

O-107-11

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2474095
BY
XING HEALTH LTD
TO REGISTER THE TRADE MARK**

XING

IN CLASSES 29, 32 AND 43

AND

**THE OPPOSITION THERETO
UNDER NO 97203
BY
XING BEVERAGE LLC**

Trade Marks Act 1994

**In the matter of application 2474095
by Xing Health Ltd
to register the trade mark:**

XING

**in classes 29, 32 and 43
and the opposition thereto
under no 97203
by Xing Beverage LLC**

1. On 5 December 2007, Xing Health Ltd (which I will refer to as Health) applied to register the above trade mark. Following examination, the application proceeded to publication in the *Trade Marks Journal* on 22 February 2008 for the following goods and services in classes 29, 32 and 43¹:

Milk and Milk products, Soups, Dried and cooked fruits and vegetables;

Fruit smoothies, fresh fruit drinks and fresh fruit juices;

Services for providing food and drink.

2. Xing Beverage LLC (which I will refer to as Beverage) filed notice of opposition to the trade mark application, claiming that registration would be contrary to section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). It relies upon the following goods of three Community trade mark (“CTM”) registrations:

a) XING ENERGY CTM 6559884

The CTM application date was 7 January 2008 and the registration procedure was completed on 13 November 2009. Beverage claims a priority date of 24 October 2007 from United States trade mark application 77312629. The goods relied upon in the CTM for this opposition are:

Class 30: *staple foods, prepared foods;*

Class 32: *energy drinks; fruit flavoured soft drinks.*

These goods were specified in the original priority trade mark application filed at the United States Patent and Trademark Office (“USPTO”) on 24 October 2007.

¹ Classes 29, 32 and 43 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

b) XING SODA CTM 6559942

The CTM application date was 7 January 2008 and the registration date 26 January 2009. Beverage claims a priority date of 24 October 2007 from United States trade mark application 77312679. The goods relied upon in the CTM for this opposition are:

Class 30: *staple foods; prepared foods;*

Class 32: *soda pops; fruit-based soft drinks flavoured with tea, colas, soft drinks flavoured with tea;*

These goods were specified in the original priority trade mark application filed at the USPTO on 24 October 2007.

c) XING COFFEE CTM 6559918

The CTM application date was 7 January 2008 and the registration date 26 January 2009. Beverage claims a priority date of 25 October 2007 from United States trade mark application 77313637. The goods relied upon in the CTM for this opposition are:

Class 30: *beverages made of coffee; staple foods; prepared foods;*

Class 32: *coffee flavoured soft drink.*

These goods were specified in the original priority trade mark application filed at the USPTO on 25 October 2007.

3. Health filed a counterstatement denying that the goods of the application are identical or similar to those of Beverage's CTMs (to the extent that they are relied upon).

4. The matter came before me for a hearing on 26 January 2011 when the applicant was represented by Mr Steve Gilholm, for Ipheions Intellectual Property. Beverage was not represented and did not file written submissions in lieu of attendance.

Preliminary matters: the priority applications

5. The filing dates of the three CTMs are later than that of the application: the application was filed on 5 December 2007 and the CTMs were all filed on 7 January 2008. However, the CTMs all claim priority from three USPTO trade mark applications: two from 24 October 2007 and the third from 25 October 2007. Section 6(1) of the Act states:

“In this Act an ‘earlier trade mark means –

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking into account (where appropriate) of the priorities claimed in respect of the trade marks,

(b) a Community trade mark or international trade mark (EC) which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK),

(ba) a registered trade mark or international trade mark (UK) which –

(i) has been converted from a Community trade mark or international trade mark (EC) which itself had a valid claim to seniority within paragraph (b) from an earlier trade mark, and

(ii) accordingly has the same claim to seniority, or

(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.”

