

O-261-11

TRADE MARKS ACT 1994


**IN THE MATTER OF REGISTRATION No. 2463677
STANDING IN THE NAME OF
TRUSTEES OF THE GOOD NATURED PENSION SCHEME**

AND

**IN THE MATTER OF A REQUEST
FOR A DECLARATION OF INVALIDITY THERETO
UNDER No. 83776
BY ANGUS SOFT FRUITS LIMITED**

BACKGROUND

1) The Trustees of the Good Natured Pension Scheme (hereinafter the registered proprietor) has the following trade mark registered in the UK:

| Mark | Number | Date Applied for and date registered | Class | Specification |
|---|---------|--------------------------------------|-------|---|
|  | 2463677 | 09.08.2007 / 11.01.2008 | 32 | Non-alcoholic beverages; fruit juices; fruit drinks; alcoholic beverages included in Class 32. |

2) By an application dated 18 May 2010 Angus Soft Fruits Limited (hereinafter the applicant) applied for a declaration of invalidity in respect of this registration. The grounds are, in summary:

3) The applicant is the proprietor of the following trade marks:

| Mark | Number | Date Applied for and date registered | Class | Specification |
|--------------------|----------------|--------------------------------------|-------|----------------------------------|
| GOOD NATURED FRUIT | 2453820 | 26.04.2007 / 21.03.2008 | 29 | Processed fruits and vegetables. |
| | | | 31 | Fresh fruits and vegetables. |
| GOOD NATURED VEG | 2460971 | 10.07.2007 / 22.02.2008 | 29 | Processed fruits and vegetables. |
| | | | 31 | Fresh fruits and vegetables. |
| GOOD NATURED FRUIT | CTM 5859525 | 26.04.2007 / | 29 | Processed fruits and vegetables. |
| | | | 31 | Fresh fruits and vegetables. |
| GOOD NATURED VEG | CTM 6086227 | 10.07.2007 / 05.06.2008 | 29 | Processed fruits and vegetables |
| | | | 31 | Fresh fruits and vegetables. |

4) The applicant states that the mark in suit is very similar to its earlier marks as:

- a) the dominant and distinctive element of both parties' marks is the term "good natured";
- b) The wording "juice that doesn't cost the earth" is negligible in the mark overall because it is written in smaller, fainter lettering, and it is positioned subordinately beneath the words

“good natured” so as to be a diminutive component of the mark overall. It would also be seen as merely a non-distinctive advertising strapline; a promotional statement to help sell goods branded under the mark “Good natured”;

- c) The “Leaf” element in the mark in suit is small, insignificant and easily overlooked;
- d) The mark in suit will be referred to as “the good natured mark” which is identical to how the applicant’s marks will be referred to, as the words “fruit” and “veg” are mere descriptors;
- e) The applicant’s marks are registered without limitation as to style and afford the earlier marks protection in presentational styles similar to that of the mark in suit;
- f) The dominance of the element “good natured” in the mark in suit renders it visually, phonetically and conceptually similar to the applicant’s earlier marks;
- g) The goods of the two parties are similar in nature, overlap in trade channels, and because consumers are used to fruit being sold in different forms. A beverage is defined by the Concise Oxford English Dictionary as “a drink other than water”. Hence, fruit juices and fruit drinks are beverages. Fruit juices and fruit drinks such as smoothies, are forms of processed fruits and vegetables. Furthermore, like other forms of foodstuffs, fruit and vegetable smoothies are foodstuffs, imbibed for their nutritional value. Consumers are familiar with manufacturers of processed fruits and vegetables also manufacturing and selling fruit juices and fruit drinks. Such goods are sold side by side in fruiterers and delicatessens;
- h) Alcoholic beverages included in class 32 are similar to fresh and processed fruit and vegetables for the same reasons as g above. The only alcoholic beverages in Class 32 are beers. Fruit beers are beers flavoured with fruit and are sold alongside other alcoholic fruit beverages and fruit in fruiterers and delicatessens;
- i) The applicant submits that the average consumer will be the general public;
- j) The applicant contends that the mark in suit offends against Section 5(2)(b) of the Act.

5) The registered proprietor filed a counterstatement, dated 20 July 2010 denying that the marks or goods were similar.

6) Only the applicant filed evidence. Both ask for an award of costs. The matter came to be heard on 27 June 2011 when the applicant was represented by Mr Malynicz of Counsel instructed by Messrs Wynne-Jones, Laine & James LLP; the registered proprietor was not represented and did not provide written submissions.

