

O/1110/22

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003632389

BY VIDAL GOLOSINAS, S.A.

TO REGISTER:



AS A TRADE MARK IN CLASS 30

AND

IN THE MATTER OF THE OPPOSITION THERETO

UNDER NO. 429167 BY

MONSTER ENERGY COMPANY

BACKGROUND AND PLEADINGS

1. On 26 April 2021, VIDAL GOLOSINAS, S.A. (“the applicant”) applied to register the trade mark shown on the cover of this decision (“the applicant’s mark”) in the UK for the following goods:

Class 30: Candies; caramels [sweets]; sweets; fruit jellies [confectionery]; liquorice sticks [confectionery]; sugar confectionery; non-medicated chewing gum.

2. The applicant’s mark was published for opposition purposes on 17 September 2021 and, on 14 December 2021, it was opposed by Monster Energy Company (“the opponent”). The opposition is based on sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). In respect of the 5(2)(b) ground, the opponent relies on the following marks:

MONSTER

UK registration no: 3254983

Filing date 6 September 2017; registration date 19 January 2018

Relying on some goods, namely:

Class 30: Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages; ready to drink coffee, iced coffee and coffee based beverages; ready to drink flavored coffee, iced coffee and coffee based beverages.

Class 32: Energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages and other preparations for making beverages; beers.

(“the opponent’s first mark”); and

MONSTER ENERGY

UK registration no: 3254991

Filing date 6 September 2017; registration date 2 February 2018

Relying on some goods, namely:

Class 30: Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages; ready to drink coffee, iced coffee and coffee based beverages; ready to drink flavored coffee, iced coffee and coffee based beverages; rice; tapioca and sago; flour and preparations made from cereals; bread, pastry and confectionery; ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice.

Class 32: Energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages and other preparations for making beverages; beers.
("the opponent's second mark").

3. I note that the opponent's notice of opposition did not elaborate as to why it considers there is a likelihood of confusion. However by virtue of pleading the 5(2)(b) ground, the opponent's claim is that the applicant's mark is similar to its own marks and is to be registered for identical and/or similar goods and, therefore, there exists a likelihood of confusion.

4. In respect of the 5(3) ground, the opponent relies on the first and second marks shown above, however, in respect of those marks the opponent only claims to have obtained a reputation in the following goods:

Class 32: Energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages.

5. In addition to its first and second marks, the opponent relies on the following marks under its 5(3) ground:



MΦNSTER
ENERGY

UK registration no: 3431545

Filing date 25 September 2019; registration date 13 December 2019

("the opponent's third mark");

MΦNSTER

UK registration no: 3315924

Filing date 6 June 2018; registration date 31 August 2018

("the opponent's fourth mark"); and



UK registration no: 917940339¹

Filing date 7 August 2018; registration date 31 August 2018

("the opponent's fifth mark").

6. In respect of the above, the opponent claims to have obtained a reputation in only some goods included in those marks' specifications. These goods are identical and are as follows:

Class 32: Non-alcoholic beverages, including carbonated drinks and energy drinks; syrups, concentrates, powders.

¹ The trade mark relied upon by the opponent is a comparable trade mark. It is based on the opponent's earlier EUTM, being registration number 017940339. On 1 January 2021, in accordance with Article 54 of the Withdrawal Agreement between the UK and the European Union, the UK IPO created comparable UK trade marks for all right holders with an existing EUTM.

7. Under its 5(3) ground, the opponent pleads that the public recognition of the opponent's marks is very substantial and that use of the applicant's mark will result in the relevant public calling to mind the opponent's marks. As a result, the opponent claims that (1) the applicant would benefit from an unfair advantage, (2) there would be detriment to the reputation of the opponent by way of tarnishing and degradation and/or (3) there would be detriment to the distinctive character of the earlier marks because the applicant's mark would reduce the ability of the public to distinguish goods offered by the opponent. The opponent claims that if any of the above occur, they will result in a loss of sales to the opponent.
8. Lastly, I turn to the opponent's 5(4)(a) ground wherein it relies on the following signs:

MONSTER

("the opponent's first sign");

MONSTER ENERGY

("the opponent's second sign");



("the opponent's third sign");

MONSTER

("the opponent's fourth sign"); and



("the opponent's fifth sign").

9. The opponent claims that it has been using the above signs throughout the UK since 2008 in respect of "drinks". Under this ground the opponent claims that its signs enjoy an extensive reputation in the UK and that use of the applicant's mark will mislead the public into believing that such goods are provided by, endorsed by, or otherwise commercially linked to the opponent. The opponent argues that this would lead to considerable damage to the goodwill associated with the opponent's signs.
10. The applicant filed a counterstatement denying the claims made.
11. The opponent is represented by Bird & Bird LLP and the applicant is represented by Elys IP Limited. Both parties filed evidence in chief and the opponent filed further evidence in reply. No hearing was requested and both parties filed written submissions in lieu. This decision is taken following a careful perusal of the papers.
12. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

EVIDENCE

13. As above, both parties filed evidence. The opponent's evidence in chief came in the form of the witness statement of Paul J. Dechary dated 20 April 2022. Mr Dechary is the Senior Vice President and Deputy General Counsel of Monster Beverage Corporation and its subsidiaries, one of which being the opponent. Mr

Dechary's statement is accompanied by 44 exhibits, being those labelled PJD01 to PJD44.

14. The applicant's evidence in chief came in the form of the witness statement of Joaquin Viqueras Miralles dated 24 June 2022 and the witness statement of Yvonne Onomor dated 27 June 2022. Mr Miralles is the General Director of the applicant and his statement is accompanied by seven exhibits, being those labelled JVM1 to JVM7. Ms Onomor is a solicitor and trade mark attorney who works at the applicant's representative and her statement is accompanied by four exhibits, being those labelled exhibits YO1 to YO4.

15. The opponent's evidence in reply came in the form of the witness statement of Robert Mulligan dated 4 August 2022. Mr Mulligan is an associate solicitor at the opponent's representative firm and his statement is accompanied by nine exhibits, being those labelled Exhibits RM1 to RM9.

16. I will refer to points from the evidence or submissions where necessary.

PRELIMINARY ISSUES

Trade marks on the register featuring the word 'MONSTER'

17. The applicant's evidence includes a print-out showing a total of 83 trade marks that are present on the UK trade mark register.² All of these marks include the word 'MONSTER' and are registered for protection for class 30 goods, being the same class of goods that the applicant seeks to protect. I note that a number of the marks shown are the opponent's. In its submissions, the applicant sets out that this evidence:

“shows that the Opponent does not enjoy exclusivity in the name 'MONSTER' in the UK market for food and beverage goods in class 30. This means that the

² Exhibit YO4

consumers will not immediately recognise the “MONSTER” mark as denoting all of the opponent’s goods.

[...] if all of these uses by different parties can apparently co-exist in the marketplace, then there is no likelihood that consumers will be confused between “MONSTER/MONSTER ENERGY” and “VIDAL MONSTER MIX” (fig.), particularly as the Applicant’s goods and the Opponent’s goods are so dissimilar.”

18. While the evidence filed is noted, I refer to the case of *Zero Industry Srl v OHIM*, Case T-400/06 wherein the General Court (“GC”) stated that:

“73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word ‘zero’, it should be pointed out that the Opposition Division found, in that regard, that ‘... there are no indications as to how many of such trade marks are effectively used in the market’. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word ‘zero’ is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T 135/04 *GfK v OHIM – BUS(Online Bus)* [2005] ECR II 4865, paragraph 68, and Case T 29/04 *Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH)* [2005] ECR II 5309, paragraph 71). “

19. In the present case, I note that there is no evidence of use of the marks referred to in the marketplace. Further, I do not consider that the presence of marks on the register is evidence of examples of no confusion. Their mere existence on the register does not have any bearing on whether a likelihood of confusion exists in these proceedings or not. In addition, the applicant’s submissions regarding this point are based on the goods under the 5(2)(b) ground being “so dissimilar”. As I will come to discuss later in this decision, this is not the case. As a result, I do not

consider the applicant's evidence and comments in respect of this point to be of any assistance.