6. Priority dates must therefore be taken into account in determining whether Beverage’s CTMs are earlier trade marks within the meaning of section 6(1)(a). Since Beverage’s trade marks are CTMs, regard must also be had to Article 29 of the Community Regulation (EC) No 207/2009 of 26 February 2009, which states (my emphasis):

“1. A person who has duly filed an application for a trade mark in or in respect of any State party to the Paris Convention or to the Agreement establishing the World Trade Organisation, or his successors in title, shall enjoy, for the purpose of filing a Community trade mark application for the same trade mark **in respect of goods or services which are identical with or contained within those for which the application has been filed**, a right of priority during a period of six months from the date of filing of the first application.

2. Every filing that is equivalent to a regular national filing under the national law of the state where it was made or under bilateral or multilateral agreements shall be recognised as giving rise to a right of priority.

3. By a regular national filing is meant any filing that is sufficient to establish the date of which the application was filed, **whatever may be the outcome of the application.**

4.

5.”

7. Beverage has filed copies of its original USPTO applications. I note that the specifications of the USPTO applications from which the CTMs claim priority were subsequently restricted. However, it is not the eventual specifications which are relevant for priority purposes; it is evident from the above regulation that priority rights stem from application for the same mark for the same goods and services, “whatever may be the outcome of the application.” The USPTO applications were for the same marks as the CTMs, included the goods which Beverage relies upon in the CTMs, and were applied for within the six month period preceding the CTM applications. The claims to priority stemming from the USPTO applications are therefore valid, which means that Beverage’s CTMs count as earlier trade marks as per section 6(1)(a) of the Act and that the goods specified in the notice of opposition may be relied upon as a basis for these proceedings under section 5(2)(b) of the Act. Section 5(2)(b) states:

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

....

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

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

Evidence

8. Beverage has filed evidence in the form of witness statements from Mr Wesley M Long, Ms Helen Wakerley and Mr Tom LeBon. Mr Wesley, who is a trade mark attorney in the US, has filed evidence in relation to the changes in ownership and typographical mistakes made in various assignment documents associated with ownership transfers of the earlier marks. Ms Wakerley is a UK attorney acting for Beverage in these proceedings; she has filed copies of the assignment documents referred to by Mr Long. As this has no bearing on the assessment I must make and the applicant has made no challenge in relation to entitlement, I need say no more about this.

9. The third witness statement is from Mr Tom Le Bon, who is Beverage's CEO. He states that one of his duties is to oversee marketing and sales strategies both in the US and overseas. He states that Beverage has never marketed or sold any products in the UK under the three marks which it relies upon in these proceedings, but that Beverage intends, eventually, to market products in the UK under one or more of these marks (including XING TEA, not relied upon). Mr LeBon states that, in preparation to enter the UK market, Beverage researched the UK market and did not find any use of the mark XING or any similar mark by the applicant in the UK.

10. Health's evidence is a witness statement from Mr Philip Benson, who is Health's proprietor. He states that, following a change of name from ZING on 26 July 2006, Health has been trading as XING. Health began selling smoothies in 2006 in Hull city centre and various music festivals using a mobile smoothie cart; subsequently, Health traded from the University of Hull, where it now has two smoothie bars. Health also runs two franchise operations in student unions in Liverpool. Mr Benson states that the franchises have been operating since February 2008, with a third at the Gemtec Arena in Hull. Since 2006, Health has also provided delivery to local primary schools and conducted local smoothie roadshows to promote healthy living. Mr Benson states that Health has received interest from all over the UK for the XING roadshows. Health has appeared in the Hull Daily Mail and The Times newspapers and on radio stations (Radio Humberside and KCFM). Health has a website (xinghealth.co.uk) and a facebook group called Xing Smoothies. Mr Benson gives some information about consent from parties unrelated to these proceedings; as such, I do not need to summarise the details because they have no bearing on this case.

Decision

11. The leading authorities which guide me in this ground are from the Court of Justice of the European Union (CJEU): *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,

(b) the matter must be judged through the eyes of the average consumer for the goods/services in question; *Sabel BV v Puma AG*, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*,

(g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(i) further, 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; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*.

