

BL O-569-19

TRADE MARKS ACT 1994

IN THE MATTER OF CONSOLIDATED PROCEEDINGS

UK APPLICATION NO 3188527 IN THE NAME OF VIP TOPCO PTY LIMITED
IN RESPECT OF THE TRADE MARK:



AND

AN OPPOSITION THERETO UNDER NO 408613
BY THE REAL PETFOOD COMPANY LIMITED

AND

IN THE MATTER OF UK APPLICATION NO 3193537
IN THE NAME OF INSPIRED PET NUTRITION LIMITED
IN RESPECT OF THE TRADE MARK:

THE REAL PETFOOD COMPANY

AND

AN OPPOSITION THERETO UNDER NO 408743
BY VIP TOPCO PTY LIMITED

Background and pleadings

1. On 30 September 2016, VIP Topco Pty Limited (hereinafter 'VIP') Ltd applied to register



as a trade mark under no. 3188527 for the following goods and services:¹

Class 31

Foodstuffs for animals; pet food; grains for animal consumption; edible chews for animals; yeast for animal consumption.

Class 35

Presentation of goods on communication media, for retail purposes; advertising and promotional services; retail wholesale and online retail services connected with the sale of foodstuffs for animals, pet food, grains for animal consumption, edible chews for animals, yeast for animal consumption, cereals for animal consumption, dog biscuits, edible treats for animals and accessories for animals and pets.

2. The application was published, following which, on 24 February 2017, The Real Petfood Company (hereinafter 'REAL') filed an opposition against all of the goods and services in the application.

3. Real bases its case on section 5(4)(a) of the Trade Marks Act 1994 (the Act) and relies on the following signs:

THE REAL Petfood COMPANY

And:

¹ International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).



4. Real claims that the signs have been used for the following goods and services, throughout the UK, since at least 2000:

Foodstuffs for animals; edible treats for animals; pet food snacks and treats; manufacture, wholesale and retail of foodstuffs for animals, edible treats for animals, pet food snacks and treats; advertising, marketing and promotion of all the aforesaid goods.

5. VIP filed a counterstatement in which it denies the ground of opposition.

6. On 27 October 2016, Inspired Pet Nutrition Limited (hereinafter 'Inspired') applied to register THE REAL PETFOOD COMPANY as a trade mark under no 3193537, for the following goods and services:

Class 31

Foodstuffs for animals; edible treats for animals.

Class 35

Advertising; business management; business administration; office functions; wholesale and retail services relating to foodstuffs for animals, edible treats for animals.'

7. The application was published, following which, on 9 March 2017, VIP filed an opposition against all of the goods and services in the application.

8. VIP initially based its case on section 5(2)(b) of the Act but sought to add grounds under sections 3(1)(b) and 3(1)(c). These were duly added on 7 June 2018.

9. In respect of its claim under section 5(2)(b) VIP relies on the following signs:

UKTM: 3188527

Filed: 30 September 2016



Applied for in respect of the goods and services listed in paragraph 1 of this decision.

And:

EUTM: 015876832

Filed: 30 September 2016



Colours claimed: Black; Green; Dark Green; Grey

Applied for in respect of:

Class 31

Foodstuffs for animals; pet food; grains for animal consumption; edible chews for animals; yeast for animal consumption.

Class 35

Presentation of goods on communication media, for retail purposes; advertising and promotional services; retailing and wholesaling of goods being retailing and wholesaling of food and accessories for animals and pets, including online.

10. Both of these trade marks are currently opposed by Real. The EU mark is also opposed by a third party not related to these proceedings.

11. Under section 3(1)(c) VIP makes the following claim:

“5. The combination of the words ‘REAL PETFOOD COMPANY’ will be understood as referring to a company that offers goods and services in relation to ‘real’ (i.e. 100% meat, raw, natural or otherwise lacking any artificial additives) food for pets. That word combination directly describes the goods and services of the contested mark, or their kind, quality and intended purpose.

7. Consequently, the contested mark consists solely of the word elements ‘THE REAL PETFOOD COMPANY’ which would be understood as a company that provides goods and services related to ‘real’, natural pet food, free of artificial additives. There is no other element beyond the words ‘THE REAL PETFOOD COMPANY’ that would not be descriptive. Therefore, consumers will not perceive the contested mark as an identifier of origin but merely as a descriptive term describing the characteristics of the goods and services at issue.”

12. And under section 3(1)(c) VIP claims:

“9. The contested trade mark is devoid of any distinctive character given that it merely consists of words that, as outlined above, are descriptive of the characteristics of the goods and services at issue.

10. Moreover, the phrase "THE REAL PETFOOD COMPANY" will be perceived by the relevant public as a slogan. Consumers will not perceive the words "THE REAL PETFOOD COMPANY" beyond the promotional

laudatory message conveyed by them, which merely highlights that the goods and services at issue are provided by a pet food company, or that the provider of such goods and services is an authentic or genuine pet food company. Consequently, consumers will not regard the contested sign as being indicative of trade origin of the goods and services at issue.”

13. On 10 July 2018, Real filed an amended counterstatement in which it denied the initially pleaded ground and the additional grounds relied on by VIP.

14. Both parties filed evidence. Real filed a skeleton argument and was represented by Philip Stephenson of Bailey Walsh & Co at the hearing. VIP filed submissions in lieu of attendance at the hearing.

15. Both sides seek an award of costs.

Preliminary matters

16. Before going any further, it is necessary for me to consider a number of preliminary issues which arose during the course of these proceedings.

The earlier rights relied on by Real

17. In the statement of grounds filed by Real it relies on two unregistered signs for the purposes of its opposition based on section 5(4) of the Act. The second of these appears on that form as follows:



18. In its counterstatement filed on 19 February 2018 VIP pointed out that Real described this sign as 'THE REAL Petfood COMPANY & DEVICE', but the representation on the form was simply the word 'Petfood' in white on a black background. VIP concluded:

“It is not clear upon which mark the Opponent intended to base the opposition...”

19. In its evidence, Real did not provide a representation of the second mark on which it relied, but referred to the sign as ‘THE REAL Petfood COMPANY & DEVICE’.

20. On 30 June 2018, VIP filed submissions in reply in which it reiterated the fact that it was not clear which unregistered signs Real was intending to rely on for the purposes of its opposition.

21. In its skeleton argument Real submits that it relies on the following sign, in addition to the words ‘THE REAL PETFOOD COMPANY’:



22. There are two reasons why I cannot accept this claim. The first is that the version of the earlier sign relied on is simply a black rectangle with the word Petfood written on it in white. Despite VIP referring to the fact that this appeared anomalous, on two separate occasions, during the course of these proceedings, Real did not seek to amend its pleadings or provide any clarification as to the sign it was relying on. Since this is an unregistered right being relied on in an opposition based only on section 5(4)(a) of the Act, there is no reasonable way in which VIP could ascertain the presentation of the second right relied on, beyond the appearance of it as presented in Real’s statement of grounds.

23. Secondly, the sign presented in Real’s skeleton argument includes a tick which goes beyond the rectangular border of the rest of the sign. This would be visible, even on a poor black and white version of the earlier sign, even if the rest of the elements were not. There is no such tick visible on the earlier sign presented in Real’s statement of grounds. Consequently, I can only conclude that the word and device sign presented in Real’s skeleton argument, is not the sign reproduced in the initial pleadings, even if I were to accept that it is simply a poor reproduction.

24. As a result, I will consider Real's opposition under section 5(4)(a) based only on its word mark, 'THE REAL PETFOOD COMPANY'.

The eligibility of Real to oppose the VIP application

25. Throughout these proceedings, VIP has queried the relationship between Real and Inspired. On 29 June 2018, VIP wrote to the tribunal in the following terms:

"In order to show goodwill in the unregistered rights on which the Opponent based the Opposition, the Opponent filed a witness statement of Graham Derek Wheeler (attached for ease of reference, without Exhibits). According to the witness statement, there was a change of ownership in 2015 and the Opponent became a wholly owned subsidiary of Inspired Pet Nutrition Limited ("IPN").

To recall, IPN is the owner of the UK trade mark application No UK00003193537 "THE REAL PETFOOD COMPANY" (i.e. the same sign in which the Opponent claims to have unregistered passing-off rights) which was opposed by our client, VIP Topco Pty Limited, in the parallel consolidated opposition No. OP000408743. According to IPN's Counterstatement of 12 January 2018 in that parallel opposition, IPN has allegedly licensed to the Opponent the sign "THE REAL PETFOOD COMPANY"...Therefore, we respectfully ask the Tribunal to 'require' the Opponent to prove that it is The Real Petfood Company Limited (and not IPN) who is - and was at the time of filing of the Opposition - the owner of the goodwill in the unregistered rights on which the Opposition No OP000408613 is based, for example by submitting the assignment agreement between the Opponent and IPN, or otherwise."

26. The tribunal wrote to Real to request an explanation of the relationship between the two companies. In response, on 14 August 2018, Real filed a second witness statement by Graham Wheeler, which included the following:

“2...Inspired Ltd were the party which filed the trade mark application opposed by VIP Topco Pty; and Real Ltd filed the opposition to the trade mark registration filed by VIP Topco Pty. Hence, Inspired Ltd own the registered trade marks but Real Ltd have the goodwill and reputation in the unregistered trade mark THE REAL PETFOOD COMPANY through longevity of use. In my previous witness statement I explained that Inspired Ltd took a majority shareholding in Real Ltd in 2008 and later, in 2015, Real Ltd became a wholly owned subsidiary of Inspired Ltd. But, despite the change in ownership, Real Ltd has been trading under the name The Real Petfood Company Limited from 1999 to the present date.