The applicant's evidence

20. The witness statement of Mr Joaquin Viqueras Miralles goes into great detail regarding its use of the 'VIDAL' branding. The evidence focuses on sales channels, the applicant's website and e-commerce, marketing, turnover, market share and the reputation of the 'VIDAL' brand. While noted, a lot of the evidence is focused on other branding used by the applicant and relates mostly to jurisdictions other than the UK. For example, I note that the turnover and market share discussed in the witness statement of Mr Miralles at paragraph 39 refers to sales of over 160 million euros in Spain.³ Even where the UK is mentioned, I do not consider it to be of any assistance, particularly because Mr Miralles goes on to state at paragraph 40 of his witness statement that international exports make up more than 70% of the applicant's annual turnover, of which one quarter of sales are attributable to the UK. Firstly, there is no evidence of the annual global turnover (I do not consider that sales in Spain can be considered as such) and, secondly, there is no evidence as to what marks these goods would have been sold under. This is particularly a point of issue given that (1) the evidence points to a wide range of sub-brands of 'VIDAL' sweets and (2) the evidence sets out that sales in the UK of 'VIDAL MONSTER MIX', as at the date of the statement, had not yet commenced. As a result, I fail to see why this evidence has any bearing on the impact of the applicant's mark in the UK prior to the date of application.

21. The evidence also discusses the applicant's range of sub-brands that are used under the house mark 'VIDAL'.⁴ In particular, this evidence focuses on themed products that are "based on scary characters or spooky creatures".⁵ On this point, I note reference to products called 'VIDAL DRACULA BALLS' and 'VIDAL ZOMBIE BALLS', for example.⁶ I note the repeated use of 'VIDAL' on the

³ See Exhibit JVM-6 which supports the statement and confirms that the sum is in euros.

⁴ See paragraphs 16 to 18 of the witness statement of Mr Miralles

⁵ See paragraph 19 of the witness statement of Mr Miralles

⁶ See paragraph 20 of the witness statement of Mr Miralles

packaging but these are not the marks at issue and are not relevant to the current proceedings.

22. At the conclusion of the evidence, I note that the applicant states that:

“44. It is evident from the information provided that as a result of the longstanding use of the VIDAL trade mark throughout Spain, the EU, and the UK and the significant investments made by the Vidal in promoting it, the VIDAL trade mark enjoys a high recognition among consumers.

45. In relation to the Application, we are confident that when consumers see the VIDAL MONSTER MIX sweets packaging, they will recognise the VIDAL house mark and understand that the packet contains gummy sweets in various monstrous forms.”

23. While it may be the case that the applicant operates a large business (particularly in Spain) and uses ‘VIDAL’ together with a range of suffixes/additional elements that indicate sub-brands or brand extensions, there is nothing to confirm that the average consumer in the UK would be aware of this. As I have set out above, a lot of the focus is on markets outside of the UK and on brands or branding that are not at issue. While there is mention of the ‘VIDAL MONSTER MIX’ range of products, this is limited and does not point to any use of this mark in the UK prior to the relevant date. It may have been the case that use of the applicant’s mark in the UK prior to the relevant date could have been used to point away from the existence of actual confusion in the marketplace, however, that is not the case here. Having reviewed the evidence of Mr Miralles, I am not convinced that it is of any particular relevance to the proceedings at hand.

DECISION

Section 5(2)(b): legislation and case law

24. Section 5(2)(b) of the Act reads as follows:

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

(a) ...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

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

25. Section 5A of the Act states as follows:

“Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

26. The trade marks relied on by the opponent qualify as “earlier trade marks” for the purposes of the claimed grounds since they were applied for at an earlier date than the applicant’s mark.⁷ The opponent’s marks had not completed their registration processes more than five years before the filing date of the applicant’s mark so are, therefore, not subject to proof of use pursuant to section 6A of the Act. Therefore, the opponent can rely upon all of the goods highlighted under the 5(2) ground of its notice of opposition.

27. 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 Office for Harmonization in the Internal Market (Trade Marks and Designs) (“OHIM”)*, Case C-3/03, *Medion AG v. Thomson*

⁷ See Section 6(1)(a) of the Act

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.

Comparison of goods

28. The competing goods are as follows:

The opponent's goods	The applicant's goods
<p data-bbox="263 1227 630 1261"><i>The opponent's first mark</i></p> <p data-bbox="263 1339 391 1373"><u>Class 30</u></p> <p data-bbox="263 1395 815 1753">Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages; ready to drink coffee, iced coffee and coffee based beverages; ready to drink flavored coffee, iced coffee and coffee based beverages.</p> <p data-bbox="263 1832 391 1865"><u>Class 32</u></p> <p data-bbox="263 1888 815 1973">Energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages</p>	<p data-bbox="837 1227 965 1261"><u>Class 30</u></p> <p data-bbox="837 1283 1382 1529">Candies; caramels [sweets]; sweets; fruit jellies [confectionery]; liquorice sticks [confectionery]; sugar confectionery; non-medicated chewing gum.</p>

and other preparations for making beverages; beers.	
<p><i>The opponent's second mark</i></p> <p><u>Class 30</u> Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages; ready to drink coffee, iced coffee and coffee based beverages; ready to drink flavored coffee, iced coffee and coffee based beverages; rice; tapioca and sago; flour and preparations made from cereals; bread, pastry and confectionery; ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice.</p> <p><u>Class 32</u> Energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages and other preparations for making beverages; beers.</p>	

29. When making the comparison assessing the similarity of the goods or services, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

“[...] 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”.

30. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (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.

31. The GC confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, that, even if goods (although it equally applies to services) are not worded identically, they can still be considered identical if the goods specified in the contested trade mark application are included in a more general category covered by a term under the earlier mark (or vice versa).

32. The opponent's evidence in reply sought to show the existence of a number of third party brands that sell both drinks and confectionery goods. In respect of the present assessment, I take this evidence as an argument that it is common in the trade for companies that produce sweets to also produce drinks, or vice versa. This would give rise to an overlap in trade channels between the parties at hand on the basis

that one is a confectionery brand and the other is a drinks brand (notwithstanding the fact that the opponent's second mark is registered for foodstuffs in class 30). The evidence includes reference to third party brands such as Vimto, Swizells, AG Barr (the maker of the IRN BRU drink), Lucozade, Gatorade, Jelly Belly and Chupa Chups.⁸ The evidence is provided in the form of print-outs taken from both the companies' own UK websites and UK-based third party sellers. While that may be the case for the majority of print-outs, I note that the Gatorade website showing an energy drink is a UK-based website but the page showing 'Gatorade Energy Chews' is taken from a '.com' website and has nothing further (such as price in pounds or locations available in the UK, for example) to show that it is aimed at the UK market or UK-based consumers.

33. I note that the opponent's evidence also includes print-outs from industry websites regarding crossovers between alcohol beverage producers and confectionery brands.⁹ Whilst this evidence is noted, it discusses rather specific examples such as Gin and Tonic infused popcorn, prosecco gummies and champagne lollipops. While noted, this is not, in my view, evidence of such crossovers being common in the trade. Further, there is nothing outside of a reference to an alcoholic candy floss pop-up in London in 2015¹⁰ that indicates the availability of these goods in the UK. For example, the evidence shows a sake-infused KitKat¹¹ but this is a product that is only available in Japan. Additionally, the evidence points to a crossover between Coca-cola and Tic Tacs.¹² Despite being a product available in 70 countries, it is not clear whether this includes the UK. As a result, I do not consider that these examples are relevant to the present assessment.