Average consumer and the purchasing process

12. The average consumer for food and drink, and food and drink services, is the general public. The average consumer is reasonably well informed and reasonably circumspect and observant, but his level of attention is likely to vary according to the category of goods or services. Purchasing food is, generally speaking in relation to the categories of food in the parties' specifications, a frequent and relatively inexpensive purchase. In relation to food and drink services, depending on the nature of the food and drink establishment, the type of food sold and the prices charged, the attention of the consumer will vary. For example, a hastily bought takeout sandwich and a drink will not cause the same level of attention to be paid as choosing to dine at an expensive restaurant. The

average consumer of both food and drink goods and food and drink services will pay a reasonable amount but not the highest amount of attention. The purchasing process for food goods and food and drink services is largely a visual process, but I do not ignore the potential for oral use of the mark².

Comparison of goods

13. In its notice of opposition, Beverage claims identity or similarity in relation to the goods and services of the parties, as follows:

XING ENERGY	APPLICATION
Staple foods; prepared foods	Milk and milk products, soups, dried and cooked fruit and vegetables
Energy drinks; fruit flavoured soft drinks;	Fruit smoothies, fresh fruit drinks; fresh fruit juices
Staple foods; prepared foods; energy drinks; fruit flavoured soft drinks	Services for providing food and drink

XING SODA	APPLICATION
Staple foods; prepared foods	Milk and milk products, soups, dried and cooked fruit and vegetables
Soda pops; fruit-based soft drinks flavoured with tea	Fruit smoothies, fresh fruit drinks; fresh fruit juices
Colas; soft drinks flavoured with tea	Fruit smoothies, fresh fruit drinks; fresh fruit juices
Staple foods; prepared foods; soda pops; fruit-based soft drinks flavoured with tea; colas; soft drinks flavoured with tea	Services for providing food and drink

² General Court (“GC”) in *Simonds Farsons Cisk plc v Office for Harmonization in the Internal Market* (OHIM) Case T-3/04

XING COFFEE	APPLICATION
Beverages made of coffee; staple foods; prepared foods	Milk and milk products
Staple foods; prepared foods	Soups, dried and cooked fruits and vegetables
Coffee-flavoured soft drinks	Fruit smoothies, fresh fruit drinks; fresh fruit juices
Beverages made of coffee; staple foods; prepared foods; coffee-flavoured soft drinks	Services for providing food and drink

In assessing the similarity of goods and services it is necessary to take into account, inter alia, their nature, their intended purpose³, their method of use and whether they are in competition with each other or are complementary⁴. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J gave guidance as to how similarity should be assessed⁵.

14. Health submitted that Beverage could not claim priority from classes 29 or 43 and so I should not find similarity between Health's class 29 goods and class 43 services and the goods of Beverage. Further, Health submitted, in relation to the class 32 goods where priority was admitted, that Beverage's drinks are fizzy drinks and flavoured teas which are not similar to Health's goods, which are fresh fruit smoothies. Health submitted that fizzy drinks and teas are not sold side by

³ The earlier incorrect translation of 'Verwendungszweck' in the English version of the judgment has now been corrected.

⁴ *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117.

⁵ He considered that the following should be taken into account when assessing the similarity of goods and/or services:

- (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."

side with smoothies in supermarkets because the smoothies would be refrigerated.

15. I must assess whether, despite Beverage not having cover for class 29 and 43, there are nevertheless goods or services in Health's classes 29 and 43 which are similar to those of Beverage, according to the *Canon* and *Treat* tests. When making this assessment it must be borne in mind that Beverage's class 32 goods are not, contrary to what Health submitted, limited to fizzy drinks – for example XING ENERGY includes "fruit flavoured soft drinks" – the fruit flavoured element needs little explanation; being soft means that they are non-alcoholic.

16. I will start by comparing the goods and services of the application with those of XING ENERGY, which at first blush appear to be the closest earlier mark in terms of goods/services similarity .