15. As a wholly owned subsidiary no assignment of the goodwill from Real Ltd was required to be granted to Inspired Ltd, because the trade mark THE REAL PETFOOD COMPANY is still effectively being used by Real Ltd. However, owing to the purchase, Inspired Ltd are deemed to have a right to register, licence and use the property of Real Ltd as they are the ultimate owners of Real Ltd and all of its assets. I stated that Inspired Ltd had a licence, in my previous witness statement, as a way of describing this relationship – where the goodwill remains with Real Ltd as they are the entity using THE REAL PETFOOD COMPANY but the overall rights are owned by Inspired Ltd.”

27. Having considered the evidence, I am satisfied that Real has the necessary standing to bring opposition 408613. The goodwill generated (which remains to be assessed) was owned by Real initially on its own account and then as a wholly owned subsidiary of Inspired Pet Nutrition Ltd.

VIP's submission regarding Real's evidence

28. A second point was raised by VIP in its email to the tribunal dated 29 June 2018, as follows:

“Further, after reviewing the Opponent's evidence submitted in the witness statement, it appears that the Opponent ceased any alleged sales of the

products under the "THE REAL PETFOOD COMPANY" sign in or around 2015. In particular, the alleged sales of the products under the "THE REAL PETFOOD COMPANY" sign appear to have dropped significantly before the change of the ownership (e.g. £1,000 in 2015 and £4,000 in 2014) and there were no sales under that sign in 2016..."

29. This is a submission which goes to the substantive matters to be decided in this case. The appropriate way in which to challenge Real's evidence is not in submissions filed before the end of the proceedings. It was open to VIP to file evidence of its own to support its case and to provide facts in support of its view of Real's evidence.

30. Following the conclusion of the evidence rounds, VIP had the opportunity to request cross-examination of Real's witnesses in order to put its own questions to those witnesses, regarding the factual accuracy of Real's evidence and in particular the witness statement of Mr Graham Wheeler. VIP did not request cross-examination.

31. Real queried the way in which this submission was filed but, in any case, responded to it in Graham Wheeler's second witness statement which was admitted by the tribunal on 3 October 2018. Given that both parties have had the opportunity to provide their submissions on this point I will take the evidence and submissions into account as necessary in this decision.

Approach

32. I will deal first with Real's opposition 408613 to VIP's application based on section 5(4)(a) of the Act and will begin by summarising Real's evidence relevant to the assessment of goodwill.

Real's evidence in chief

33. The evidence includes sales to businesses outside of the UK. For the purposes of making an assessment of the goodwill in Real's mark, I have only included evidence which relates to UK sales.

Witness statement of Graham Derek Wheeler and exhibits GW1-GW10

34. Mr Wheeler is the director of The Real Petfood Company (since 1 July 1999) and Inspired Pet Nutrition (since 28 September 2017). His statement is dated 27 April 2018.

35. Mr Wheeler says that 'THE REAL PETFOOD COMPANY' has been used since 1999, following registration of the company name. It has been used in respect of pet food snacks and treats.

36. He provides the following figures which are said to be, 'total sales turnover in relation to goods offered under the trade mark THE REAL PETFOOD COMPANY and device'. They are rounded to the nearest £1000:

Year	Turnover
2000	£53,000
2001	£455,000
2002	£489,000
2003	£513,000
2004	£561,000
2005	£462,000
2006	£456,000
2007	£456,000
2008	£530,000
2009	£740,000
2010	£1,703,000
2011	£1,908,000
2012	£1,958,000
2013	£2,274,000
2014	£2,888,000
2015	£3,382,000
2016	£3,787,000

37. Mr Wheeler provides examples of packaging, labels and promotional leaflets featuring THE REAL PETFOOD COMPANY which, 'are or have been in use in the last 16 years.'²

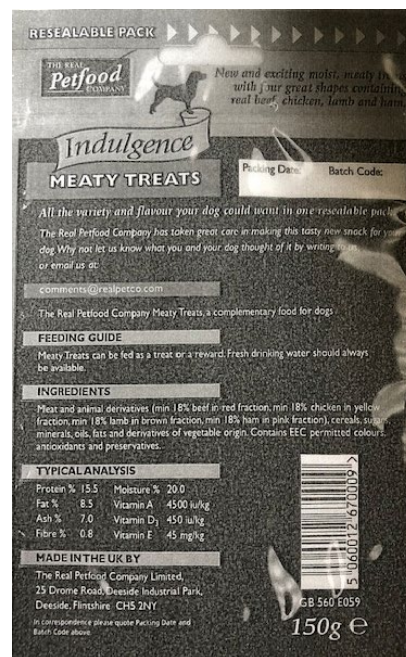
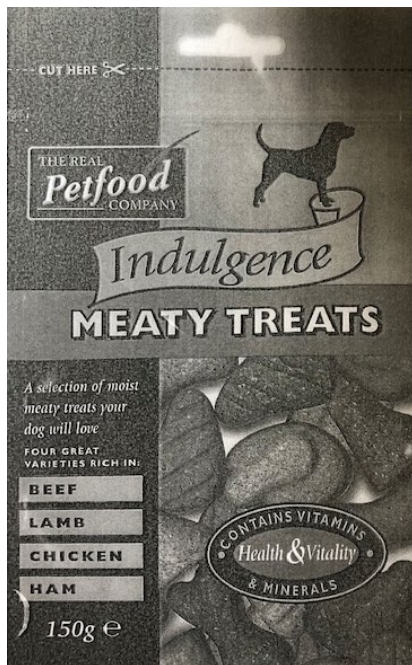
38. The following goods are shown in the exhibit:

Indulgence Range: Munch & Crunch, Meaty Treats, Right Bites, Snack Tracks and Snap & Snack.

Companions Range: Gluten Free Biscuits, BBQ Bars, Chicken & Catnip, Apple & Carrot, Tasty Chunks, Training Treats, Tasty Treats and Xmas Pudding.

The Natural Way: The Original Biscuit, The General Purpose Biscuit and Skin & Coat.

39. Packaging for the goods takes the following form:



40. On the reverse of each packet in this style are the words:

² See exhibit GW2.

“The Real Petfood Company [Meaty Treats] is a complementary food for dogs”

41. There are several examples of packets which have a clear section, through which the product can be seen:



42. Real has a website, www.realpetco.com. Prints are provided from waybackmachine showing the front page of the website on 25 May 2009, 2 February 2011, 14 January 2014, 18 May 2014 and 11 October 2016.³

43. The first two pages read:

“Welcome to The Real Petfood Company’s Web page. The gateway to the most innovative snacks and treats in the petfood industry.”

³ See exhibit GW3.

44. The following three pages have a front page with a number of photographs including the product, a shopper and several people clearly involved in production. Below the photographs is the following:

“Welcome to The Real Petfood Company

The Real Petfood Company is a specialist in the innovation and manufacture of high quality baked semi moist treats and super premium biscuit products.

Proudly manufactured in our Welsh pet food bakery since 1999 supplying a unique offering to a European wide customer base, we co-manufacture a range of pet food snacks and treats to meet the requirements of our private label customers.”

45. The pages from 2013 and 2014 show that on its website Real offered its own branded products, which can be seen in the photograph on the home page in each case, and, in addition, it provided ‘private label offerings’, which can be seen as an option on the side bar of the home page.

46. The following is shown in the top left corner of all five web pages in the exhibit:



47. Mr Wheeler provides a number of exhibits relating to packaging for Real’s products. Invoices are provided for July and August 2000 showing the purchase of bulk plastic pouches and flowwrap reels.⁴ Further invoices dated in February and March 2006 show the purchase of snap and snack pouches.⁵ The customer for each of the invoices is The Real Petfood Company.

⁴ See exhibit GW5.

⁵ The further invoices are contained within exhibit GW6 which is confidential from the public.

48. Mr Wheeler describes exhibit GW6 as, “copies of various packaging invoices, artwork approvals, packaging orders between 2000 and 2003 featuring the marks.”

49. The invoices relating to orders placed by Real for packaging, where the customer can be clearly identified as The Real Petfood Company, are dated between 24 February 2000 and 30 April 2004. The order values shown are between £117.50 and £10310.63 for, inter alia, labels, printing, mounting and trays.

50. With regard to advertising and marketing, Mr Wheeler says that Real spends significant amounts of time and money on advertising and marketing. He continues:

“One method of promotion available and, which has proved to be particularly useful, is exhibiting at trade shows. Over the years attendance at a number of such shows have been undertaken for the purpose of promoting products under the Mark.”

51. Mr Wheeler provides the following list of shows at which Real had a presence, as well as details of Real’s membership of a number of organisations:⁶

- a. Stands at the 2001 and 2002 Cheltenham Shows.
- b. Stands at 2001 and 2002 St Helens Shows.
- c. Stand at Interzoo 2000.
- d. Several years’ membership of the Pet Care Trust.
- e. Stand at Pet Index1 in 2001.
- f. Stand at GLEE 2004 held at the NEC Birmingham.
- g. Attendance at the International Trade Day 2004.
- h. Stand at Interzoo 2004.
- i. Stand at Private Label Manufacturers Association (PLMA) 2003.
- j. Stand at PLMA Exhibition 2004, Brussels.
- k. Stand at PLMA Exhibition 2009, Amsterdam.

