of the opponent's evidence purporting to show that it is a top sponsor of sporting events shows no use whatsoever of the signs relied upon under this ground<sup>8</sup>. Rather, it all shows use of the opponent's 'Claw Icon' and 'Monster' marks. It does not, therefore, establish that there would be a belief that the opponent sponsors or endorses the applicant, let alone establish the more crucial factor that the relevant public would be also misled into believing that the opponent is somehow responsible for the quality of the applicant's goods. **The claim under section 5(4)(a) is dismissed.**

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<sup>8</sup> Exhibits RCS18-43.



## **Outcome**

34) **The opposition fails.**

## **Costs**

35) As the applicant has been successful, he is entitled to a contribution towards his costs. Using the guidance in Tribunal Practice Notice 2/2016, which was in force when these proceedings commenced, I award the applicant costs on the following basis:

Preparing a statement and considering the opponent's statement	£300
Preparing evidence and considering the other side's evidence	£500
Written Submissions	£300
<b>Total:</b>	<b>£1100</b>

36) I order Monster Energy Company to pay Daniel Smith the sum of **£1100**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 29<sup>th</sup> day of November 2017**

**Beverley Hedley  
For the Registrar,  
the Comptroller-General**