Application: *milk and milk products; fruit smoothies, fresh fruit drinks; fresh fruit juices*

XING ENERGY: *fruit flavoured soft drinks*

The users are the general public and the method of use is that the goods are all drunk. The primary intended purpose is to quench thirst. Health submits that there is a vast difference between sugary drinks and fresh fruit drinks. It submits they will not be sold side by side. This, though, appears to be a too restricted assessment based on Beverage's goods being carbonated cans or bottles of pop. I see no reason why a fruit flavoured soft drink could not be sold in a refrigerator. Furthermore, various beverages may be sold alongside each other to cater, for example, to the lunchtime trade. They are all self-serve consumer items which are in competition with one another. In the non-refrigerated shelving areas of supermarkets and grocery shops, long-life smoothies, fruit squashes, carbonated drinks and waters are sold cheek-by-jowl. There is a further point of similarity in that they are all fruity, be it by way of fruit flavour or fresh fruit. Health's *fruit smoothies, fresh fruit drinks; fresh fruit juices* are reasonably high in similarity to Beverage's *fruit flavoured soft drinks*. *Milk* includes fruit-flavoured milk (e.g. strawberry milk) and *milk products* covers milk beverages (e.g. milkshakes). As above, these goods are sold alongside *fruit flavoured soft drinks*. Although the comparison between e.g. strawberry milk and milkshakes with fruit flavoured soft drinks is not as strong as between the latter and drinks with a higher fruit content, such as smoothies, these are all still drinks, sold alongside each other which are in competition. There is a reasonable level of similarity between *milk; milk products* and *fruit flavoured soft drinks*.

17. Application: *services for providing food and drink*

XING ENERGY: *prepared foods; fruit flavoured soft drinks*

Health has cover for services for providing food and drink. In relation to the provision of drink services, the consumer has the choice as to whether he purchases a drink from a shop shelf or visits an establishment such as a bar or café, or a juice/smoothie bar or stall, to quench his thirst. The goods could be drunk *in situ* or on the move. The goods are in competition with the service, and share the same users and intended purpose. There is a reasonable degree of similarity between Beverage's *fruit flavoured soft drinks* and Health's *services for providing drink*. In relation to food, the consumer can choose to avail himself of the service for providing food or buy a prepared meal/food. Consequently, the respective goods and services have the same end users, the same purpose and are in competition. There is a reasonable degree of similarity between Health's *services for providing food* and Beverage's *prepared foods*.

18. Application: *soups, dried and cooked fruits and vegetables*

XING ENERGY: *staple foods; prepared foods*

In *Treat*, the court stated that in "construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade". The term 'staple foods' is not found in the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised. The staple food of one nation or indigenous population varies from that of another. The term, as applied to basic foods in class 30 which are commonly eaten by the average UK consumer, would cover such everyday items as bread, flour, rice and pasta. Beverage has not explained what it means by the term which formed⁶ part of its US specification and which it has repeated in its CTM. I consider that 'staple foods' is a relatively narrow term which covers the most basic of foodstuffs. In contrast, Beverage's term 'prepared foods' is a wide term; this covers anything that has undergone some form of preparation. So, 'prepared foods' includes all types of foods, from savoury to sweet. The assessment must, though, be limited to prepared foods which fall in class 30. It is impractical to conduct an exhaustive analysis of every type of prepared food product so what follows is by way of example.

19. Soup (Health's term) is by its nature a prepared food. However, the question is whether prepared foods in class 30 are similar to soup. Savoury prepared foods in class 30 covers a vast array of food products, such as prepared vegetable or meat pies, ready made meals, pizzas and prepared sandwiches. Prepared food in class 30 could be sold in tins for convenience and longevity, as soup often is. These goods are in competition in the supermarkets where all types of prepared meals, including soup, are sold in close proximity to each other. I consider there to be a reasonable degree of similarity between *soup* and *prepared foods*.

⁶ Its USPTO specifications have been revised since application.