34. The print-outs referenced above are all undated but I note that the narrative evidence explains that they were accessed between 22 July and 4 August 2022. I accept that such evidence may be capable of pointing to an overlap in trade channels between the opponent's class 32 goods and the applicant's class 30 goods on the basis that it show examples of such a practice in the trade (albeit

⁸ Exhibits RM1 to RM6

⁹ Exhibit RM7

¹⁰ Being referenced at page 3 of Exhibit RM7 and then discussed in further detail at page 3 of Exhibit RM8

¹¹ Exhibit RM8

¹² Exhibit RM9

after the relevant date, being the date of the application at issue). However, the evidence shows just five examples of such a practice in the UK. These are the Vimto (which includes the Swizzells print-out), IRN BRU, Lucozade and Chupa Chups products shown together with the pop-up of alcoholic candy floss in 2015. I have discounted the Gatorade and Jelly Belly evidence. This is on the basis that, as above, 'Gatorade Energy Chews' are not directed at the UK market. As for the Jelly Belly products, these are shown on a UK-based website called 'American Fizz' which appears to be a company that sells American Candy in the UK and is, in my view, not necessarily reflective of the position on the UK market. While I accept that producers of beverages may also produce and sell their own confectionery and vice versa, the evidence is limited and I am not satisfied that it constitutes a finding that it is a practice that is common in the trade.

35. I note that both parties have filed detailed submissions in respect of the goods comparison. I note that the opponent's submission is that its second mark covers the term "bread, pastry and confectionery" and as the applicant's goods are all types of confectionery, they are identical. These submissions also cover the similarity of the goods in the opponents' first mark. Notably, the applicant's submissions appear not to make reference to the goods of the opponent's second mark and focus only on the claimed dissimilarity of the goods of the opponent's first mark. I confirm that I have given due consideration to the parties' submissions on the comparison and will only refer to them below where I consider it necessary to do so.

36. On the basis that the opponent's second mark covers the term "bread, pastry and confectionery" whereas the opponent's first mark does not, I will deal with the opponent's marks separately. I can deal with the opponent's second mark relatively swiftly so will begin there.

The opponent's second mark

37. As noted above (and as submitted by the opponent), the opponent's second mark covers the term "bread, pastry and confectionery". This is a broad term that covers all types of confectionery which include a wide variety of sugared confections such

as sweets, candies and chocolates. As a result, it covers the various terms of the applicant, namely “candies”, “caramels [sweets]”, “sweets”, “fruit jellies [confectionery]”, “liquorice sticks [confectionery]”, “sugar confectionery” and “non-medicated chewing gum”. As a result, I consider that these goods are identical under the principle outlined in *Meric*.

38. As above, I have found “non-medicated chewing gum” in the applicant’s specification to be identical to the opponent’s “bread, pastry and confectionery” under the principle outlined in *Meric*. This is because I consider chewing gum a type of confectionery on the basis that confectionery is so broad it can include types of sugared candy that are not necessarily intended to be swallowed, i.e. chewing gum. However, if I am wrong to make such a finding, I consider that the goods are similar to a high degree. This is on the basis that the goods share some overlap in nature as both can cover small types of sugared candies, albeit one is swallowed and one is not. I also consider that the method of use will overlap somewhat as while the applicant’s goods will not be swallowed, both goods will be placed into the user’s mouth and chewed. As for purpose, I consider that this may also overlap to a degree as confectionery can cover mints that may be eaten for the purpose of freshening the user’s breath and this can also be a purpose of chewing gum. I find that the users of the goods will be the same and, on this point, if a user wishes to select a good to freshen their breath, they may choose a mint (being a type of confectionery) over a chewing gum, or vice versa. Lastly, the goods will be found in the same sections of supermarkets (or online stores) and may also be produced by the same undertakings meaning that the trade channels also overlap.

The opponent’s first mark

39. While the opponent’s first mark covers goods in class 30 (being the same class in which the applicant seeks to register its goods), I am of the view that the class 32 goods represent the opponent’s best case. The class 32 goods of the opponent are “energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages and other preparations for making beverages” and “beers”. I propose to take this approach on the basis that the opponent’s class 30 goods are coffee and tea based beverages and I note that the GC has found that there is no similarity between

coffee based beverages and confectionery.¹³ I find that this equally applies to tea based beverages also.

40. Despite comments from the applicant regarding the identity of the average consumer (which I will address in further detail below), I am of the view that there is a general overlap in user between the parties' goods. This is on the basis that the average consumers will be members of the general public at large (although I acknowledge for the opponent's "beers", this will be those over the age of 18). That being said, I do not consider that the goods overlap in nature, method of use or purpose. Further, the goods are not complementary and neither are they in competition. As I have discussed above, I appreciate that there may be some undertakings that produce and provide both drinks and confectionery goods, however, I am not convinced that it is common in the trade. Further, I consider that the parties' goods are unlikely to be found in the same sections of shops (or their online equivalents). As a result, I do not consider that there is an overlap in trade channels between the goods. Even if the evidence provided was sufficient to point to an overlap in trade channels, I am of the view that it would be superficial given the limited nature of the examples provided. Taking all of the above into account, I do not consider that the general overlap in user and superficial overlap in trade channels (insofar as it exists) are sufficient to warrant a finding of similarity between the goods at issue. These goods are, therefore, dissimilar.

41. As some degree of similarity between goods is necessary to engage the test for likelihood of confusion, my findings above mean that the opposition reliant upon the opponent's first mark fails in its entirety.¹⁴ As a result, the opposition based on the 5(2)(b) ground may only proceed in respect of the opponent's second mark.

¹³ *Monster Energy Company v OHIM*, Case T-736/14

¹⁴ See *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA and *Waterford Wedgwood PLC v OHIM* - C-398/07 P

The average consumer and the nature of the purchasing act

42. As the case law set out above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then decide the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. (as he then was) described the average consumer in these terms:

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

43. As alluded to above, the applicant has filed submissions in respect of different average consumer bases for the goods at issue. These set out that the average consumer for the opponent's goods will be adult members of the general public whereas the consumer for its own goods will be children of 12 years and younger as well as adult parents. These submissions were based on the opponent's first mark only and given that the opponent's goods at issue (being those in its second mark's specification) include confectionery, the position forwarded by the applicant does not apply. In any event, I do not agree with the submission that the consumer of confectionery goods will be limited to children of 12 years and younger or adult parents. While it may be the intention of the applicant that the sweets are marketed at children, the assessment I must make is based on the goods applied for, which cover a wide range of confectionery goods that are, in my view, goods sought by members of the general public at large. Therefore, I find that the average consumer of both parties' goods at issue will be members of the general public at large.

44. It is my experience, as an average consumer of these goods, that they are generally sold through a range of retail shops, such as supermarkets and their online equivalents. The goods at issue are, in my view, broad enough that they may include desserts that may be sold in cafes, restaurants, bars and public houses. In retail premises, the goods at issue will be displayed on shelves, where they will be viewed and self-selected by the consumer. A similar process will apply to websites, where the consumer will select the goods having viewed an image displayed on a webpage. In outlets such as cafes, bars and restaurants, the goods are likely to be on display, for example, on counters or in display cases. They also may be shown on menus where the trade mark will be visible. While I do not discount there may be an aural component in the selection and ordering of the goods in eating and drinking establishments, this is likely to take place after a visual inspection of the goods or a menu. The selection of the goods at issue will, therefore, be primarily visual, although I do not discount that aural considerations may play a part.

45. The goods at issue are fairly low in value and will be reasonably frequent purchases. When selecting the goods, the average consumer is likely to consider such things as ingredients used, dietary requirements, flavour and/or nutritional information. For the majority of the goods, the average consumer is likely to pay a medium degree of attention during the selection process. However, I recognise that some of the goods will be very casual purchases (such as a bag of sweets or a packet of chewing gum that may be selected at the checkouts of a supermarket, for example) and for those goods I find that the average consumer is likely to pay a lower degree of attention.