⁶ Exhibit GW8 comprises booking forms and photocopies of cheques paid in respect of these events. This exhibit is confidential from the public but does not need to be referred to in sufficient detail to warrant redacting this part of the decision.

l. Membership of the Pet Food Manufacturers' Association 2004.

m. Membership of the Pet Food Manufacturers' Association 2005.

52. Mr Wheeler also provides a number of invoices, price lists and orders for products sold under the mark.

53. A fax from Vital Dog Supplies dated 15 November 2000 relates to a free promotion of Real Pet Food Munch and Crunch Dog Treats. The remaining pages list a further fourteen businesses in Devon, Cornwall, Hampshire, Gloucestershire, Exeter, Wiltshire, Kent and Somerset, who have ordered Real Petfood Dog treats from Vital Dog Supplies. The print is also dated 15 November 2000. Each of the goods is described as 'REAL PET FOOD DOG TREATS' and they include, Munch & Crunch, Right Bites, Meaty Treats, Semi moist treats, Breath Breakers and Small Bones.

54. A letter dated 10 January 2001 is addressed to Wundpets Ltd, from Real. The rectangular version of its mark is included in the top right corner, as shown at paragraph x. The letter includes the following:

"...The quantity per pallet is 252. Would it be possible for you to arrange for the orders to be sent ASAP as the 600 sets of products are going out to your top 600 shops on Friday?"

55. Six invoices dated 31 August 2000 are provided. Each relates to a different Wundpets store and is for Munch and Crunch, Meaty Treats and Right Bites. Each of them has a total price of £1,718.70 and appears to relate to the 'sets' of products referred to in the letter referred to in the previous paragraph.

56. An order form dated 19 November 2001 is from Bellis's Garden Centre in Wrexham for dog treats totalling £34.67. The rectangular logo is shown in the top right corner of the page.

57. An invoice dated 14 October 2005 is for the customer Britta Edwards. The rectangular logo is shown in the top left of the page, as follows:



58. 28 different products are described and the invoice total is £138.

59. A price list from Solus Pet is dated 2001. The company is based in the West Midlands and Norwich. Its stock list includes Munch & Crunch, Right Bites, Meaty Treats and fresh breath portion bars under the heading 'THE REAL PET FOOD CO'.

60. What looks to be Real's own price list is provided for 1 May 2001. The mark at the top of the page is a poor reproduction and only the word Petfood can be seen within a rectangle.

61. In the same exhibit, Real provides a copy of a letter to Ms W⁷ concerning an agreement between her and The Real Petfood Company Limited, which began in June 2005. It includes the following:

"I am writing to confirm our understanding of the licencing agreement between The Real Petfood Company Ltd (hereafter referred to as TRP Co) and you [Ms W] (here after referred to as RW).

TRP Co. are manufacturing under licence a number of biscuit recipes developed by RW. These recipes are being manufactured and distributed by the company under the brand name of 'The Real Petfood Company, The Natural Way'."

62. The packaging for this range of products is shown as follows:

⁷ This individual's full name has been provided in evidence but has been shortened to protect their identity in accordance with GDPR requirements.



63. A letter dated 5 September 2007 relates to a licence fee payment to Ms W for the period October 2006 – June 2007.

64. An invoice is shown dated 26 June 2007 for an order of 'Natural Way' goods. It is from Pets at Home and amounts to £5323.88. Both the letter to Ms W and the invoice have following The Real Petfood Company logo at the top of the page:



65. A series of 'New Line' Forms for Waitrose are included, but are not dated, though I note that Mr Wheeler says, in his witness statement, that Waitrose was a stockist of Real's goods for the period 2003-2010. In an email dated 26 October 2004 which is addressed to a member of staff at Waitrose UK, The Real Petfood Company provides the new prices for its products. Letters from Waitrose to Real are dated 19 August 2003 and request good quality images of Real's products for the online shopping websites of Waitrose and Ocado. The products for which images are required are, 'The Real Petfood Co meaty treats', 'The Real Petfood Co munch & crunch' and 'The Real Petfood Co snap & snack.' Weekly sales for 28 July 2003 to 29 September 2003 are provided as follows:

Unit Sales

	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Total
Meaty Treats Dog Treats (14257)								
<u>29/09/2003</u>	56							56
<u>22/09/2003</u>	52	53	57	75	102	93	47	479
<u>15/09/2003</u>	50	58	63	80	105	86	43	485
<u>08/09/2003</u>	30	54	59	76	113	77	27	436
<u>01/09/2003</u>	53	51	64	76	98	93	46	481
<u>25/08/2003</u>	16	71	57	76	85	77	47	429
<u>18/08/2003</u>	56	76	67	69	90	81	39	478
<u>11/08/2003</u>	55	49	70	63	103	94	44	478
<u>04/08/2003</u>	22	46	40	63	66	73	28	338
<u>28/07/2003</u>							11	11
Munch & Crunch Dog Treats (23863)								
<u>29/09/2003</u>	14							14
<u>22/09/2003</u>	14	15	15	19	22	25	13	123
<u>15/09/2003</u>	18	13	14	17	23	24	12	121
<u>08/09/2003</u>	14	11	15	17	23	23	9	112
<u>01/09/2003</u>	16	15	16	24	19	23	13	126
<u>25/08/2003</u>	6	13	17	27	17	13	7	100
<u>18/08/2003</u>	15	25	18	23	22	23	13	139
<u>11/08/2003</u>	15	16	22	29	24	24	14	144
<u>04/08/2003</u>	4	11	13	12	12	28	6	86
<u>28/07/2003</u>							6	6
Snap & Snack Dog Treats (66046)								
<u>29/09/2003</u>	18							18
<u>22/09/2003</u>	19	17	46	30	40	32	21	205
<u>15/09/2003</u>	19	30	21	31	34	24	19	178
<u>08/09/2003</u>	19	26	27	25	39	44	14	194
<u>01/09/2003</u>	24	22	29	37	33	33	13	191
<u>25/08/2003</u>	8	24	13	23	33	25	14	140
<u>18/08/2003</u>	3	6	16	26	26	33	18	128
<u>11/08/2003</u>	1	0	0	2	2	1	1	7
<u>04/08/2003</u>	0	0	1	0	1	0	0	2
<u>28/07/2003</u>							0	0

66. Mr Wheeler provides examples of press articles relating to Real. The first of these from Welsh Government News and dated 12 September 2016, includes the following:

“The Real Petfood Company is set to create new jobs in a major £6million expansion following the purchase of the second manufacturing unit created by the Welsh Government at the former Hotpoint site at Bodelwyddan in Denbighshire.

The business, which specialises in manufacturing premium pet food snacks and treats under the Wagg and Harringtons brands, plans to relocate from its existing manufacturing base in Flint where it employs 30 people.

The parent company, Inspired Pet Nutrition Ltd, which is headquartered in North Yorkshire, is the UK’s largest independent producer of dry pet food. It

is investing some £6 million in acquiring, re-furbishing and re-equipping the 8-acre 130,000 sq ft site.”

67. The same news event is referred to by the following:

- A BBC news article dated 12 September 2016,
- An article from Warehouse & Logistics dated 3 October 2016,
- Commercial News Media coverage of law firm Gordons involvement in the same purchase, dated 18 October 2016.

68. Rhyl, Prestatyn & Abergele Journal, 10 January 2018, includes the following update on The Real Petfood Company purchase of its second factory:

“The journal reported in September 2016 that the move aimed to create 20 jobs in two years. However, since becoming fully operational in July 2017, the site has doubled its workforce ahead of schedule...”

Phase 2 will see an expansion of staff and office facilities at the site early this year, subject to planning permission, with an expected team of 100 employees by the end of 2022.”

69. A further article is taken from ‘Winkworth’s Report 2016’. The page is headed with a Winkworth logo, to the right of which is the Real Petfood Logo shown at paragraph 65. The article includes the following:

“Producing the perfect dough mixture not only requires industry know-how but the correct mixing machinery.

So when one of the country’s leading pet food snacks and treats manufacturers needed to increase its productivity by upgrading its mixing equipment, Winkworth was brought on board to design and manufacture a new mixing machine. The Real Petfood Company is a specialist in

innovation and manufacture of high quality baked semi-moist treats and super premium biscuit products.”

70. Articles from the Rhyl, Prestatyn & Abergelge Journal, February 2018 and Pet Gazette, 8 April 2018 both refer to stalled expansion plans as a result of factory ‘odour’ at the Real Petfood Company factory in Bodelwyddan.

Second witness statement of Graham Derek Wheeler and exhibits GW11-GW27

71. The first part of Mr Wheeler’s second statement concerns the relationship between Real and Inspired Pet Nutrition, which I have dealt with earlier in this decision. From paragraph 7 of this statement Mr Wheeler addresses the issues raised by VIP by email to this tribunal, which I have also referred to earlier in this decision. I detail the salient points from this evidence below.

72. At paragraph 16 of his second statement Mr Wheeler submits:

“...I wish also to clarify from my previous statement that although the total sales turnover in relation to goods offered under the trade mark THE REAL PETFOOD COMPANY and device for the last couple of years appears to be low, in actual fact sales have been high but through the manufacture of a range of pet food snacks and treats to meet the requirements of our private label customers rather than direct sales of our own branded products. All such sales to third parties are carried out by Real Ltd and all invoices feature the trade mark THE REAL PETFOOD COMPANY and device.”

73. Mr Wheeler provides a spreadsheet showing ‘all sales to third parties in 2014’.⁸ The exhibit lists eighteen companies, but it is not clear how many of these are UK companies. Invoices provided in later exhibits enable me to conclude that the following three companies are based in the UK and the sales figures for those are as follows:

⁸ See exhibit GW22.