20. Prepared food covers snack items such as cereal bars; dried fruit is sold loose or in bar form as a healthy snack (as well as an ingredient for cooking) and is in competition with, and sold nearby to, cereal bars; cooked fruit may be bought as a dessert (e.g. a compote) as an alternative to a fruit pie dessert or to use as a filling for a pie. Dried vegetables, e.g. speciality mushrooms and sun-dried tomatoes, will often be sold in close proximity to other ingredients such as pasta or risotto rice, pizza bases, or ready prepared packets of risotto or pasta, as part of a range of (Italian) foods. The users, uses, intended purpose and channels of trade are the same and there are varying levels of competition between the types of goods. There is a reasonable degree of similarity between Health's *dried and cooked fruits and vegetables* and Beverage's *prepared foods*.

21. In summary, I have found either that there is a reasonably high degree or a reasonable degree of similarity between the various goods and services of the parties. This is relevant when I come later to consider the interdependency principle i.e. that a greater or lower degree of similarity between the goods and services may have the effect of offsetting a lower or greater degree of similarity between the marks.

Comparison of trade marks

22. The authorities direct that, in making a comparison between the marks, I must have regard to each mark's visual, aural and conceptual characteristics. I have to decide which, if any, of their components I consider to be distinctive and dominant. In view of the comparison of goods and services above, I will compare the application with Beverage's XING ENERGY mark.

Beverage's mark	Health's mark
XING ENERGY	XING

23. Health's mark consists of a single component which does not separate into comparative distinctive and dominant components. Beverage's mark, on the other hand, consist of two word elements. The second word in the mark is a descriptor in the context of the goods, whether 'energy' drinks or prepared foods such as energy snacks/bars; it is the XING element in Beverage's marks which is the dominant and distinctive component.

24. XING is the point of similarity. It is identical in the parties' marks and constitutes the only element or the dominant element in the respective marks. The difference between the parties' marks results from the additional word ENERGY in Beverage's mark. Whilst I note the difference, I still consider there to be a high degree of visual similarity; there will be an element of visual discount of the additional word ENERGY, on the part of the average consumer, because it is a descriptor in the context of food and drink. Similar considerations apply to

the aural comparison; the point of similarity is XING, which will be heard first. The impact of ENERGY, as a descriptive word, is likely to be reduced in terms of aural significance. The pronunciation of XING will be 'ZING' (an 'x' at the beginning of a word, in English, is pronounced as a Z, as in xylophone and xenophobia). There is a high degree of phonetic similarity between the parties' marks.

25. Accordingly, conceptual analysis reveals two possibilities, depending on whether the marks are encountered visually or aurally. If the marks are seen, XING is an invented word with no concept. (It might be seen as being evocative of a Chinese word, but still with no meaning for the average consumer in the UK). If XING is heard, the mark will be perceived as the word ZING. This is a dictionary word meaning vitality or zest. The marks will share the same aural concept, which is not affected by the presence in Beverage's mark of the descriptive word. The combination of words in Beverage's mark does not hang together: it is still essentially a XING/ZING mark, plus a descriptive word. Whether the marks are perceived visually or aurally, there will be no conceptual difference to counteract the identical visual or aural similarities, as per *Ruiz-Picasso v OHIM*, case 361/04 P [2006] E.T.M.R. 29. There is a high degree of similarity overall between XING and XING ENERGY.

Distinctiveness of Beverage's mark

26. It is necessary to consider the distinctive character of Beverage's marks because the more distinctive they are, either by inherent nature or by use (nurture) the greater the likelihood of confusion⁷. The distinctive character of a trade mark must be assessed by reference to the goods or services in respect of which registration is sought and by reference to the way it is perceived by the relevant public⁸. Beverage has not filed any evidence of use of XING ENERGY (or any of its marks; in fact it stated that it has not yet used them in the UK), so I have only its inherent nature to consider. XING is an invented word, having a higher inherent distinctive character than if it were spelt as ZING which is a known dictionary word, in relation to which the degree of distinctiveness will be lower (but not the lowest level) as ZING alludes to a perceived quality of food and drink which is zesty and/or contributes to one's level of vitality. ENERGY is of low distinctive character, being seen simply as an indicator of a quality or benefit of the goods. The earlier mark has a reasonably high level of distinctiveness.