Comparison of the marks

46. It is clear from *Sabel v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the

overall impressions created by the trade marks, bearing in mind their distinctive and dominant components.

47. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

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

49. The respective trade marks are shown below:

The opponent's mark	The applicant's mark
MONSTER ENERGY	

50. I have considered the submissions from both parties in respect of the comparison of the marks. I do not intend to reproduce them in full here but will, if necessary, refer to them below.

Overall Impression

The applicant's mark

51. The applicant's mark is a figurative mark consisting of several elements. The mark appears to be designed to resemble a packet. It consists of three words that are displayed in different ways. Firstly, the word 'VIDAL' sits towards the top of the mark and is displayed in a blue standard typeface on a white background with the letter 'A' presented as a triangle with a white star within it. This does not, in my view, take away from the understanding that it will be seen as a letter 'A'. Surrounding 'VIDAL' is what appears to be a white and blue ribbon device. Underneath this is the word 'MONSTER' displayed in a white stylised typeface. This word is the largest verbal element of the applicant's mark. It sits above the word 'MIX' that is displayed in the same typeface but is presented slightly smaller and in red.

52. In addition to the word elements, there are a number of elements that I will simply refer to as the non-verbal elements of the mark. Acting as a background to the entire mark, there is a black and blue brick wall with two black windows either side of the word 'VIDAL'. At the bottom of the mark is a clear window showing what appears to be various sweets behind it. Emanating from the window are a number of black bat silhouettes. To the left of the window is a pink skull that sits above a bloodshot eyeball. To the right of the window is what appears to be pink, white and blue brains that sits above a set of teeth with red fangs. To the bottom right of the mark is a red and white stop sign. At the top of the mark is a white eyelet underneath which is a horizontal red, grey and black stripe with a figurative zip on its right hand side.

53. As consumers focus on parts of marks that can be read, it is often the case that word elements of marks dominate. I find that this is the case here despite the fact that there are several non-verbal elements that will not be ignored. That being said, I do not consider that the word elements will have an equal role. From a trade mark perspective and for reasons that I will come to explain in my conceptual comparison, I am of the view that it is the word 'VIDAL' that will play the greatest role in the overall impression of the mark. 'MONSTER MIX' will be viewed together (despite the difference in size and colour between them) and will play a slightly lesser role than 'VIDAL'. As for the non-verbal elements, I consider that they will be viewed together with no individual element standing out. While I find that they contribute to a lesser extent than the word elements, this is not considerably so. To confirm, the overall impression of the applicant's mark will be divided into three separate tiers of dominance with the first being the word 'VIDAL' followed by the words 'MONSTER MIX' and then the non-verbal elements.

The opponent's mark

54. The opponent's mark is a word only mark consisting of the words 'MONSTER ENERGY'. For reasons I will discuss below, I find that 'MONSTER' dominates the overall impression of the mark with 'ENERGY' playing a lesser role.

Visual Comparison

55. Visually, the marks share the word 'MONSTER'. This is the first element of the opponent's mark and the largest (but not strongest) verbal element of the applicant's mark. This is the only point of similarity between the marks. All other elements differ, namely the opponent's use of 'ENERGY' and applicant's use 'VIDAL', 'MIX' and the non-verbal elements. Regardless of the roles that these elements play in their respective marks, they are still points of visual difference as they will all be noticed. Taking all of the above into account, I am of the view that despite the shared use of the word 'MONSTER', the different elements result in the marks being visually similar to a low degree.

Aural Comparison

56. I am reminded that the descriptiveness of an element does not render it aurally invisible.¹⁵ I consider that an equal finding applies where an element is not outright descriptive but plays a lesser role in the overall impression of a mark, as is the case here. As a result, all of the aural elements at issue will be pronounced. Both marks consist of five syllables that will be pronounced in the ordinary way. Each mark includes the word 'MONSTER', which will be pronounced identically. That being said, this element is placed at different points in marks i.e. the first two syllables of the opponent's mark and the third and fourth syllables of the applicant's mark. While the marks are of the same length, each of their three remaining syllables differ entirely. Overall, I am of the view that the shared use of 'MONSTER', while placed at different points of the marks, results in a medium degree of aural similarity.

Conceptual Comparison

57. In respect of the concepts of the marks at issue, the applicant has filed evidence of a dictionary print-out regarding the meaning of the word 'MONSTER'.¹⁶ The evidence is taken from the Merriam-Webster Online Dictionary and consists of a number of different meanings for the word. I will not reproduce all of the meanings provided so will instead focus on just a few. Those are "*an animal of strange or terrifying shape*", "*one unusually large for its kind*", "*something monstrous especially a person of unnatural or extreme ugliness, deformity, wickedness, or cruelty*" and "*one that is highly successful*". The opponent's issue with this evidence is that Merriam-Webster is an American English dictionary so is not reflective of the understanding of the UK consumer. While that may be the case, I accept that the meanings provided would be understood by the UK consumer. In making this point, I am conscious not to assume my own knowledge is more widespread than

¹⁵ *Purity Hemp Company Improving Life as Nature Intended*, Case BL O/115/22

¹⁶ Exhibit YO1

it is, however, I do not consider this to be a subject that is particularly controversial.¹⁷

58. In its submissions, the applicant states that the meaning of 'MONSTER' is largely determined by the context in which it is used. In the context of its own goods, the applicant submits that the meaning will be that of the monstrous character forms of its sweets. As for the opponent's mark, the applicant submits that it will be construed as meaning someone that is highly successful or unusually large or powerful i.e. the goods would provide the consumer with monster energy in sporting and fitness activities. On this point, the opponent's submission is that when a consumer is faced with both parties' marks, they will naturally perceive the 'MONSTER' element of each mark in the same way. Having considered the arguments put forward by the parties, I agree with the opponent. I appreciate that the applicant's mark appears to specifically follow the theme of monsters by including brains, bats, bloodied fangs and skulls (all of which allude to something monstrous), however, I see no reason why the average consumer would not understand the opponent's use of 'MONSTER' in the same way. As a result, I find that the word 'MONSTER' will have an identical meaning across both marks. I will now proceed to assess the conceptual impact of both parties' mark before comparing them.

59. In the applicant's mark, I am of the view that the word 'MONSTER' will be read in conjunction with the word 'MIX' and will, therefore, form a unit. I make this finding for two reasons. Firstly, the words 'MONSTER' and 'MIX' are displayed in the same typeface (albeit in a different size and colour). Secondly, the applicant's mark as a whole is clearly allusive to 'monsters' and there are even graphical depictions of sweets on the mark itself. In light of this, I am of the view that the average consumer will take 'MONSTER MIX' to allude to the fact that the goods at issue will be a mix of sweets that consist of a number of 'monstrous' designs or shapes and, therefore, a '*monster mix*'. For example, the use of bloodied fang sweets and depictions of bats in the applicant's mark in conjunction with 'MONSTER MIX' will be understood

¹⁷ *Chorkee Ltd v Cherokee Inc.*, Case BL O/048/08

as a reference to vampires, being fictional beings that will be considered as a type of 'monster'. In making this finding I am, again, cautious not to assume my own knowledge is more widespread than it is and do not consider this to be a particularly controversial point to make. As for the word 'VIDAL', the average consumer will consider it to be a made-up word with no particular meaning.

60. Turning to the opponent's mark, I have found above that the meaning of 'MONSTER' will be identical with that of the applicant's i.e. something monstrous (albeit without the allusion to monster shaped sweets). As for the additional word, being 'ENERGY', I do not consider that it is necessarily descriptive in the same way as if it was viewed on the opponent's energy drinks. However, it is somewhat allusive as the goods at issue include confectionery which can include small sugary or high-fructose sweets that may provide energy to the user. Taking all of the above into account, I am of the view that while the parties marks' have points of conceptual difference, the common thread of 'MONSTER' will be immediately grasped by the average consumer and will result in the marks being conceptually similar to a medium degree.