The Company of Animals

January 2014	25690.72
February 2014	14404.80
March 2014	18305.44
April 2014	24642.66
May 2014	23047.60
June 2014	19963.97
July 2014	11702.16
August 2014	24612.25
September 2014	24324.60
October 2014	23751.96
November 2014	30397.56
December 2014	23598.64

Oscar Pet Foods Limited

January 2014	10862.89
February 2014	4918.83
March 2014	2886.93
April 2014	4780.05
May 2014	5423.31
June 2014	6511.04
July 2014	7074.21
August 2014	10275.04
September 2014	966.48
October 2014	6112.22
November 2014	8692.31
December 2014	5198.97

Lily's Kitchen Ltd

January 2014	9552.24
February 2014	15311.82

March 2014	17449.16
April 2014	14914.54
May 2014	17938.92
June 2014	21440.97
July 2014	27159.36
August 2014	27857.82
September 2014	15384.50
October 2014	7293.60
November 2014	35638.58

74. Samples of invoices are provided for the years 2014 – 2018. The invoices for 2014 support the figures given for that year and I do not intend to itemise them.⁹ The relevant eight invoices for 2015 are for sales by Real to Lily’s Kitchen, The Company of Animals and Oscar Pet Foods. They are dated between 6 March 2015 and 4 December 2015, for amounts ranging from £1723.97 to £12,729.60.¹⁰

75. The relevant eight invoices for 2016 are also for sales by Real to Lily’s Kitchen, The Company of Animals and Oscar Pet Foods. They are dated between 8 January 2016 and 2 December 2016, for amounts ranging from £2996.35 to £31,054.46.¹¹

76. Similar invoices are provided for 2017 and 2018, these are after the relevant date.¹²

77. Each invoice has the following sign in the top left corner:



⁹ See exhibit GW23.

¹⁰ See exhibit GW24.

¹¹ See exhibit GW25.

¹² See exhibits GW26 and GW27.

78. The goods listed on each of the invoices are the customer's own goods, manufactured by Real: for example, 'Oscar moist meaty rolls', 'Lily's breakfast crunch' and 'Coachies', the latter being the goods of The Company of Animals.

DECISION

79. Section 5(4)(a) of the Act states:

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

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

(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."

80. In *Discount Outlet v Feel Good UK*,¹³ Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

"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.

¹³ [2017] EWHC 1400 IPEC

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)."

81. 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.”

The relevant date

82. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*,¹⁴ Mr Daniel Alexander QC, sitting as the Appointed Person, considered the relevant date for the purposes of s.5(4)(a) of the Act:

“43. In *SWORDERS TM O-212-06* Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour

¹⁴ BL O-410-11

complained about, and then to assess whether the position would have been any different at the later date when the application was made.”

83. The filing date of the subject trade mark is 30 September 2016. No evidence has been advanced which claims a prior date of use by VIP and accordingly, the matter need only be assessed as of 30 September 2016.

Goodwill

84. The first hurdle for Real is to show that I t had the required goodwill at the relevant date. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), the Court stated:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

85. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark* [1969] R.P.C. 472). Thus the evidence will include evidence

from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

86. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

87. VIP submits the following in terms of the goodwill claimed by Real:

“29. ...it is apparent from TRPC’s submission of 30 April 2018, specifically the First Witness Statement of Graham Derek Wheeler (the Director of TRPC and IPN), that [Real] ceased altogether sales of products under the “THE REAL PETFOOD COMPANY” sign in or around 2015...In particular, sales of products under said sign appear to have dropped significantly (e.g. £4,000 in 2014 and £1,000 in 2015) before the change of ownership in 2015...and there were no sales under that sign in 2016 (see the second column in Exhibit GW1 of said Witness Statement).

30. Consequently, there are serious doubts as to whether [Real] is, and was at the time of filing the opposition on 24 February 2017, the owner of the alleged goodwill in the opposing signs, or whether any goodwill subsisted at all.

31...Mr. Wheeler addresses also the issue of the existence (and not ownership) of the goodwill, and states that “although the total sales turnover in relation to “PETFOOD COMPANY [TRPC] and device” for the last couple of years appear to be low, in actual fact sales have been high but through the manufacture of a range of pet food snacks and treats to meet the requirements of our private label customers rather than direct sales of our own branded products.”... Mr. Wheeler also provides examples of invoices issued by TRPC to its third party customers, who offer goods and services under their own entirely separate marks or trading indicia (see Exhibits GW22GW27), such as ‘Lilys Kitchen Limited’, ‘Oscar Pet Foods’, ‘The Company of Animals’ and ‘Fressnapf Tiernahrungs GmbH’.¹⁵

32. Consequently, by Mr. Wheeler’s own claims, [Real] allegedly manufactures goods for third parties, who commercialise goods and services under their own signs, meaning no use of TRPC’s unregistered rights has occurred for some time and consequently, any potential residual goodwill in TRPC’s unregistered signs effectively ceased to exist in 2016 (had it ever existed). This is supported by the fact that by 2015 sales under [Real’s] unregistered signs were already dwindling and tapered off completely by 2016 (as can be seen from Exhibit GW1 in Mr. Wheeler’s First Witness Statement). Furthermore, any such potential existing goodwill (which is denied) in a strictly business to business context would certainly not cover the claimed retailing, wholesaling and advertising services, as no evidence was filed at any point in the proceedings in relation to said services.”

¹⁵ I have not summarised evidence which relates to customers outside the UK.

88. The first point to note here is the relevant date at which I must assess Real's goodwill, which is the date of application by VIP and not the date of opposition, namely, 30 September 2016.

89. The evidence in its totality shows that Real's business operated from some time in 2000 and provided a range of petfood snacks and treats. The information provided by Mr Wheeler shows that Real sold its own branded goods through, inter alia, a number of small pet stores, garden centres, Pets at Home and Waitrose. There is evidence throughout the period of Real having sold small quantities to single stores as well as larger bulk orders, for example, the sale of 600 sets of products, each worth £1718.70, to 600 Wundapets stores (January 2001). It is also clear that alongside its own goods, Real has provided private label goods to third parties for, among others, Lily's Kitchen, Oscar Petfoods and The Company of Animals.

90. Neither party has defined the term 'private label', but it is my understanding that private label goods are manufactured by one company for sale under another company's brand. Sales of Real's own label goods appear to have declined by 2015, with the sales of private label goods increasing. The turnover figure provided by Mr Wheeler for 2016 is £3,787,000 and he confirms in his second witness statement that Real's business was, for the most part, private label manufacture by this date. The press articles show that in 2016 Real expanded its manufacturing base by purchasing an additional factory.

91. Real's own label goods have been sold under the following signs:



and also under the words, 'THE REAL PETFOOD COMPANY' and 'THE REAL PETFOOD CO.' which appear on the website, in news articles and on invoices.

92. Real's private label goods have been sold under the middle sign shown above (on a white background) and under the words I have referred to in the previous paragraph.

The rectangular sign appears on all of the invoices, whilst the word mark is used on its website. In all cases, the use shown is such that the goodwill is associated with the words, per se. The goodwill rests in pet food snacks and treats and manufacture, retail and wholesale of the same.

93. Real has provided no evidence which indicates that it provides advertising under the sign THE REAL PETFOOD COMPANY. An undertaking which manufactures and sells a product, in this case pet food snacks, is entitled to advertise its own products. In other words, in the case of an application for a trade mark, a separate registration for 'advertising services' is not required in order for an undertaking to promote its own goods and services. The provision of 'advertising' in a trade mark sense is the provision of advertising services to third parties. There is clearly no evidence of this type of trade provided by Real and it has no goodwill in those services.

Misrepresentation

94. In *Neutrogena Corporation and Another v Golden Limited and Another*, [1996] RPC 473, Morritt L.J. stated that:

"There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is:

'is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]?'

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175 ; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101."

95. And later in the same judgment:

“... for my part, I think that references, in this context, to ‘more than *de minimis*’ and ‘above a trivial level’ are best avoided notwithstanding this court’s reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

96. I have found REAL to have goodwill in respect of petfood snacks and treats and manufacture, retail and wholesale of the same.

97. Real’s goodwill is associated with the sign THE REAL PETFOOD COMPANY. Although it often uses other elements in conjunction with those words, I consider that the manner of overall use means that the goodwill is also associated with the words per se. VIP’s mark comprises the words REAL PETFOOD COMPANY in a looped typeface, presented on a rounded triangular shape. The addition of the background shape is not, in my experience, unusual. However, the particular presentation of the marks as a whole does play a role and will not go unnoticed. The applied for mark has a reasonable degree of visual similarity with the sign associated with the applicant’s goodwill and is aurally very highly similar, differing only in ‘THE’ at the beginning of Real’s sign. The two marks are conceptually identical. The addition of the definite article in Real’s sign makes no material difference, because in both cases, the word ‘company’ individualises the undertaking to which the mark refers.

98. With regard to the nature of the sign THE REAL PETFOOD COMPANY, VIP submits the following:

“23...THE REAL Petfood COMPANY’ cannot function as an identifier of origin and will be perceived merely as a descriptive term describing the kind, quality, intended purpose or other characteristics of the goods and services at issue, or a non-distinctive laudatory term...”

99. I bear in mind the comments of Lord Simonds in *Office Cleaning Services Limited v Westminster Window & General Cleaners Limited*,¹⁶ where he stated that:

“Where a trader adopts words in common use for his trade name, some risk of confusion is inevitable. But that risk must be run unless the first user is allowed unfairly to monopolise the words. The court will accept comparatively small differences as sufficient to avert confusion. A greater degree of discrimination may fairly be expected from the public where a trade name consists wholly or in part of words descriptive of the articles to be sold or the services to be rendered.”