APPLICANT’S EVIDENCE

7) The applicant filed two witness statements. The first, dated 26 January 2011, is by Victor Ivan Caddy the applicant’s Trade Mark Attorney. He refers to an earlier opposition between the same parties and determined under Case O/373/09. At exhibit VIC 2(1) he provides a copy of his witness statement provided in the earlier case, dated 28 July 2009. As the scope of goods being opposed is narrower in the instant case he has excluded certain of the evidence filed in the earlier

case. However, as the other aspects of the evidence are the same I intend to adopt parts of the evidence summary of the earlier Hearing Officer where appropriate.

“17) Mr Caddy explains that he visited Morrisons and Co-operative supermarkets in Evesham, Worcestershire on 6 and 14 July 2009. Here he purchased and/or photographed certain products produced in the accompanying exhibits.

18) At Exhibit VIC-1, Mr Caddy produces photographs of a bunch of bananas, shop displays showing various brands of fruit juices, tinned fruit, fruit lollipops (including a frozen pineapple fruit sticks that require defrosting before eating), frozen fruits and iced fruit smoothies, all products he found at Morrisons supermarket. All these photographs show at least some goods in each photograph bearing the mark DEL MONTE. Exhibit VIC-2 contains extracts from Del Monte’s website, dated 21 July 2009. Del Monte states that it “prepares tasty fruit and vegetables and delivers them to your favourite grocer...” It also details its fresh and prepared salads, “whole produce” (fruit and vegetables), fruit juices, ice cream, canned fruit and fruit snacks. Examples of all of these are shown, all branded as DEL MONTE.

19) Exhibit VIC-3 contains further photographs of products that, Mr Caddy states, he found in Morrisons. This time, they relate to goods under the mark PRINCES. There are photographs of shop displays of orange juice, tomato juice, grapefruit juice and tinned fruit cocktail.

20) One tea, identified by Mr Caddy, is MONIN Mango tea which is described in copies of Internet extracts shown in Exhibit VIC- 6, as being “a refreshing blend of all-natural fruit juices, plant extracts, and gourmet teas”. Monin also produces fruit sauces, as shown in copies of Internet extracts found in Exhibit VIC-11, fruit syrups (Exhibit VIC-12) and alcoholic fruit liqueurs (Exhibit VIC-13).

21)

22) Exhibits VIC-8 and VIC-9 are photographs of snack and confectionery products that Mr Caddy found on his trip to Morrisons. He draws attention to the trend suggested by these products as healthy products for children and he identifies the use of phrases such as “a great healthy lunchbox snack” and “for kids on the move”. Exhibit VIC-8 illustrates five different products in the form of packaged pieces of fruit or fruit jelly-type snacks. Exhibit VIC-9 illustrates packets of three different fruit flavoured sweets, all being promoted as being made from fruit juice.

23) At Exhibit VIC-10, Mr Caddy provides three further photographs of products he found at Morrisons. These all bear the mark OCEAN SPRAY. The first is of cartons of fruit drinks, the second of cranberry sauce, the third is of bottles of cranberry cordial. Exhibit VIC-11 consists of photographs of various sauces such as sun-dried tomato sauce, plum sauce, and red fruits sauce. All three bear different marks, with the last bearing the MONIN mark as discussed earlier.

24) Exhibit VIC-12 provides extracts from a number of websites including www.allways.co.uk, dated 21 July 2009. At its online coffee and tea shop are exhibited various fruit syrups. The extracts from other websites also shows the same.

25) Finally, Mr Caddy provides exhibits relating to alcoholic beverages. Exhibit VIC-13 shows further copies of Internet extracts from UK websites that sell fruit liqueurs, including some bearing the mark MONIN again, and other alcoholic fruit drinks. These include strawberry liqueur. Mr Caddy identifies a reference to wine that is sold alongside fruit liqueurs.”