Distinctive character of the opponent's mark

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

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

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

62. Registered trade marks possess varying degrees of inherent distinctive character, perhaps lower where a mark may be suggestive or allusive of a characteristic of the goods, ranging up to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use made of it. While not expressly pleaded in the notice of opposition, the opponent has submitted that its mark enjoys an enhanced degree of distinctiveness through use. The fact it was not initially pleaded is not fatal to the opponent’s submissions. The opponent submits that its marks have acquired an enhanced degree of distinctive character as a result of their extensive use of in relation to its class 32 goods. In support of this position, the opponent’s evidence makes reference to a number of decisions issued by both the UKIPO and the EUIPO regarding the reputation of all of the opponent’s marks. Firstly, there is only one mark at issue at present and, secondly, it may be the case that the opponent enjoys an enhanced reputation for energy drinks, however, this is of no assistance to the assessment I must now make. This is because none of the opponent’s class 32 goods are relevant to the 5(2)(b) claim as I have found no similarity between them and the applicant’s class 30 goods. Having reviewed the evidence filed, there is nothing that points towards any use in respect of the goods at issue, being “confectionery”. As a result, I have only the inherent position to consider.

63. While I do not consider that the word 'MONSTER' alludes to or describes the goods at issue, it is a widely known word in the English language and its use from a trade mark perspective is not, in my view, particularly remarkable. As for the word 'ENERGY', I am of the view that this may be understood as somewhat allusive on the basis that confectionery goods can include high sugar or fructose sweets that are consumed in order to give the consumer energy. As a result, I consider that 'MONSTER' is the dominant and distinctive element of the opponent's mark. I consider that 'MONSTER' enjoys a medium degree of inherent distinctive character. While 'ENERGY' is not entirely non-distinct, I do not consider that it will extend the distinctiveness of the mark as a whole to any degree above that which is provided by the word 'MONSTER'. Overall, I consider that the opponent's mark is inherently distinctive to a medium degree.

Likelihood of confusion

64. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is 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 goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier marks, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

65. I have found the parties' goods to be identical. I have found the average consumer for the goods to be members of the general public who will select the goods at

issue via primarily visual means, although I do not discount an aural component playing a part. I have concluded that the average consumer will pay a medium degree of attention when selecting the goods at issue but, for some, this may be lower. I have found the marks to be visually similar to a low degree and aurally and conceptually similar to a medium degree. I have found that the opponent's mark is inherently distinctive to a medium degree.

66. Taking all of the above into account and bearing in mind the principle of imperfect recollection, I am of the view that the differences between the marks are such that the average consumer would not misremember or inaccurately recall one mark for the other. I am of the view that this is particularly the case given the number of visual differences across the marks at issue. I do not consider that the visual differences would be forgotten and will instead be prominent points that will, together with the word 'VIDAL' (being the dominant element of the applicant's mark), allow the average consumer to accurately recall the marks at issue. Even if the word 'MONSTER' in the opponent's mark were to be presented in an identical typeface to the one used by the applicant, I do not consider that this would particularly assist the opponent due to the significant differences presented by the applicant's mark as a whole. Consequently, I do not find that there is any likelihood of direct confusion, even for those goods that I have found to be identical and in circumstances where the average consumer pays a lower degree of attention.

67. Turning now to consider a likelihood of indirect confusion, I am reminded of the case of *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, wherein Mr Iain Purvis Q.C., as the Appointed Person, explained that:

"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 recognized 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'.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

- (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ('26 RED TESCO' would no doubt be such a case).
- (b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as 'LITE', 'EXPRESS', 'WORLDWIDE', 'MINI' etc.).
- (c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)".

68. Further, I note the case of *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, wherein Arnold LJ referred to the comments of James Mellor Q.C. (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at paragraph 16 that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

69. While the marks share the word 'MONSTER', I do not consider that this is sufficient to give rise to a likelihood of indirect confusion. Whilst bearing in mind the non-exhaustive categories set out in *L.A. Sugar* (reproduced above), I do not consider that 'MONSTER' in respect of the goods at issue is so strikingly distinctive that the average consumer would believe that only one undertaking would use it. Further, the differences in the applicant's mark are not such that they are simply non-distinctive additions that would be indicative of a sub-brand or brand extension. This is because the additional element of 'VIDAL' in the applicant's mark will, in my view, point to the existence of a separate unconnected economic undertaking and, therefore, assists in pointing away from the existence of a likelihood of indirect confusion. Lastly, I do not consider that the applicant's mark has changed any of the elements in the opponent's mark to the point that they would be seen as entirely logical and consistent with a brand extension. In respect of the latter two points, I have given consideration as to whether the average consumer would consider it logical for 'VIDAL MONSTER MIX' to drop the 'VIDAL' element with its mark and change the word 'MIX' to 'ENERGY'. Firstly, I do not consider that the dropping of the applicant's most distinct element would be seen as logical as it is, in my view, the element that points to the identity of the undertaking responsible for the goods. Secondly, the alteration of 'MONSTER MIX' to 'MONSTER ENERGY' is also, in my view, illogical. This is on the basis that 'MONSTER MIX' forms a unit and I see no reason as to why it would be logical to alter it in such a way that it alters the meaning of the phrase.

70. I remind myself the categories set out in *L.A. Sugar* are not exhaustive but note that there is nothing further from the opponent explaining as to why there exists a likelihood of indirect confusion. In the absence of such, I do not consider that there are any additional circumstances where a likelihood of indirect confusion would exist. Consequently, I find that there is no likelihood of indirect confusion, even when the marks are viewed on identical goods and even in circumstances where the average consumer pays a lower degree of attention.

71. As a result of my findings above, the opposition under section 5(2)(b) fails in its entirety. I will now proceed to consider the remaining grounds of the opposition.

Section 5(3)

72. Section 5(3) of the Act states:

“5(3) A trade mark which –

is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.”

73. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oreal v Bellure*, Case C-323/09, *Marks and Spencer v Interflora*, Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows:

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

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

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

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

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

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34*.

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

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

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

74. The conditions of section 5(3) are cumulative. There must be similarity between the marks, the opponent must also show that its marks have achieved a level of knowledge, or reputation, amongst a significant part of the public. The opponent must also establish that the public will make a link between the marks, in the sense of the earlier mark being brought to mind by the later mark. Assuming that these conditions have been met, section 5(3) requires that one or more of three types of damage claimed by the opponent will occur. It is unnecessary for the purposes of section 5(3) that the goods be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

75. The relevant date for the assessment under section 5(3) is the filing date of the application at issue, being 26 April 2021.

Reputation

76. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

77. Under its 5(3) ground, the opponent relies on the same marks as it did under its 5(2)(b) ground, however, it only relies on "energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages". In addition, the opponent also relies on its third, fourth and fifth marks and claims a reputation in "non-alcoholic beverages, including carbonated drinks and energy drinks" and "syrups, concentrates, powders".

78. Before proceeding, it is necessary to point out that as the opponent's fifth mark is a comparable mark based on a pre-existing EUTM, use of the same in the EU prior to IP Completion Day (being 31 December 2020) is relevant to the assessment of the existence of a reputation. That being said, I do not consider this to be of any real relevance here. This is because, as per the case of *Pago International GmbH v Tirolmilch registrierte GmbH*, Case C-301/07, an EU trade mark may be considered to have a reputation if it is known by a substantial part of the territory of the European Community and that the territory of a single Member State alone may be considered as satisfying that requirement. Further, I note the case of *Whirlpool Corporations and others v Kenwood Limited* [2009] ETMR 5 (HC),

wherein Geoffrey Hobbs Q.C. confirmed that when assessing reputation in the EU, the UK is a substantial part of the same. While these cases were determined prior to the UK's departure from the EU, they remain relevant insofar as use in the EU is a relevant factor. As I will come to discuss below, the evidence is focused on the UK market and, as above, use in this jurisdiction alone is sufficient to point to the existence of a reputation in the EU prior to IP Completion Day.

