

o/032/18

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 3 189 972 BY GBKL CONSULTANCY

LIMITED FOR THE TRADE MARK: 

AND IN THE MATTER OF OPPOSITION THERETO BY MONSTER ENERGY
COMPANY

Background and pleadings

1. GBKL Consultancy Limited (the applicant) applied to register the trade mark



in the UK under No 3 189 972 on 7th October 2016. It was accepted and published in the Trade Marks Journal on 14th October 2016 in respect of the following goods:

Class 09:

Protective clothing; protective clothing for the prevention of injuries.

Class 10:

Heating and cooling gels for the treatment and prevention of injury; heating and cooling packs for the prevention and treatment of injury; protective clothing containing hot and cold preparations for the treatment of injuries.

Class 25:

Clothing; sports clothing; sweat bands.

Class 28:

Protective clothing for sports purposes.

2. Monster Energy Company (the opponent, hereafter known as MEC) partially oppose (classes 09, 25 and 28) the trade mark on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (the Act). This is on the basis of the following earlier trade marks:



1. EUTM 1 292 4973: . The goods relied upon are:

- a) *Class 18: All-purpose sport bags; all-purpose carrying bags; backpacks; duffle bags in Class 18.*
- b) *Class 25: Clothing, headgear and footwear in Class 25.*



2. EUTM 2 481 659: . The goods relied upon are (and for which use is claimed) are:

- a) Class 09: Helmets, protective clothing for sports, protective gloves for sports.
- b) Class 18: Bags, duffle bags, book bags, backpacks, sports bags and handbags.
- c) Class 25: Clothing and headwear.



3. International Registration WO1048069: MONSTER ENERGY. The goods relied upon (and for which use is claimed) are:

- a) Class 09: Sports Helmets.
- b) Class 18: All purpose sports bags; all-purpose carrying bags; backpacks; duffle bags.
- c) Class 25: Clothing, namely, t-shirts, hooded shirts and hooded sweatshirts, sweat shirts, jackets, pants, bandanas, sweat bands and gloves; headgear, namely, hats and beanies.

3. The opponent argues that the respective goods are identical or similar and that the marks are similar.


4. MEC also opposes upon the basis of Section 5(3) on the basis of the same trade marks listed above (for which it is claimed it has a reputation for all goods listed), together with an additional earlier trade mark, namely 2 439 068




which it claims enjoy a reputation in respect of beverages in Class 32. In respect of Section 5(3), MEC argues that public recognition of its marks is substantial. The applicant would gain undeserved exposure as a result of the bringing to mind of the earlier trade marks in respect of identical and similar goods. Further, the earlier trade mark's reputation could be damaged by the sale of inferior goods. Finally, the distinctiveness of the earlier trade marks will be eroded.

5. MEC finally opposes the application under Section 5(4)(a) of the Act. This is in respect of the following signs:




1.  MEC claims it enjoys a goodwill in respect of *all-purpose sport bags; all-purpose carrying bags; backpacks; duffle bags* and that it has been using this sign in respect of these goods in the UK since 2008.



2.  MEC claims it enjoys a goodwill in respect of Helmets, protective clothing for sports, protective gloves for sports; bags, duffle bags, book bags, backpacks, sports bags and handbags; clothing and headwear. It further claims that it has using this sign in respect of these goods in the UK since 2008.



3.  MEC claims it enjoys a goodwill in respect of sports helmets, all purpose sports bags; all-purpose carrying bags; backpacks; duffle bags, clothing, namely, t-shirts, hooded shirts and hooded sweatshirts,

sweat shirts, jackets, pants, bandanas, sweat bands and gloves; headgear, namely, hats and beanies. It further claims that it has using this sign in respect of these goods in the UK since 2008.

6. As a result of the goodwill in respect of all the signs listed above, MEC claims that use of the later trade mark for identical and similar goods, will inevitably lead to misrepresentation and damage.
7. The applicant filed a counterstatement denying the all of the claims made (and requesting that the opponent provides proof of use of its earlier trade mark relied upon).
8. Only the opponent filed evidence in these proceedings. This will not be summarised for reasons which will become clear. However, the contents have been fully considered in reaching this decision.
9. Both sides filed written submissions which will not be summarised but will be referred to as and where appropriate during this decision. No hearing was requested and so this decision is taken following a careful perusal of the papers.

Evidence

10. This is a witness statement, dated 17th May 2017, from Rodney Cyril Sacks, the CEO of MEC. He explains that MEC's business is the design, creation, development, production, marketing and selling of energy drinks. These are almost exclusively sold under the claw icon trade marks (as displayed above), sometimes accompanied with "MONSTER" or "MONSTER ENERGY". Mr Sacks confirms that the claw icon marks have been used in the UK since 2008 and continue to be, extensively.