100. Also the decision in *Phones 4u Ltd v Phone4u.co.uk. Internet Ltd*,¹⁷ in which Jacob L.J. stated that:

“The judge also thought the “descriptiveness” of the name affected the question of whether it had a goodwill. But the name is not descriptive in the sense that anyone would describe a business or shop selling mobile phones as a ‘Phones 4u’ business or shop. It is that sort of name which tells you what the business is, but is also obviously intended to be an invented name to denote a particular business. True it is that it is not particularly inventive - ‘4u’ was a bit in vogue - the sort of thing others might well want to use. For that reason it would be unlikely to be accepted for registration as a trade mark without some proof of acquired distinctiveness. But distinctiveness for trade mark registration purposes is not the same concept as descriptiveness—it requires more. I think the judge was wrong to say, as he did:

‘The phrase ‘Phones 4u’ is not inherently distinctive. It is a descriptive phrase, although not wholly descriptive in that I accept that it is more likely to acquire distinctiveness through use than a wholly descriptive

¹⁶ [1946] 63 RPC 39.

¹⁷ [2006] EWCA 244 (Civ).

expression. Nevertheless, there is an onus on the Claimants to satisfy me that it had become distinctive through use.’

This is the language of distinctiveness for trade mark registration, not that for testing whether a goodwill has been established.”

102. The words ‘THE REAL PETFOOD COMPANY’ are not directly descriptive of the goods or services at issue here. They allude to the authentic nature of the goods provided, or the company providing them, resulting in a sign which is weaker than average. However, I come to the firm view that the use shown by Real is such that the words will be seen as an indication of the commercial origin of the goods/services in relation to which it is used. The mark is distinctive of Real.

103. Assuming use of these marks in respect of identical goods and services, I find that even after allowing for a greater degree of discrimination than usual on the part of the public because of the weaker than average nature of the marks, a substantial number of the public would have been deceived. This is most likely to be the result of imperfect recollection of Real’s mark.

104. In addition, I make the same finding, that a substantial number of the public would have been deceived, where VIP uses its mark for goods and services which have a close connection with Real’s goods and services. In all of these circumstances the public would be likely to consider the originator to be the same and would be deceived as a result.

105. Real makes its passing off claim in respect of all of the applicant’s goods and services but has provided no further explanation as to where any similarities between the parties’ goods and services occur. VIP has given no indication of where it thinks the goods and/or services indicate that the respective fields of activity differ. Consequently, the assessment will be made using my own general knowledge.

106. I am required to consider normal and fair use of the contested application for all of the goods and services for which the application is made.

107. I conclude that the following goods and services are in the same field of commercial activity as the business in which Real has established goodwill. For the reasons provided above, use of VIP's mark in respect of these goods and services would constitute a misrepresentation:

Class 31

Foodstuffs for animals; pet food; grains for animal consumption; edible chews for animals; yeast for animal consumption.

Class 35

retail wholesale and online retail services connected with the sale of foodstuffs for animals, pet food, grains for animal consumption, edible chews for animals, yeast for animal consumption, cereals for animal consumption, dog biscuits, edible treats for animals and accessories for animals and pets.

108. With regard to 'presentation of goods on communication media, for retail purposes' in class 35, I find that where these goods are goods which are related to animals, then use of VIP's mark would constitute a misrepresentation.

109. VIP's 'advertising and promotional services' are services provided to third parties. In the absence of any submissions from the parties as to why these services are similar to Real's pet food snacks and treats and manufacture, retail and wholesale of the same, I find that use of VIP's mark for these services would not constitute a misrepresentation.

Damage

110. Having found that the goodwill and misrepresentation limbs of the test have been satisfied in respect of most of the goods and services, it follows that damage to the Real's goodwill will arise, most obviously, by diverting trade from Real to VIP.

111. In *WS Foster & Son Limited v Brooks Brothers UK Limited*,¹⁸ Mr Recorder Iain Purvis QC stated:

“Damage

55 Although proof of damage is an essential requirement of passing off cases, it will generally be presumed where a misrepresentation leading to a likelihood of deception has been established, since such deception will be likely to lead to loss of sales and/or more general damage to the exclusivity of the Claimant's unregistered mark. Mr Aikens accepted that if there was a misrepresentation in the present case, then he had no separate case on damage. I hold that damage is inevitable, at least in the sense recognised in *Sir Robert McAlpine v Alfred McAlpine* [2004] RPC 36 at 49 (the ‘blurring, diminishing or erosion’ of the distinctiveness of the mark).”

112. I therefore find that use of VIP's mark at the relevant date was liable to be restrained under the law of passing off in respect of the goods and services I have identified above.

113. Real's opposition succeeds under section 5(4)(a) of the Act for all of the goods and services in VIP's application apart from:

Class 35

Advertising and promotional services.

Opposition 408713

114. I turn now to the opposition filed by VIP against Inspired's application for THE REAL PETFOOD COMPANY for the following goods and services:

Class 31

¹⁸ [2013] EWPC 18

Foodstuffs for animals; edible treats for animals.

Class 35

Advertising; business management; business administration; office functions; wholesale and retail services relating to foodstuffs for animals, edible treats for animals.'

115. The opposition is based on sections 3(1)(b), 3(1)(c) and 5(2)(b) of the Act. VIP relies on two earlier marks for the purposes of its opposition under 5(2)(b) of the Act. The first of these is 3188527, which following my conclusions in Real's opposition 408613, can only be relied on for advertising and promotional services in class 35. The second mark relied on by VIP is its application for an EUTM 015876832, which is currently subject to two oppositions before the EUIPO. One of these was filed by Real and the other was filed by an unrelated third party. Consequently, this part of the decision based on section 5(2)(b) is provisional, pending the outcome of the opposition proceedings at the EUIPO.

116. I will begin with section 5(2)(b) which 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,

or there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

117. 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.

(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.

VIP's opposition based on 3188527

118. Following my earlier conclusions, the goods and services to be compared are as follows:

VIP's services:	Inspired's goods and services:
Class 35 Advertising and promotional services.	Class 31 Foodstuffs for animals; edible treats for animals. Class 35 Advertising; business management; business administration; office functions; wholesale and retail services relating to foodstuffs for animals, edible treats for animals.'

119. When making the comparison, all relevant factors relating to the goods in the specification should be taken into account. In *Canon*, the Court of Justice of the European Union ("CJEU") stated at paragraph 23 of its judgment:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

120. Guidance on this issue has also come from Jacob J. (as he then was) in *British Sugar Plc v James Robertson & Sons Ltd* (the *Treat* case), [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

121. In *Gérard Meric v Office for Harmonisation in the Internal Market*,¹⁹ the General Court stated that:

¹⁹ Case T- 133/05

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

122. I also remind myself of the guidance given by the courts on the correct approach to the interpretation of specifications. In *YouView TV Ltd v Total Ltd*,²⁰ Floyd J. (as he then was) stated that:

“[...] Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of ‘dessert sauce’ did not include jam, or because the ordinary and natural description of jam was not ‘a dessert sauce’. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question”.

123. In *Avnet Incorporated v Isoact Limited*,²¹ Jacob J. (as he then was) warned against construing specifications for services too widely, stating that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of

²⁰ [2012] EWHC 3158 (Ch)

²¹ [1998] F.S.R. 16

activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase”.

124. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC stated that “complementary” means:

“[...] there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

125. The purpose of examining whether there is a complementary relationship between goods is to assess whether the relevant public is liable to believe that responsibility for the goods lies with the same undertaking or with economically connected undertakings. As Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amalia Mary Elliot v LRC Holdings Limited* BL O/255/13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes”.

126. I also bear in mind Mr Alexander’s comments in the same case, where he warned against applying too rigid a test when considering complementarity:

“20. In my judgment, the reference to ‘legal definition’ suggests almost that the guidance in *Boston* is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking.

However, it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to *Boston*".

Advertising services

127. Inspired has 'advertising services' in its application. VIP has 'advertising and promotional services'. These are clearly identical according to the principle in *Meric*.

128. Turning to the remaining goods in the application, I rely on the decision in *Separode Trade Mark* BL O-399-10 (AP) which held:

"The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision."

Business management; business administration; office functions

129. These services clearly relate to the running of a business or office. Advertising and promotional services will be used by those wishing to promote, inter alia, their business, products or services. The users and uses are different, as is the nature of these services. They are neither complementary, nor are they in competition and they are unlikely to be available or provided through the same channels of trade. I find these services to be dissimilar.

Foodstuffs for animals; edible treats for animals

130. These goods are essentially food for animals. They will be purchased by those wishing to feed animals. The parties have not provided any reasoning as to why these goods may be similar to advertising and promotional services which are services

provided to those wishing to promote either their business or their products and services. The obvious high point of similarity is where the advertising services are provided to an animal food company or where the advertising and promotion relates to these animal food related goods. However, I remind myself that I must look at the core meanings of these terms and having done so, and having considered the users, uses, nature, trade channels and whether or not these are complementary or in competition, I can find no areas of similarity between them.

Wholesale and retail services relating to foodstuffs for animals, edible treats for animals

131. Wholesale and retail services relating to animal food are dissimilar to advertising and promotional services for all of the reasons I have already outlined. The nature, users, uses and trade channels are different and they are neither complementary or in competition.