79. In its submissions, the applicant confirms that it does not refute the opponent's claim that it enjoys a reputation in all of its marks. However, the applicant's position is that the evidence is clear in that any reputation only relates to "energy and sports drinks". Having reviewed the evidence myself, I am in agreement with the applicant in that there is clearly a reputation in the opponent's marks for energy and sports drinks. While these goods are non-alcoholic beverages (being a term upon which the opponent also relies) I am of the view that the reputation does not extend beyond "energy and sports drinks". This is on the basis that the evidence points specifically to use of only energy or sports drinks and nothing further. These goods are, in my view, a specific sub-category of non-alcoholic beverages and will be categorised as such by the relevant public. Without evidence of use of any other types of non-alcoholic beverages, I am not willing to consider a wider reputation.

80. While I accept the opponent enjoys a reputation in "energy and sports drinks", I am still required to assess the evidence in order to determine the level of that reputation. The evidence filed by the opponent is extensive, however, I can summarise this relatively briefly.

81. Sales figures for the opponent's energy drinks in the UK have been provided for 2012 to 2019. In 2012, the opponent sold €79.9 million worth of energy drinks and this grew to €189 million in 2019 for a total of €1.04 billion. The evidence sets out that these figures cover sales from the opponent to their distributors in the UK so are not, therefore, reflective of the final sales to the end consumer. On this point, the opponent claims that the actual sales figures to end consumers would have been higher than the figures provided above. While noted, the opponent has not provided specific turnover figures for the UK. Having said that, the opponent has confirmed that between 2012 and 2019, it sold over 1.6 billion cans of its energy

drink in the UK. Breakdowns of this figure have been provided and I note that these grew steadily from 106.8 million in 2012 to 296 million cans in 2019. The opponent also confirms that its cans of energy drink are sold in over 50,000 retail stores and in over 7,600 pubs. This includes UK retailers ASDA, Nisa and Tesco. I accept that these are all prominent UK retailers with stores across the entirety of the UK.

82. In addition to the volume of sales, evidence of the opponent's market share in the UK has also been provided. This evidence covers periods of varying lengths between 2012 and 5 December 2021. While I will not set out each and every period individually, I note that the lowest market share provided was 8.8% in 2012 with a high of 25% in 2020. I note that as of 5 December 2021, this figure stood at 28.9% but as this is after the relevant date, I will not consider it further. On the point of market share, I note that there is no confirmation as to what market the figures relate to. Given the nature of the goods and the supporting evidence of marketing presentations,¹⁸ I will take it as meaning the market share for the energy drinks market specifically as opposed to the soft drinks market at large.

83. Between 2011 and 30 June 2019, the opponent has spent in excess of \$444 million on sales and marketing activities in the UK. While this is not broken down annually, I note that between 1 July 2018 and 30 June 2019 alone, the opponent spent in excess of \$75 million on marketing activities in the UK. A reference is made to 2015 figures for EU advertising expenditure and I note that this was in excess of €119.4 million. While the EU figures do not specifically relate to UK, I accept that, at that time, the figures would have included a significant spend in the UK. In addition, the totality of the EU spend is relevant to the opponent's fifth mark.

84. The opponent goes into great detail with regard to its endorsements and sponsorships. I do not intend to discuss this in full but note that the evidence sets out that the opponent has sponsorship arrangements with various motorsports entities such as Formula One, MotoGP and Supercross, amongst others.¹⁹ In addition, there is evidence of advertisements with the English Premier League on

¹⁸ See, for example, pages 7 and 14 of Exhibit PJD-1 which provide graph charts of MONSTER's market share alongside another brand of energy drink, being 'RELENTLESS'

¹⁹ Exhibits PJD-8 to PJD-19

LED boards around the perimeter of the football pitch.²⁰ Other sport partnerships discussed includes the UFC and X-Games.²¹ It is my understanding that these are all large organisations with global reach and while no specific evidence is provided regarding viewership of these events in the UK, I do not consider it to be an issue of serious dispute to suggest that they are events that attract significant viewership figures in the UK. Further, the evidence shown is clear in that 'MONSTER' is clearly present at these events.

85. Clearly, the evidence of sales, market share and advertising expenditure in the UK is extremely significant as is the opponent's presence in various global sporting events. I am satisfied that, based on the evidence as a whole, the 'MONSTER' brand in respect of "energy and sports drinks" is well-known across the relevant public concerned with the goods at issue in the UK. I am also satisfied that all of the marks at issue will be associated with the reputation of the opponent on the basis that all of the marks are featured prominently throughout the evidence. Given the size of figures involved and the market share of the opponent's business in the UK, I conclude that the reputation of the opponent's marks in the UK is very strong.

My approach

86. The opponent relies on five marks under its 5(3) ground. I have found that all of these marks enjoy a very strong reputation in the UK for the same goods, namely "energy and sports drinks". The opponent has not indicated which mark reflects its best case (and it is, of course, not necessary for them to do so). Ordinarily I would not seek to single out which mark represents the best case, however, in the present proceedings I consider it appropriate to consider the position in respect of the opponent's first and fourth marks only. This is on the basis that they consist solely of the word 'MONSTER', albeit as a word only in opponent's first mark and presented in a stylised typeface in its fourth. Both of these marks are registered in black and white and can, therefore, be used in any colour. The remaining marks all consist of additional elements that, in my view, take them further away from the applicant's mark. It is my view that if a link and damage is established for the

²⁰ Exhibit PJD-20

²¹ Exhibit PJD-29

opponent's first and fourth marks, the position in respect of the remaining marks is of no relevance. Alternatively, if no link or damage is found then it follows that the same outcome will apply to marks that enjoy the same level of reputation for identical goods but are similar to a lesser degree.

Link

87. As noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks.

88. Neither the opponent's first or fourth marks were subject to my similarity assessment under the 5(2)(b) ground. The opponent's marks at issue here are slightly different to the opponent's second mark in that they do not consist of the word 'ENERGY' and the opponent's fourth mark is presented in a stylised typeface. While that may be the case, I consider that similar findings in respect of similarity apply here. This is on the basis that (1) there remain significant differences between the marks from a visual perspective, most notably the additional elements in the applicant's mark (being 'VIDAL', 'MIX' and the non-verbal elements) and (2) I do not consider that the different aural and conceptual element in the opponent's second mark (being 'ENERGY') is such that its absence in the opponent's first and fourth marks would result in a different outcome here. To confirm, I consider that the marks at issue are visually similar to a low degree and aurally and conceptually similar to a medium degree.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public.

89. I have found that the applicant's goods are dissimilar to the opponent's first mark's class 32 goods. That assessment was made in respect of a wider specification

than the one for which the opponent now enjoys a reputation, being “energy and sports drinks” only. I consider that the same finding applies here, namely that the applicant’s confectionery goods are dissimilar to the opponent’s reputed goods. Having said that, the relevant section of the public concerned with the parties’ goods is the same on the basis that the goods at issue are all targeted at members of the general public at large. Further, the sector involved with these goods is the same in that both parties’ goods can be found in the food and drink sector which is, admittedly, a very wide sector.

The strength of the earlier mark’s reputation

90. The opponent’s first and fourth marks have a very strong reputation in the UK.

The degree of the earlier mark’s distinctive character, whether inherent or acquired through use

91. I have found above in my assessment of the distinctive character of the opponent’s second mark that ‘MONSTER’ is inherently distinctive to a medium degree. I consider that this finding applies to the opponent’s first mark on the basis that it is made up solely of the same word. In respect of distinctiveness acquired through use, I refer to the evidence summary above regarding the opponent’s sales, market share and advertising in the UK. This evidence is significant and, in my view, points to the opponent’s first mark enjoying a high degree of distinctive character as a result of the use made of it.