Likelihood of confusion

27. In deciding whether there is a likelihood of confusion between the marks, I must weigh the various factors I have identified and also bear in mind the

⁷ *Sabel BV v Puma AG* [1998] RPC 199.

⁸ *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

principle of interdependency, whereby a lesser degree of similarity between the goods may be offset by a greater degree of similarity between the trade marks, and vice versa (*Canon*). The goods and services of the parties range from a reasonably high degree to a reasonable degree of similarity. I should guard against dissecting the marks so as to distort the average consumer's perception of them; the average consumer perceives trade marks as wholes and rarely has the opportunity to compare marks side by side, relying instead upon the imperfect picture he has of them in his mind. Having said that, the marks of the parties are essentially XING marks, the additional word ENERGY being descriptive of food and drink. The average consumer will give the extra word descriptive contextual significance. I have found that there is a high degree of similarity between the marks and that they will either be seen as invented XING marks or ZING marks. The goods are likely to be bought visually by self selection in supermarkets and other food retail outlets so that it is the visual similarity which is particularly important. The average consumer will have to rely upon his visual recollection of the marks in which the XING elements are identical; but even if relying on an aural recollection of the marks, the conceptual hook will be the same.

28. Although Beverage has said in its evidence that it has not yet commenced trading in the UK, and Health has said that it has been trading since 2006, I must confine my comparison to the terms in the parties' specifications, and these must be approached on the basis of notional use⁹ because Beverage's specifications were not five years old at the date on which Health's application was published¹⁰. Bearing in mind the above analysis and the conclusions I have drawn, there is a likelihood of direct confusion. If I am wrong about that and that the average consumer was able to differentiate between the marks on the basis of the additional word, or that the additional descriptive word was less descriptive in relation to certain goods or services than others, thereby assisting differentiation, then I must have regard to a scenario where the global comparison reveals characteristics which would give rise to indirect confusion. I consider that the close similarities between the goods and services and the close proximity of the

⁹ GC, *Oakley v OHIM* Case T-116/06: "76 Consideration of the objective circumstances in which the goods and services covered by the marks in dispute are marketed is fully justified. The examination of the likelihood of confusion which the OHIM authorities are called on to carry out is prospective. Since the particular circumstances in which the goods covered by the marks are marketed may vary in time, and depending on the wishes of the proprietors of the trade marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, that is, that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions, whether carried out or not – and which are naturally subjective – of the trade mark proprietors (*QUANTUM*, paragraph 75 above, paragraph 104, and *T.I.M.E. ART/Devinlec v OHIM*, paragraph 75 above, paragraph 59)."

¹⁰ There is therefore no requirement for Beverage to prove use of its mark, as per section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations) 2004 (SI 2004/946) which came into force on 5th May 2004.

marks are such that the average consumer, bearing in mind the predominantly visual, frequent and inexpensive purchasing process, and the level of distinctive character of the earlier mark, would still assume that there was an economic connection between the undertakings responsible for the marks. The opposition succeeds. As the opponent has succeeded on the basis of the above analysis of its XING ENERGY mark, it will not be any better off in relation to its other marks, so these do not need to be considered.

Costs

29. Beverage has been successful and is entitled to an award of costs. I decline to make an award for the evidence it filed as it was irrelevant; the filing of copies of the USPTO applications in order to substantiate its priority claims was at the Office's request and would have been better filed with the notice of opposition. I therefore award costs on the following basis¹¹:

Preparing a statement and considering the other side's statement:	£300
Considering the other side's evidence	£200
Official fee:	£200
Total:	£700

30. I order Xing Health Ltd to pay Xing Beverage LLC the sum of £700. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 18 day of March 2011

**Judi Pike
For the Registrar,
the Comptroller-General**

¹¹ As per the scale in Tribunal Practice Notice 4/2007.