The average consumer and the nature of the purchasing act

132. In accordance with the case law, cited at paragraph 117, I must determine who the average consumer is for the services at issue and also identify the manner in which those services will be selected in the course of trade.

133. 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*²², 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.


²² [2014] EWHC 439 (Ch)

The word ‘average’ denotes that the person is typical. The term ‘average’ does not denote some form of numerical mean, mode or median.”

134. The only area of similarity between the parties’ specifications is advertising services. The selection process for these services is likely to be primarily visual, being made from a website or brochure, though I do not discount the fact that there may be an aural element given that some of these services may be purchased as a result of recommendation. For those same services the purchase is likely to be fairly infrequent and the prices may vary. Overall, in respect of the identical services, I find that the average consumer is more likely to be a business or professional than a member of the general public and will pay a higher than average level of attention to the purchase, though not the highest level.

Comparison of marks

135. The marks to be compared are as follows:

VIP	Inspired
 The logo for Real Pet Food Company, featuring the word 'Real' in a white script font, 'PET FOOD' in a white sans-serif font, and 'company' in a smaller white sans-serif font, all contained within a dark, rounded, teardrop-shaped background.	THE REAL PETFOOD COMPANY

136. In making a comparison between the marks, I must consider the respective marks’ visual, aural and conceptual similarities with reference to the overall impressions created by them, bearing in mind their distinctive and dominant components²³, but without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.

²³ Sabel v Puma AG, para.23

137. Inspired's mark is the words THE REAL PETFOOD COMPANY presented in upper case and in plain black type with no additional stylisation. The overall impression of the Inspired's mark rests in the whole mark.

138. VIP's mark is a rounded triangle containing the words 'Real' in a script typeface, above the words 'PeT FOOD', which sits above the smaller word 'company'. The background will not be ignored by the average consumer and nor will the stylisation of the words; however, both play a small role in the mark as a whole. It is the words, 'Real Petfood Company', which play the greater role in the mark as a whole.

Visual similarity

139. Visual similarity rests in the fact that both marks include the words 'Real Petfood Company'. The only difference in the words is that the application has the additional word 'THE' at the beginning and VIP's earlier mark has a degree of stylisation of the letters. VIP's mark also has the additional background shape, which has no equivalent in the application. I find these marks to be visually similar to a medium degree.

Aural similarity

140. With regard to aural similarity, both marks will be referred to by the words which are 'real petfood company' in the earlier mark and 'the real petfood company' in Inspired's application. The word elements of both marks are well known words in the English language with the only difference being the addition of 'THE' at the start of the applicant's mark. The marks are aurally very highly similar.

Conceptual similarity

141. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.²⁴ The assessment must be made from the point of view of the average consumer who cannot be assumed to know the meaning of everything.²⁵

²⁴ This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.

²⁵ See the comments of Anna Carboni, sitting as the Appointed Person in *Chorkee*, BL O/048/08, paragraphs 36 and 37.

142. Both marks refer to the concept of real pet food companies. The word 'Real' in each case could refer to the pet food or to the company. The addition of the definite article in the application makes no difference here as both marks clearly refer to a single entity as a result of the addition of the word company which serves to individualise each of the undertakings. I find these marks to be conceptually identical.

Distinctive character of the earlier marks

143. In determining the distinctive character of a trade 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 services for which it has been registered as coming from a particular undertaking and thus to distinguish those services from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger*.²⁶

144. In terms of inherent distinctiveness, VIP's mark is not descriptive or allusive when considered for the provision of advertising and promotional services. I find the earlier mark, in its totality, to possess at least an average degree of inherent distinctiveness.

Likelihood of confusion

145. In assessing the likelihood of confusion, I must adopt the global approach advocated by case law and take into account the fact that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture of them he has kept in his mind.²⁷ I must also keep in mind the average consumer for the services, the nature of the purchasing process and have regard to the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa.

²⁶ *Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.*

²⁷ *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V paragraph 27*

146. Where there is no similarity between the parties' goods and services, there can be no likelihood of confusion²⁸. In *eSure Insurance v Direct Line Insurance*,²⁹ Lady Justice Arden stated that:

“49. ...I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity.”

147. Consequently, there can be no likelihood of confusion in respect of the following goods and services in the application:

Class 31

Foodstuffs for animals; edible treats for animals.

Class 35

Business management; business administration; office functions; wholesale and retail services relating to foodstuffs for animals, edible treats for animals.

148. With regard to the identical advertising services, I have found that the average consumer is more likely to be a business or professional and the purchase is more likely to be fairly infrequent. I have concluded that the level of attention paid to the purchase will be higher than average and that the purchasing process is primarily a visual one, though I do not rule out an aural element.

149. The types of confusion were explained in *L.A. Sugar Limited v By Back Beat Inc*,³⁰ by Mr Iain Purvis Q.C., sitting as the Appointed Person:

²⁸ *Waterford Wedgwood plc v OHIM – C-398/07 P (CJEU)*

²⁹ [2008] ETMR 77 CA

³⁰ BL O/375/10

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.”

150. Furthermore, in *Duebros Limited v Heirler Cenovis GmbH*,³¹ Mr James Mellor Q.C., sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

151. With regard to the ‘common element’, I bear in mind *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, in which Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

³¹ BL O/547/17

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything, it will reduce it.”

152. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask, ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out.

153. In this case, the purchase of the goods will be made based on primarily visual considerations and the consumer will pay a higher than average level of attention to the selection of the goods at issue. In terms of direct confusion, the visual differences between the marks are sufficient to avoid the consumer thinking that one mark is the other mark. However, whilst I acknowledge that the degree of visual similarity is lower than the other factors, this is a case in which the very high conceptual similarities outweigh the differences when indirect confusion is considered. I remind myself of the question asked by Mr Purvis above, ‘what it is about the earlier mark that gives it its distinctive character?’. In this case, it is the ‘real petfood company’ concept which is highly distinctive for advertising services in class 35. The use of the same highly distinctive concept for the same services can only lead to the average consumer believing that the contested mark is another mark in the ‘real petfood company’ range. There is a likelihood of indirect confusion, for advertising services.

VIP’s opposition based on EUTM 015876832

154. I will now consider VIP’s opposition based on its earlier EU trade marks, which will be provisional until proceedings before EUIPO have been concluded.

155. VIP relies on the following mark:



156. For the following services:

Class 31

Foodstuffs for animals; pet food; grains for animal consumption; edible chews for animals; yeast for animal consumption.

Class 35

Presentation of goods on communication media, for retail purposes; advertising and promotional services; retailing and wholesaling of goods being retailing and wholesaling of food and accessories for animals and pets, including online.

157. My earlier findings with regard to the comparison of marks for VIPs opposition, relying on a black and white version of this same trade mark, remain the same for this opposition. The fact that the letters are green does not make a material difference as fair and notional use of Real's mark, THE REAL PETFOOD COMPANY, would include use in colour, including green.

158. The goods and services to be compared are as follows:

VIP's services:	Inspired's goods and services:
<p>Class 31 Foodstuffs for animals; pet food; grains for animal consumption; edible chews for animals; yeast for animal consumption.</p> <p>Class 35 Presentation of goods on communication media, for retail purposes; advertising and promotional services; retailing and wholesaling of goods being retailing and</p>	<p>Class 31 Foodstuffs for animals; edible treats for animals.</p> <p>Class 35 Advertising; business management; business administration; office functions; wholesale and retail services relating to foodstuffs for animals, edible treats for animals.'</p>

wholesaling of food and accessories for animals and pets, including online.	
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159. Inspired's goods in class 31 are identical to VIP's goods in the same class. The term 'foodstuffs for animals' appears in both specifications and Inspired's 'edible treats for animals' are included within the broader term 'foodstuffs for animals' in VIP's EUTM.

160. Both parties' specifications in class 35 include 'advertising'. These are identical. In the same class, Inspired's application includes 'wholesale and retail services relating to foodstuffs for animals and edible treats for animals', which are included within the broader terms in VIP's specification. On the *Meric* principle, these are identical.

161. For the reasons already provided above, I find Inspired's terms 'business management; business administration; office functions' to be dissimilar to VIP's advertising and promotional services. Clearly the remaining terms in the earlier specification, being services for the retailing and wholesaling of food and accessories for animals and pets are not similar to 'business management; business administration and office functions'.

162. The distinctiveness of the earlier mark is high for advertising/presentational services, but lower than average for goods related to animals and pets and retail/wholesale of the same and in making such a finding, I bear in mind the scripted typeface and shaped background, both of which will be noticed but do not alter the essential message of the earlier mark which rests in the words.

163. The average consumer for advertising services is more likely to be a business or professional and the purchase is more likely to be fairly infrequent. I have concluded above that the level of attention paid to the purchase will be higher than average and that the purchasing process is primarily a visual one, though I do not rule out an aural element. With regard to the goods at issue, I find that the average consumer may be a member of the general public, or possibly a business where goods are purchased

wholesale. The level of attention will vary, but will be at least average. The purchase is likely to be made primarily visually, from a website, shelf or catalogue, though I do not rule out an aural element where, for example, a wholesale order is made by telephone.

164. I find that the visual differences between VIP's earlier EU mark and Inspired's mark THE REAL PETFOOD COMPANY are sufficient to avoid direct confusion between these marks. However, whilst I acknowledge that the degree of visual similarity is lower than the other factors, this is a case in which the very high conceptual similarities outweigh the differences when indirect confusion is considered. As above, I remind myself of the question asked by Mr Purvis above, 'what it is about the earlier mark that gives it its distinctive character?'. In this case, it is the 'real petfood company' concept. Even though the concept is lower than average in terms of its distinctiveness for the petfood and animal related goods and services, it is identical and would lead to the average consumer believing that the contested mark is another mark in the 'real petfood company' range. There is a likelihood of indirect confusion for the following goods and services in Inspired's application:

Class 31

Foodstuffs for animals; edible treats for animals.