92. As for the opponent’s fourth mark, I consider that the same finding applies to the word element in that it is inherently distinctive to a medium degree. However, on the basis that it is presented in a stylised typeface, I consider that it is inherently distinctive to a slightly higher than medium degree. As for enhanced distinctiveness, I note that the base level of inherent distinctiveness is higher than that of the opponent’s first mark, however, I do not consider that this results in a finding that this mark’s distinctiveness is materially higher than that I have found in respect of the opponent’s first mark. Therefore, I find that the opponent’s fourth

mark also enjoys a high degree of distinctive character as a result of the use made of it.

Whether there is a likelihood of confusion

93. Given that the goods relied upon by the opponent under the present ground were found to be dissimilar to the applicant's goods, there was no confusion in respect of my 5(2)(b) assessment.

Conclusion on link

94. I am now required to determine whether, in this particular case, the relevant public would bring the opponent's marks to mind when confronted with the applicant's mark, thereby creating the necessary link. Even though I have found there to be no likelihood of confusion, this does not preclude me from finding the necessary link between the marks. Further, I acknowledge that the level of similarity required for the relevant public to make a link between the marks for the purposes of 5(3) grounds may be less than the level of similarity required to create a likelihood of confusion.²² The reputation of 'MONSTER' is very strong; however, the inherent distinctiveness of 'MONSTER' solus is only medium, although I accept that it has been enhanced through use. While I take this into account together with the fact that the marks share the word 'MONSTER', I am of the view that there is no scenario wherein the average consumer will overlook the word 'VIDAL' in the applicant's mark. This difference will point away from the existence of any link between the marks. Further, the word 'MONSTER' in the applicant's mark will be viewed together with 'MIX' and the non-verbal elements and this will, in my view, result in the understanding that the mark is allusive to a mix of monster shaped sweets. Taking all of this into account, I find that the differences between the marks are such that a significant proportion of the relevant public would not make a link between the marks, particularly given that the applicant's confectionery goods are dissimilar to the opponents' energy and sports drinks. While the section of public

²² *Intra-Press SAS v OHIM*, Joined cases C-581/13P & C-582/13P

concerned with the goods at issue will be the same, the consumers will acknowledge the differences between the marks and will not be caused to wonder if they are linked.

95. Given that I have found no link, there can be no damage and the opponent's reliance on the 5(3) ground hereby fails. However, in case I am wrong to find that there is no link, I will proceed to consider damage.

Damage

96. The opponent has pleaded that use of the applicant's mark would, without due cause, take unfair advantage of the reputation of the opponent's marks and/or be detrimental to the distinctive character or reputation of the opponent's marks. I will deal with each head of damage in turn below.

Unfair Advantage

97. In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch), Arnold J. (as he then was) considered the earlier case law and concluded that:

“80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts

to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.”

98. I note that in its submissions regarding unfair advantage, the opponent makes reference to the case of *Monster Energy Company v Red Bull GmbH* [2022] EWHC 2155 (Ch). In doing so, the opponent reproduced paragraph 31 of that decision in full. While I do not intend to reproduce this here, I note that the passage quoted makes reference to the case of *Jack Wills* (cited above). The opponent’s argument in support of unfair advantage is that:

“Due to the extensive reputation which the Opponent has built up in the marks covered by the Earlier Rights in relation to the Opponent’s Goods in class 32, the use of the highly similar Opposed Mark in respect of the identical Contested Goods will inevitably “free-ride” or take unfair advantage of such reputation because the consumer is likely to make an association with the Opponent’s well-known Earlier Marks and the Applicant will obtain a commercial benefit.”

99. In response, the applicant submits that it has its own reputation in its ‘VIDAL’ branding and would not benefit from the opponent’s reputation and neither does it seek to associate itself with the goods of the opponent, being goods that are unsuitable for children due to their caffeine content. Firstly, the issue of the applicant enjoying a reputation is not relevant to the present assessment. Just because the applicant may enjoy a reputation in ‘VIDAL’ solus, it is the common element of ‘MONSTER’ that is of concern here. Secondly, I have already discussed in my assessment of the average consumer that the applicant’s goods are not specifically limited to being targeted at children meaning that they may also be targeted at adults.

100. While I do not consider that the applicant’s submissions and evidence are of any assistance, I am not convinced that the opponent has established unfair advantage. Firstly, its argument is based on the fact that the marks are highly similar and relate to identical goods. This is not the case. Even if a link were made on the basis that both parties’ use the word ‘MONSTER’ in their marks, I see no

reason as to why this would result in the applicant taking unfair advantage of the opponent's marks. This is mainly on the basis that the presence of the word 'VIDAL' in the applicant's mark will be noticed and it is this element that will be seen as the primary indicator of origin for the applicant's goods. In these circumstances, the fact that the parties' marks share the same 'MONSTER' element is merely coincidental, particularly with how this element fits in with the applicant's mark as a whole. Simply using the word 'MONSTER' is not, in my view, unfair and I do not consider that there exists any transfer of image from the opponent's marks onto the applicant's mark, particularly given (1) the significant visual differences between them and (2) that the image conveyed by the applicant's mark is so closely aligned with the concept of monster shaped sweets. In this scenario, I find that the shared use of 'MONSTER' would not garner any form of advantage, let alone an unfair one.

Detriment to distinctive character

101. A claim of detriment to distinctive character is such that there needs to be a change in the economic behaviour of the average consumer of the opponent's goods or a serious likelihood that it will occur. I note that the opponent did not file any evidence in support of such a claim, however, I am reminded that it is not essential for a party to adduce evidence of actual detriment or a serious risk of the same, however, such deductions must not be the result of mere suppositions but, instead, must be founded on 'an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case'.²³

102. In support of its claim in respect of detriment to distinctive character, the opponent submitted that:

"As a link will be formed in the mind of the public between the Opposed Mark and the marks covered by the Earlier Rights, the presence of the highly similar

²³ See paragraphs 42 and 43 of *Environmental Manufacturing LLP v OHIM*, Case C-383/12P

Opposed Mark on the market will erode the distinctive character of the marks covered by the Earlier Rights.”

103. I do not consider that these submissions offer much assistance to the opponent’s case. While I appreciate that the issue of no evidence being filed is not fatal to the opponent’s claim, I have nothing before me to allow for the analysis alluded to at paragraph 101 above to take place. Instead, the position before me is such that I would be required to determine this issue on mere supposition. As set out by the CJEU in *Environmental Manufacturing* (cited above), this is not appropriate. Therefore, the claim of a detriment to the distinctive character of the opponent’s mark must fail.

Detriment to repute

104. Turning lastly to consider detriment to repute, I refer to the case of *Unite The Union v The Unite Group Plc*, Case BL O/219/13, wherein Ms Anna Carboni, sitting as the Appointed Person, considered whether a link between an earlier mark with a reputation and a later mark with the mere potential to create a negative association because of the identity of the applicant or the potential quality of its goods/services was sufficient to find an opposition based on detriment to reputation. She said:

“46. Indeed, having reviewed these and other opposition cases, I have not found any in which the identity or activities of the trade mark applicant have been considered in coming to a conclusion on the existence of detriment to repute of an earlier trade mark. I can understand how these matters would form part of the relevant context in an infringement case, but I have difficulty with the notion that it should do so in an opposition. After all, many, if not most, trade mark applications are for trade marks which have not yet been used by the proprietor; some are applied for by a person or entity that intends to license them to a third party rather than use them him/itself; and others are applied for by an entity that has only just come into existence.

47. I do not exclude the possibility that, where an established trading entity applies to register a mark that it has already been using for the goods or services to be covered by the mark, in such a way that the mark and thus the trader have already acquired some associated negative reputation, perhaps for poor quality goods or services, this fact might be taken into account as relevant “context” in assessing the risk of detriment to repute of an earlier trade mark. Another scenario might be if, for example, a trade mark applicant who was a known Fascist had advertised the fact prior to the application that he was launching a new line of Nazi memorabilia under his name: I can see how that might be relevant context on which the opponent could rely if the goods and services covered by the application appeared to match the advertised activities. But I would hesitate to decide an opposition on that basis without having had confirmation from a higher tribunal that it would be correct to take such matters into account.”