8) Mr Caddy also provides a copy of the witness statement provided in the previous proceedings by Mr MacDonald Porter (the applicant’s Managing Director) at exhibit VIC-2(2). This was summarised by the previous Hearing Officer thus:

“26) The second witness statement, dated 27 July 2009, is by Lochart MacDonald Porter, Managing Director and founder of Angus. Mr MacDonald Porter provides further information in support of Mr Caddy’s statement and exhibits. He states that it is commonly recognised that processed fruit and fruit juices are typically sold in branded form but that fresh fruit and vegetables are not traditionally overtly branded, but that recent trends are resulting in a change to this. In support of this he refers to Angus’ own products GOOD NATURED FRUIT and GOOD NATURED SALAD. At Exhibit LMCDP-1 he provides photographs of GOOD NATURED FRUIT that he states are available in Sainsbury, Asda, Morrisons and Co-operative stores. He also states that the product GOOD NATURED SALAD is available in Asda stores and photographs of the product are provided at LMCDP-2.

27) Finally, Mr MacDonald Porter identifies a change in the industry brought about by the focus on healthy eating and the concept of “five a day” target for fruit and vegetable consumption. He states that this will lead to increased instances of brand extension and that Angus themselves are involved in discussions with another party to expand its range.”

9) Mr Caddy notes that there are now additional products in the applicant’s range, which include GOOD NATURED potatoes, GOOD NATURED herbs, aubergines sold under the brand GOOD NATURED VEG and tomatoes and peppers sold under the brand GOOD NATURED SALAD. Photographs of these products and the relevant pages of the applicant’s website are provided at exhibit VIC-2(4). He comments that on the basis of the evidence filed in the earlier proceedings the Hearing Officer found that there was a “reasonable level of similarity” between “non-alcoholic beverages, fruit juices, fruit drinks” and “fresh fruit” and “processed fruit”. However, the Hearing Officer did not agree that “alcoholic beverages” were similar to “fresh fruit” and “processed fruit”. Mr Caddy contends that the marketplace has altered since this earlier decision, in that fruit flavoured alcoholic drinks have become more popular and it is customary to find such drinks on supermarket shelves, alongside non-fruit flavoured versions. He states that he visited the Tesco shop in Evesham on 10 January 2011. There he found fruit beers (strawberry and cherry beers) being sold alongside ordinary beers and a large number of fruit flavoured alcoholic drinks such as Bacardi Breezers, Caribbean Twist flavoured with fruits such as Watermelon, mango, orange and passion fruit. At exhibit VIC-2(5) are photographs which corroborate this claim.

10) Also on 10 January 2011 Mr Caddy visited Morrisons supermarket in Evesham where he found beers being sold alongside fruit beers, fruit juices and fruit drinks and fruit flavoured alcoholic drinks such, inter alia, as Ginga Mix (vodka mixed with ginger and lemon). He also took photographs which are at exhibit VIC2(6). He states that the relaxation of licensing laws has resulted in alcoholic drinks no longer being isolated in one area of a supermarket. He provides photographic evidence (exhibits VIC-2(7) & (8)) of alcohol being sold alongside other goods such as fruit juice, fresh fruit and vegetables, yoghurt and as part of deals whereby a main course, prepared vegetables or vegetable dishes and a bottle of alcohol are offered in the same unit. Mr Caddy states that other stores are following this trend. He visited Budgens in Oxfordshire on 17 January 2011, Marks and Spencer at Paddington on 18 January 2011 and found fresh fruit, prepared vegetables, potatoes, salads, fruit juices and alcoholic beverages being sold alongside each other. Again photographs are provided which corroborate this statement at exhibits VIC 2(9) and VIC 2(10). He states that even in small stores the story is the same. He visited a farm shop in the Cotswolds and a delicatessen in Worcestershire and found alcoholic drinks being sold alongside items such as canned tomatoes, pickled onions, jellies preserves and processed fruit and vegetables. Exhibits VIC 2(11) -2(13) corroborate these claims.

11) Mr Caddy states that at exhibit VIC(10), VIC-2(13) and VIC-2 (14) he has provided photographs where the brand OCEAN SPRAY can be seen on fruit juice, fruit sauce, fruit cordial, fresh packaged fruit and mixed cans of vodka and cranberry juice. The latter has the dual marks Smirnoff and Ocean Spray. Hence consumers are now able to purchase all goods involved in the instant case under the mark OCEAN SPRAY. Similarly he provides evidence that Tyrells the well-known crisp manufacturer has since approximately 2008 also been producing vodka under the same mark, exhibit VIC-2(15) refers. He also points out that fruit beers do not necessarily have to be fermented but instead fermented beer can be simply mixed with liquidised fruit, fruit syrup or fruit juice. He provides copies of pages from the website of Hall & Woodhouse, manufacturers of BADGER BEER which is sold throughout the UK, who offer a range of beers flavoured with fruit, and have done so since at least 2001.