Class 35

Advertising; wholesale and retail services relating to foodstuffs for animals, edible treats for animals.'

165. Where there is no similarity between goods and services there can be no likelihood of confusion.³² Consequently, the opposition fails for the following:

Class 35

Business management; business administration; office functions.

³² See paragraph 146, above.

VIP's opposition under sections 3(1)(b) and 3(1)(c)

166. I will now consider VIP's opposition under absolute grounds 3(1)(b) and 3(1)(c) in respect of the following goods and services:

Class 31

Foodstuffs for animals; edible treats for animals.

Class 35

Advertising, business management; business administration; office functions; wholesale and retail services relating to foodstuffs for animals, edible treats for animals.'

167. The s.3 provisions prevent, respectively, registration of trade marks which are "...devoid of any distinctive character",³³ or "...consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services."³⁴

168. Even if a mark falls foul of any of these provisions, there is a proviso to section 3(1) which means that a registration shall not be refused if the trade mark has acquired a distinctive character through use.

169. The relevant date for determining whether the mark is objectionable under sections 3(1)(b) and 3(1)(c) is the date of application of the contested mark, namely 27 October 2016.

170. VIP's evidence filed in support of its claim under the section 3 grounds is as follows:

³³ Section 3(1)(b).

³⁴ Section 3(1)(c).

Witness statement of David Alexander Grant and exhibits DG1 & DG2

171. Mr Grant is the CEO of VIP, a position he has held since 1 July 2015. His statement is dated 26 April 2018.

172. The two exhibits provided are prints taken from the websites of Inspired and Real. Mr Grant submits that the Inspired website makes no mention of THE REAL PETFOOD COMPANY. I see no reason why it should. The Real Petfood Company is a wholly owned subsidiary of Inspired and has operated its own website since at least 2000. There is no obligation on the holding company to mention it on its own website and I do not find it to be relevant to the matter before me.

173. The second exhibit is a print from Real's website which Mr Grant points out includes the following:

“we co-manufacture a range of pet food snacks and treats to meet the requirements of our private label customers.”

174. Having drawn my attention to this sentence, Mr Grant does not explain why it is relevant to the case before me, beyond his conclusion that VIP is the rightful owner of Real Petfood Company marks. I will say no more about it.

Witness statement of Zuzana Peniaskova and exhibits ZP1-ZP3

175. Ms Peniaskova is an associate at VIP's representative. Her statement is dated 30 April 2018. The first exhibit attached to her statement is a copy of a decision of the EUIPO refusing an application for THE REAL PETFOOD COMPANY, for the same or similar goods and services to those applied for in this case.

176. The third exhibit is a copy of a decision from the General Court (GC) concerning an application for the word REAL inside a trapezium shaped outline. The court stated that the word element 'real' meant 'not artificial or simulated, genuine'.

177. The second exhibit is made up of prints from the internet showing the terms 'real pet food', 'real dog food' or 'real food', with reference to food for pets. All of the pages were printed on 24 April 2018. Excluding those from the US and those where I cannot see the relevant term, the pages are as follows:

- www.poppypicnic.co.uk describes its food as 'RAW DOG FOOD...THE WAY IT'S MEANT TO BE.' The final line of the first webpage reads, 'We call this REAL DOG FOOD FOR REAL DOGS'.
- www.nutrik9.co.uk describes its food as 'Real dog food for real dogs'.
- A print from Sainsbury's website of Encore Complete, chicken cat food described as 'Real food for cats'.
- www.thrivepetfoods.com, describes its goods as, 'pieces of real food which cats and dogs respond to like nothing else.'
- www.bigcatrescue.org, which features the UK Campaign for Real Pet food. The campaign, 'wants the law to force pet food manufacturers to list detailed ingredients on packaging so owners know what they are giving their pets.'

Second witness statement of Zuzana Peniaskova and exhibits ZP1-ZP2³⁵

178. The first exhibit is described by Ms Peniaskova as results of online searches conducted on Google on 4 July 2018, for the term 'real pet food'. She says of this exhibit:

"It can be seen that the first two results, the suggested search results in the upper right hand corner, and in fact half of the results on the first page, relate to VIP Topco."

³⁵ For the sake of clarity, I will refer to the exhibits attached to Ms Peniaskova's second statement as ZP1(2) and ZP2(2).

179. Ms Peniaskova submits:

“The third result shows the use of the word ‘real’ as a reference to a ‘genuine’ or ‘true’ food for dogs that contains only meat, without any processed ingredients or artificial additives, namely ‘100% meat’, ‘100% real food’.”

180. VIP claims that Inspired’s application falls foul of section 3 of the Act because:

“1. The contested trade mark consists exclusively of an indication which may serve, in trade, to designate the kind, quality, intended purpose, or other characteristics of goods and services concerned. It comprises of the words the natural meaning of which describes the characteristics of the goods and services at issue. Further, the combination of the words does not add anything to those meanings. The contested mark does not contain any other elements, beyond those words, or their combination, that would change its descriptive character.

2. In particular, the word ‘PETFOOD’ directly describes the goods and services at issue, which are related to food for pets.

3. Further, the word ‘COMPANY’ refers to any business or establishment that offers goods and services, including all objected goods in class 31 and services in class 35.

4. Moreover, the word ‘REAL’ refers to a ‘genuine’, ‘authentic’ or ‘true’ product or service. With respect to the goods and services at issue, which are related to the food for pets, the word “real” will be understood as a reference to “real food” that contains only or predominantly (raw) meat, or in general natural ingredients, without any processed ingredients or artificial additives.

5. The combination of the words ‘REAL PETFOOD COMPANY’ will be understood as referring to a company that offers goods and services in

relation to 'real' (i.e. 100% meat, raw, natural or otherwise lacking any artificial additives) food for pets. That word combination directly describes the goods and services of the contested mark, or their kind, quality and intended purpose.

*6. The article "THE" is a generic word entirely incapable of detracting from the descriptiveness of the term 'REAL PETFOOD COMPANY'."*³⁶

181. In its skeleton argument Inspired responds as follows:

"10...it is clear that when viewing the mark as a whole or in the round, THE REAL PETFOOD COMPANY is not seen purely as a descriptor of the characteristics of the goods and services the mark is used upon and in relation to. For example it does not consist exclusively of an indication which in trade designates the time, quality or intended purposes of the goods and/or services specified."

182. With regard to the opposition under section 3(1)(b), Inspired submits:

"12. Similarly, the opposition under Section 3(1)(b) does not hold water because the mark plainly does have distinctive character. For a number of years in the marketplace, the mark has evidently performed its essential function as a sign capable of distinguishing one undertaking from another.

13. In any event, given the substantial amount of evidence provided demonstrating extensive use of the Real mark applied for, it is clear that the applicant can rely on the same to prove distinctive character required through use in respect of the goods and services applied for."

183. This would appear to be a claim by Inspired that its mark THE REAL PETFOOD COMPANY has acquired distinctive character through use. For reasons I have already

³⁶ See VIP's statement of grounds.

outlined above, as the owner of The Real Petfood Company, it is entitled to rely on the evidence submitted in support of its opposition based on section 5(4)(a) of the Act.

184. It must be borne in mind that these grounds are independent and have differing general interests. It is possible, for example, for a mark not to fall foul of section 3(1)(c), but still be objectionable under section 3(1)(b) of the Act. In *SAT.1 SatellitenFernsehen GmbH v OHIM*,³⁷ the CJEU stated that:

“25. Thirdly, it is important to observe that each of the grounds for refusal to register listed in Article 7(1) of the regulation is independent of the others and requires separate examination. Moreover, it is appropriate to interpret those grounds for refusal in the light of the general interest which underlies each of them. The general interest to be taken into consideration when examining each of those grounds for refusal may or even must reflect different considerations according to the ground for refusal in question (Joined Cases C-456/01 *P* and C-457/01 *P Henkel v OHIM* [2004] ECR I-0000, paragraphs 45 and 46).”

3(1)(c)

185. I will deal first with the claim under section 3(1)(c) of the Act which is the equivalent of Article 7(1)(c) of the Community Trade Mark Regulation, the case-law of which was summarised by Arnold J. in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch):

“91. The principles to be applied under art.7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 *P*) [2011] E.T.M.R. 34 as follows:

³⁷ Case C-329/02 *P*.

“33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40 , p. 1), see, by analogy, [2004] ECR I-1699 , paragraph 19; as regards Article 7 of Regulation No 40/94 , see *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R. 9; [2004] R.P.C. 18, paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461, paragraph 24).

36. ...due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94. Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 44, paragraph 45, and *Lego Juris v OHIM* (C-48/09 P), paragraph 43).

37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley* , paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94 , it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign

could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie*, paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (*Koninklijke KPN Nederland*, paragraph 57).

And

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, *Koninklijke KPN Nederland*, paragraph 86, and *Campina Melkunie*, paragraph 19).

47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94 , the terms 'the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word 'characteristic' highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56)."

92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a

characteristic of the goods or services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99 [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97].”