105. In the present case, the opponent argues that its goods (and the image they project) have established a defined style, character and wide reputational following for its high quality products and that the applicant’s mark would cause detriment to the reputation by way of tarnishment or degradation. The opponent, it claims, will not be able to control the manner in which the applicant’s mark is used which may be in a manner that is adverse to the reputation of the opponent’s marks. The submissions of the opponent expand on this by introducing an example that if the applicant’s goods are of a lower quality than those of the opponent, it would damage the reputation built by the opponent. While these submissions are noted, they are, in my view, based on a hypothetical argument and following the reasoning set out by Ms Carboni above, I see no reason why this would give rise to a finding of detriment to reputation. In any event, I find that even if a link is made between the marks, the visual differences between the marks and the applicant’s reliance on the word ‘VIDAL’ will not result in any damage to the opponent’s repute in its ‘MONSTER’ branding. Therefore, this line of damage fails.

Final remarks on 5(3)

106. I have found no damage in respect of the opponent's first and fourth marks. Even if I were to now proceed to consider the opponents' remaining marks in full, I see no reason as to why the outcome would be any different than that which I have found above. This is on the basis that the remaining marks contain no additional elements that would assist in pointing to the existence of damage to the opponent.

107. Lastly, I note that the opponent's submissions make mention of there being no legitimate justification for using the applicant's mark and, as a result, there is no argument for due cause. Given that I have found that the 5(3) ground fails in its entirety, this is not a point that I am required to consider. I will now proceed to consider the 5(4)(a) ground.

Section 5(4)(a)

108. Section 5(4)(a) of the Act reads as follows:

“(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, where the condition in subsection (4A) is met,

(aa)

(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.”

109. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

110. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, 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.

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).”

111. Halsbury’s Laws of England Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

“Establishing a likelihood of deception generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation¹ 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 indicium which is the same or sufficiently similar that the defendant's goods or business are from the same source² or are connected.

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which 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 claimant and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the claimant;
- (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 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.”

Relevant Date

112. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander Q.C., as the Appointed Person, endorsed the registrar’s assessment of the relevant date for the purposes of section 5(4)(a) of the Act, as follows:

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

113. The applicant’s mark does not have a priority date. The has filed evidence which sets out that it launched its ‘VIDAL MONSTER MIX’ range of sweets in Spain and Portugal in 2021 as only a seasonal product for Halloween and that it is “currently prepared to rollout the VIDAL MONSTER MIX sweets this year in several countries, including in the UK.”²⁴ Whether this range of sweets was ultimately rolled out in the UK after the date of the witness statement, it is of no relevance here. There is no evidence to suggest any use of the applicant’s mark prior to the application being filed meaning that the relevant date for the 5(4)(a) assessment falls on the filing date of the application at issue, being 26 April 2021.

²⁴ Paragraph 23 of the witness statement of Joaquin Viqueras Miralles

Goodwill

114. The first hurdle for the opponent is that it needs to show that, at the relevant date, it had the necessary goodwill in its business and that its signs was distinctive and/or associated with that goodwill. Goodwill was described in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), in the following terms:

“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.”

115. 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 of 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.”

116. 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.”

117. In *Hart v Relentless Records* [2002] EWHC 1984 (Ch), Jacob J. (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in BALI Trade Mark [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used “but had not

acquired any significant reputation” (the trial judge's finding). Again that shows one is looking for more than a minimal reputation.”

118. Goodwill arises as a result of trading activities. Given the extensive evidence filed, I do not consider it appropriate to go into any great detail in respect of the issue of the existence of goodwill in the opponent’s signs. I note that the signs relied upon by the opponent under its 5(4)(a) ground are identical to the marks relied upon in the earlier grounds (albeit the opponent’s third sign which, save for its use of colour, is the same as the opponent’s third mark – a point that I do not consider will affect the outcome). Further, while the goods relied upon are not the same as those it relied upon during the 5(3) ground, they do cover a broader range of goods, being “drinks” at large.

119. On this basis, I rely on the same evidential summary for goodwill as I have in respect of reputation above. It follows that the evidence (which is summarised at paragraphs 81 to 85 above) demonstrates that, as at the relevant date, the trading activities of the opponent were at a very significant level and I accept that it would have obtained a very strong level of goodwill. While that may be the case, this does not extend to the wide variety of goods relied upon, being “drinks” at large. As the evidence fails to show trading activities of any goods other than “energy and sports drinks”, I consider it appropriate to limit the reliance to that specific subset of goods only. I am satisfied that, as at the relevant date, the goodwill vested in the opponent’s business and that the customers would have perceive the opponent as being responsible for the goods at issue.²⁵ Finally, I am satisfied that the opponent’s signs relied upon were distinctive of that goodwill at the relevant date.

Misrepresentation and damage

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

²⁵ *MedGen v Passion For Life* [2001] FSR 30

“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.”

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.”

121. In considering misrepresentation, I will first consider the similarity of the marks at issue. On this point, I remind myself that I have already assessed the similarity of the opponent's first, second and fourth marks in the various grounds above. As the opponent's first, second and fourth signs are identical to the marks assessed above, their findings are echoed here, namely that they are visually similar to a low degree and aurally and conceptually similar to a medium degree with the applicant's mark. I consider that the same findings apply to the opponent's fifth sign. As for the opponent's third sign, I am of the view that the addition of the three-

pronged figurative element (that may be seen as claw marks or a representation of a letter 'M') will result in the marks being similar to a very low degree. The aural and conceptual similarities, however, remain medium. As for the similarity of the goods as issue, I make the same finding here in respect of the goods considered under the 5(2)(b) assessment, namely that they are dissimilar. On this point, I appreciate that the fact that the parties operate in separate fields of activity is not fatal to the issue of misrepresentation.²⁶

122. In making my assessment of whether there is a misrepresentation, I bear in mind the three questions set out in Halsbury's (reproduced at paragraph 111 above). Firstly, I accept that the nature and extent of the goodwill enjoyed by the opponent is very large. Secondly, the goods at issue are dissimilar and while the fields of activity that the parties operate in are not the same, they are relatively close in that both parties operate within the same broad 'food and drink' sector. Lastly, the opponent's signs and the applicant's mark all have significant points of differences, particularly visually. Taking all of this into account, I am of the view that the prominent differences (particularly visual) between the marks are such that a substantial number of members of the public will notice them and will understand that the goods provided under the marks at issue are offered by separate and unconnected undertakings, one by 'VIDAL' and the other by 'MONSTER'. As a result, I conclude that members of the public will not be deceived into purchasing the applicant's goods in the mistaken belief that they are the goods of the opponent.

123. Without misrepresentation, there can be no damage meaning that the opponent's reliance upon the 5(4)(a) ground fails.

CONCLUSION

124. The opposition fails in its entirety and the applicant's mark may, therefore, proceed to registration for all of the goods applied for.

²⁶ *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA)

COSTS

125. As the applicant has been successful, it is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. I note that the applicant filed detailed evidence, however, the content of such was of no assistance to the present proceedings and would, ordinarily, result in no costs award in respect of evidence. Having said that, I appreciate that the applicant would have incurred the costs of examining the opponent's evidence, which was extensive. Therefore, I intend to make a costs award for the same.

126. In the circumstances, I award the applicant the sum of **£1,000** as a contribution towards its costs. The sum is calculated as follows:

Considering the notice of opposition and preparing a counterstatement:	£200
Considering the opponents' evidence:	£500
Preparing written submissions in lieu:	£300
Total	£1,000

127. I hereby order Monster Energy Company to pay VIDAL GOLOSINAS, S.A. the sum of £1,000. The above sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 15th day of December 2022

A COOPER
For the Registrar