12) That concludes my review of the evidence filed in these proceedings insofar as I consider it necessary.

DECISION

13) Section 47 of the Trade Marks Act 1994 reads:

“47.-(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground -

- (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
- (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.”

14) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

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

15) In these proceedings the applicant is relying upon four marks. I have decided that their strongest case is under 2453820, an earlier mark which has an application date of 26 April 2007

and a registration date of 21 March 2008 and is not subject to The Trade Marks (Proof of Use, etc) Regulations 2004.

16) I must first determine the relevant date on which the determination must be based. Professor Annand, sitting as the appointed person, in BL O/227/05 *OMEGA* said:

“My own view is that the starting point for assessing relative invalidity under section 47(2) is the date of the application for registration of the attacked mark. This is because Article 4 of the Directive: (i) defines “earlier trade marks” for the purposes of relative invalidity as trade marks with a date of application for registration which is earlier than the date of application for registration of the attacked mark; and (ii) requires other earlier rights to have been acquired before the date of the application for registration of the attacked mark. However, I believe the wording of Article 4 (section 47(2)) may allow the tribunal to take into account at the date when invalidation is sought, matters subsequently affecting the earlier trade mark or other earlier right, such as, revocation for some or all of the goods or services, or loss of distinctiveness or reputation. I do not find the fact that the Directive specifically provides for defences to invalidation of non-use, consent and acquiescence indicative either way. A further question concerns the cut-off date for taking into account subsequent events. Is this the date of the application for a declaration of invalidity or the date when the invalidity action or any appeal is heard? The Opinion of Advocate General Colomer in Joined Cases C-456/01 P and C-457/01P *Procter & Gamble v. OHIM*, 6 November 2003, paragraphs 43 – 44, and the Court of First Instance decision in Case T-308/01 *Henkel KGaA v. OHIM (KLEENCARE)*, 23 September 2003, paragraph 26, although concerned with registrability and opposition respectively, indicate the latter. There are indications that timing issues under the harmonised European trade marks law are beginning to be brought to the attention of the ECJ (see, for example, the questions referred in Case C-145/05 *Levi Strauss & Co. v. Casucci SPA*).”

17) The European Court of Justice (ECJ) in *Levi Strauss & Co v Casucci SpA* Case C-145/05 stated:

“17. The proprietor’s right to protection of his mark from infringement is neither genuine nor effective if account may not be taken of the perception of the public concerned at the time when the sign, the use of which infringes the mark in question, began to be used.

18. If the likelihood of confusion were assessed at a time after the sign in question began to be used, the user of that sign might take undue advantage of his own unlawful behaviour by alleging that the product had become less renowned, a matter for which he himself was responsible or to which he himself contributed.

19. Article 12(2)(a) of Directive 89/104 provides that a trade mark is liable to revocation if, after the date on which it was registered, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service in respect of which it is registered. Thus, by balancing the interests of the proprietor against those of his competitors in the availability of signs, the legislator considered, in adopting this provision, that the loss of that mark’s distinctive character can be relied on against the proprietor thereof only where that loss is due to his action or inaction. Therefore, as long as this is not the case, and particularly when the loss of the distinctive character is linked to the activity of a third party using a sign which infringes the mark, the proprietor must continue to enjoy protection.

20. In the light of all the foregoing, the answer to the first and second questions must be that Article 5(1) of Directive 89/104 must be interpreted as meaning that, in order to determine the scope of protection of a trade mark which has been lawfully acquired on the basis of its distinctive character, the national court must take into account the perception of the public concerned at the time when the sign, the use of which infringes that trade mark, began to be used.

.....

36. Accordingly, after revocation in the particular case has been established, the competent national court cannot order cessation of the use of the sign in question, even if, at the time when that sign began to be used, there was a likelihood of confusion between the sign and the mark concerned.

37 Consequently, the answer to the fourth question must be that it is not appropriate to order cessation of the use of the sign in question if it has been established that the trade mark has lost its distinctive character, in consequence of acts or inactivity of the proprietor, so that it has become a common name within the meaning of Article 12(2) of Directive 89/104 and the trade mark has therefore been revoked.”