186. In *Campina Melkunie BV and Benelux-Merkenbureau*³⁸, the CJEU stated that:

“39. As a general rule, the mere combination of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, itself remains descriptive of those characteristics within the meaning of Article 3(1)(c) of the Directive even if the combination creates a neologism. Merely bringing those elements together without introducing any unusual variations, in particular as to syntax or meaning, cannot result in anything other than a mark consisting exclusively of signs or indications which may serve, in trade, to designate characteristics of the goods or services concerned.

40. However, such a combination may not be descriptive within the meaning of Art.3(1)(c) of the Directive, provided that it creates an impression which is sufficiently far removed from that produced by the simple combination of those elements. In the case of a word mark, which is intended to be heard as much as to be read, that condition will have to be satisfied as regards both the aural and the visual impression produced by the mark.”

187. In *PutterScope* BL O/96/11, the appointed person said:

“8...Although I agree that it necessary for the purpose of explanation to break down the mark into its component parts, one must be aware of the danger that such an iterative approach may be unfair to the applicant. Each individual part of a mark may be non-distinctive, but the sum of the parts may have distinctive character – see *Satelliten Fernsehen GmbH v OHIM* [2005] ETMR 20 [SAT 1], at paragraph 28. Ultimately the decision making

³⁸ *Case C-265/00*

tribunal must stand back from the detailed breakdown of the mark and envisage how the entire trade mark would be understood by the public when applied to the goods of the specification. Would the average consumer consider that it was a trade mark indicating goods from a particular source or would they consider that it simply indicated the function of the goods?”

188. The mark as a whole is the words THE REAL PETFOOD COMPANY. VIP claims that the mark consists exclusively of a descriptive term referring to a company that provides goods and services related to ‘real’, i.e. natural, pet food, free from artificial additives. Inspired claims that there is no evidence showing what ‘real pet food’ actually is.

189. Neither side has made any comment regarding Inspired’s application for ‘advertising, business management; business administration and office functions’ in class 35. Rather, both have focussed on Inspired’s pet food business, despite VIP challenging all of Inspired’s goods and services in its statement of grounds.

190. Clearly Inspired’s application is not descriptive or non-distinctive for those services in class 35 and the opposition fails against those services as no case has been put forward for me to consider.

191. VIP has provided some evidence of the term ‘real’ used in relation to pet food. For the most part that use is in the style of advertising puff rather than as a term describing a type of pet food. By way of example, the exhibit for Nutri K9 describes the food as raw dog food which it advertises as ‘Real dog food for real dogs’, the descriptive term in this example being ‘raw’ rather than ‘real’. I can clearly see a situation where a mark of this type would fall foul of section 3(1)(c), for example, ‘The Organic Petfood Company’, or ‘The Beef Petfood Company’, both of which describe a characteristic of the goods being sold by the particular company. I am not persuaded that this is the situation before me. I cannot say that ‘real’ is a characteristic of pet food and consequently cannot find that the sign THE REAL PETFOOD COMPANY consists exclusively of signs or indications which may serve, in trade, to designate “the kind, quality, quantity, intended purpose, value, geographical origin, the time of production

of goods or of rendering of services, or other characteristics of goods or services”. I do not consider the evidence is sufficient to make good the claims made by the opponent and thus the objection to the application founded on section 3(1)(c) of the Act fails.

3(1)(b)

192. In terms of section 3(1)(b), this is the equivalent of article 7(1)(b) of the Regulation, the principles of which were conveniently summarised by the CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (C-265/09 P) as follows:

“29..... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (*Henkel v OHIM*, paragraph 34; Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66; and Case C-398/08 P *Audi v OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck v OHIM*, paragraph 25; *Henkel v OHIM*, paragraph 35; and *Eurohypo v OHIM*, paragraph 67). Furthermore, the Court has held, as *OHIM* points out in its appeal, that that method of

assessment is also applicable to an analysis of the distinctive character of signs consisting solely of a colour per se, three-dimensional marks and slogans (see, to that effect, respectively, Case C-447/02 P *KWS Saat v OHIM* [2004] ECR I-10107, paragraph 78; *Storck v OHIM*, paragraph 26; and *Audi v OHIM*, paragraphs 35 and 36).

33. However, while the criteria for the assessment of distinctive character are the same for different categories of marks, it may be that, for the purposes of applying those criteria, the relevant public's perception is not necessarily the same in relation to each of those categories and it could therefore prove more difficult to establish distinctiveness in relation to marks of certain categories as compared with marks of other categories (see Joined Cases C-473/01 P and C-474/01 P *Proctor & Gamble v OHIM* [2004] ECR I-5173, paragraph 36; Case C-64/02 P *OHIM v Erpo Möbelwerk* [2004] ECR I-10031, paragraph 34; *Henkel v OHIM*, paragraphs 36 and 38; and *Audi v OHIM*, paragraph 37)."

193. I have already found that Inspired's mark is not descriptive under section 3(1)(c). I accept that this does not, of itself, mean that the applicant's mark cannot be objectionable under section 3(1)(b). However, VIP has not advanced its argument any further than its position under section 3(1)(c). In its submissions in lieu of a hearing it submitted:

"Furthermore, the sign applied for is devoid of any distinctive character. It consists exclusively of a laudatory and non-distinctive formula for the goods and services at issue, which will at best be perceived as a slogan rather than a trade mark, rendering the sign equally capable of identifying the goods and services at issue as those of [Inspired]."

194. There is some evidence filed by VIP which does show use of terms which include the word 'Real' being used as slogans in relation to pet food, for example, 'Real food for real dogs.' But I do not find that this is the case with Inspired's application. The mark as a whole clearly identifies a single undertaking and I do not find it likely that this mark will be construed as a slogan.

195. It is clear from the case law that for a mark to possess distinctive character, it must serve to identify the goods or services in issue as originating from a particular undertaking. I can see no reason why the mark as a whole, not being descriptive of the goods and services in issue, would not be capable of identifying those goods and services as originating from a particular undertaking. The opposition under section 3(1)(b) fails in its entirety.

196. In making the findings above I have noted the cases brought to my attention in VIP's evidence. The first of these is a case which relates to THE REAL PETFOOD COMPANY, determined by the EUIPO. Where decisions of the EU courts interpret the terms of the Trade Mark Directive the UK courts and this tribunal will normally follow them.³⁹ However, decisions of other courts and tribunals in other member states, including the EUIPO may be persuasive but are not binding upon the Registrar.

197. On this point, in *Wagamama*, Laddie J. held that:⁴⁰

“It would not be right for an English Court, if it is firmly of a different view, to follow the route adopted by the courts of another Member State simply because the other courts expressed a view first. The scope of European legislation is too important to be decided on a ‘first past the post’ basis.”

198. The second case brought to my attention in Ms Peniaskova's witness statement is a decision of the GC which relates to the word REAL, which is not the mark before me in this case. In addition, most of the goods for which that mark was to be used were individual food and drink items such as meat, fish, tea and coffee. Clearly, the considerations before the GC are not on all fours with the matters to be decided in this case, and I will say no more about it.

CONCLUSION

³⁹ These are normally decisions from the CJEU. See the Manual of Trade Marks Practice, section 1.3.

⁴⁰ [1996] FSR 716

Opposition 408613

199. The Real Petfood Company Limited's opposition succeeds under 5(4)(a) against the following goods and services in VIP Topco Pty Limited's application:

Class 31

Foodstuffs for animals; pet food; grains for animal consumption; edible chews for animals; yeast for animal consumption.

Class 35

Presentation of goods on communication media, for retail purposes; retail wholesale and online retail services connected with the sale of foodstuffs for animals, pet food, grains for animal consumption, edible chews for animals, yeast for animal consumption, cereals for animal consumption, dog biscuits, edible treats for animals and accessories for animals and pets.

200. The Real Petfood Company Limited's opposition fails under 5(4)(a) against the following goods and services in VIP's application:

Class 35

Advertising and promotional services.

Costs for opposition 408613

201. The opposition having mostly succeeded, The Real Petfood Company Limited is entitled to a contribution towards its costs which I award on the following basis, bearing in mind that these costs relate only to opposition 408613 and the evidence relating to the same:⁴¹

Official fees: £200

⁴¹ The scale of costs applicable to proceedings before the Comptroller can be found in Tribunal Practice Notice 2/2016.

Preparing the notice of opposition and considering the counterstatement:	£300
Preparing evidence:	£500
Preparation for and attendance at a hearing:	£500
TOTAL	£1500

202. I order VIP Topco Pty Limited to pay The Real Petfood Company the sum of £1500. These costs should be paid within 21 days of the date of this decision or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings (subject to any order of the appellate tribunal).

Opposition 408743

203. I found that VIP Topco Pty Limited's opposition based on its UK and EU earlier trade marks succeeds under 5(2)(b) against the following goods and services in The Real Petfood Company Limited's application:

Class 31

Foodstuffs for animals; edible treats for animals.

Class 35

Advertising; wholesale and retail services relating to foodstuffs for animals, edible treats for animals.'

204. And fails in respect of:

Class 35

Business management; business administration; office functions.

205. VIP Topco Pty Limited's opposition fails 3(1)(b) and 3(1)(c) against the following goods and services in The Real Petfood Company Limited's application:

Class 31

Foodstuffs for animals; edible treats for animals.

Class 35

business management; business administration; office functions; wholesale and retail services relating to foodstuffs for animals, edible treats for animals.'

206. However, the decision I have reached in respect of this opposition is provisional, pending the outcome of EUTM 015876832. Upon completion of those proceedings the parties should notify the Registrar and, if necessary, a further decision will be issued to elevate the status of the decision to substantive, set a period for appeal and confirm an appropriate award of costs.

26 September 2019

Al Skilton

For the Registrar,

The Comptroller-General