11. It should be noted that during the proceedings, the applicant wholly accepted that MEC had used (and indeed enjoyed a reputation) in respect of energy drinks. This is a sensible concession and accords with my own experience and knowledge. That being, Monster energy drinks are clearly widely known and recognised. However, for reasons which will become clear, I consider it appropriate to notionally accept that MEC's reputation extends beyond energy drinks and notably to goods, such as clothing, which are identical to at least some of the goods of the application. As such, I consider it unnecessary to summarise the evidence filed by the opponent, though its contents have been perused.

DECISION

Section 5(2)(b)

12. Sections 5(2)(b) of the Act is 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".

Comparison of goods and services

13. Some of the contested goods, i.e. clothing are identical to the goods on which the opposition is based. For reasons of procedural economy, the Tribunal will not undertake a full comparison of the goods listed above. The examination of the opposition will proceed on the basis that the contested goods are identical to those covered by the earlier trade mark(s). If the opposition fails, even where the goods are identical, it follows that the opposition will also fail where the goods are only similar.



Comparison of marks

14. 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 Court of Justice of the European Union 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.”

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

16. The respective trade marks are shown below:

	
Earlier trade marks	Contested trade mark

17. Each of the trade marks is comprised of three slash type graphics, with one of the earlier trade marks also containing the words MONSTER ENERGY, monster being stylised in respect of some of the letters. That each contain three slash type graphics is the only point of visual similarity between them.

18. Clearly there is no aural comparison to be made between the non verbal trade marks. It is noted that the remaining earlier trade mark contains the words “monster energy”. There is no aural similarity in this instance.

19. Conceptually, the opponent refers to its mark as a claw icon. In conjunction with the word monster, it is considered feasible that it would that the graphical element would be understood as such. However, the same is not true of the later trade mark and so in such a circumstance there is no conceptual similarity. In respect of the earlier non verbal marks, where it is arguably not clear that the graphic is a claw, the conceptual impact is neutral.

Average consumer and the purchasing act

20. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

21. 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.”

22. The average consumer will be both the public at large in relation to general clothing and accessories such as bags and also specialists in terms of protective clothing. Irrespective of the true nature of the goods (whether specialist or generic), it is considered that the level of attention displayed will never be low. Rather it will range from medium to high.

Distinctive character of the earlier trade mark

23. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

24. It is accepted that the earlier trade marks are inherently highly distinctive. However, I also consider it appropriate to accept, notionally, that they also enjoy an enhanced distinctive character.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.

25. The following principles are gleaned from the decisions of the EU courts in *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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

26. The earlier trade marks are inherently highly distinctive and further, enjoy a notional enhanced distinctive character. At least some of the goods are identical. These are considered to be the high points of the opponent's case. However, the only point in common between the trade marks is in respect of the number of slash type graphics (three) contained therein. They are considered to have no overall similarity. There is no likelihood of confusion, whether it be direct or indirect and so the opposition under Section 5(2)(b) fails in its entirety.

Final Remarks on Section 5(2)(b)

27. As the outcome is no likelihood of confusion because there is no overall similarity between the marks, there is no need to consider the question of whether or not the earlier trade mark has been used as it is irrelevant to the outcome.

Section 5(4)(a) – Passing Off

28. Section 5(4)(a) states:

“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

(b) [.....]

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.”

29. In considering the necessary elements of passing off, in *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke Sitting as a deputy Judge of the High Court stated that:

55. The elements necessary to reach a finding of passing off are the 'classical trinity' of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341 , HL, namely goodwill or reputation; misrepresentation leading to deception or a

likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether "*a substantial number*" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).

30. Halsbury's Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

31. For the purposes of assessing the opponent’s claim under passing off, I notionally accept that it has a qualifying goodwill in respect of all the goods claimed. However, even in accepting this, it is difficult to see how it improves the opponent’s position. The differences between the earlier signs and the later trade mark are profound. There can be no misrepresentation here. This ground of opposition also fails.

Section 5(3) – Reputation

32. Section 5(3) states:

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, 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 European Union trade mark or international trade mark (EC), in the European Union) 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.”

33. The relevant case law can be found in the following judgments of the CJEU:

Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79.*

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77.*

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74.*

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40.*

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

34. In considering the opponent's claim under Section 5(3), it is already accepted that it enjoys a significant reputation in respect of energy drinks. It also claims a reputation in respect of goods that are, at least in some instances, identical to the goods of the applied for trade mark. It is appropriate to notionally accept that its reputation does in fact extend to identical goods to the attached trade mark. However, even in doing so, it is difficult to see how the opponent can succeed. The respective trade marks are dramatically different. Even if the opponent has the benefit of a significant reputation, in goods identical to those of the attacked application, I cannot see how a link will be established. As a result, the opposition under Section 5(3), must also fail.

35. The net result is that the opposition fails on all grounds, in its entirety.

COSTS

36. The applicant has been successful and is entitled to a contribution towards its costs. In the circumstances I award the applicant the sum of £1250 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Considering notice of opposition and accompanying statement - £200

Statement of case in reply - £300

Considering evidence - £750

Total - £1250

37. I therefore order Monster Energy Company to pay GBKL Consultancy Limited the sum of £1250. The above sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

Dated this 16th day of January 2018

Louise White

For the Registrar