18) I also take into account the comments of Lord Nicholls in *Scandecor Development AB v Scandecor Marketing AB* [2002] FSR 7 where he stated:

“49 The claim in these proceedings is that, in consequence of the use made of the marks by Scandecor Marketing and Scandecor Ltd with the consent of Scandecor International, the marks are "liable to mislead the public". That is essentially a question of fact. That question of fact must be answered having regard to matters as they now are, not as they were at some time in the past. In deciding this issue of fact the court must have due regard, as I have been at pains to emphasise, to the message which a trade mark conveys. But since the question is whether the marks are currently liable to mislead, the message which is relevant is the message which use of the marks conveys today, not the message it would have conveyed to the public in the past.”

19) Lord Nicholls was looking at the date of trial as the date at which the question had to be considered. This was a case dealing with section 46(1)(d) of the Act, revoking a trade mark registration on the basis that in the consequence of the use made of it, it is liable to mislead the public. The principle seems good for an invalidation action on relative grounds. If at the date of the trial/hearing there is no longer a basis to invalidate a trade mark, should it be invalidated for administrative convenience. If one is attaching one-self to the date of application for invalidation, does one ignore evidence filed in the evidence rounds dealing with matters after the date of application? The latter course of action would seem to be untenable. Taking the date of hearing as the second material date may give rise to administrative problems at times but administrative convenience should not override the purpose of the law. If late evidence is filed, there can always be compensation in costs for the other side. I consider that the second material date has to be the date of the hearing. So the first material date is the date of application for registration and there is a second material date, the date of the hearing. So for the applicant for invalidity to succeed it has to establish that it could have prevented use of the trade mark as of 9 August 2007 and that it could also have prevented use of the trade mark on 27 June 2011. It has to succeed on both dates; if it fails in relation to the first material date, its case fails.

20) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the European Court of Justice (ECJ) in *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 and *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 of 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.*,

(k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*

21) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgments mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, I must compare the registered proprietor's mark and the mark relied upon by the applicant the basis of their inherent characteristics assuming normal and fair use of the marks on the goods in their specifications.

22) The applicant has not provided evidence of its reputation and so cannot enjoy enhanced protection. However, I do accept that the applicant's mark is inherently quite distinctive for the Class 29 and 31 goods for which it is registered.

23) I must now determine the average consumer for the goods of the parties, which are, broadly food and drink. It is my view that the goods offered by the two parties are aimed at the general public. In my view, food and drink items are not purchased without some consideration, especially given the level of media attention on food issues such as additives, levels of salt and fat etc. However, goods such as fruit and vegetables are relatively low cost everyday items where the consumer will pay less attention to trade origin. Alcoholic drinks will be purchased with more attention. Although I must take into account the concept of imperfect recollection.

24) I shall first consider the goods of the two parties which are shown below for ease of reference:

| Applicant's Goods | Registered Proprietor's Goods |
|--|--|
| Processed fruits and vegetables in Class 29. | Non-alcoholic beverages; fruit juices; fruit drinks; alcoholic beverages included in Class 32. |
| Fresh fruits and vegetables in Class 31. | |

25) In assessing the similarity of goods, it is necessary to apply the approach advocated by case law and all relevant factors relating to the respective goods should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the ECJ stated at paragraph 23:

'In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors

include, *inter alia*, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.’

26) In *British Sugar Plc v James Robertson & Sons Limited (TREAT)* [1996] R.P.C. 281, Jacob J also gave guidance on how this should be assessed. The factors he highlighted 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.”

27) I also take into account *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd (“Thomson”)* [2003] RPC 32, where at paragraph 31, Aldous LJ, says

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use.”

28) Although this was in the context of arriving at a fair specification consequent to an attack of revocation on the grounds of non-use, the principle that it is the public and circumstances of the relevant trade that should underpin consideration as to the terms used in a specification nonetheless holds good. Further, I take into account the case of *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd (“Beautimatic”)* [2000] FSR 267, in which the principle of giving words their ordinary (rather than an unnaturally narrow) meaning was enshrined. In summary, the *Beautimatic* case urges an approach that is not unnaturally narrow, whilst the *Thomson* case stresses that the exercise is not one of lexical analysis in a vacuum, but by reference to how the average consumer may perceive matters in the relevant trade.

29) The evidence filed as part of the earlier case reflected the position prior to the relevant date. It has not altered with regard to “non-alcoholic beverages, fruit juices and fruit drinks”. As I fully endorse the finding of the Hearing Officer in the earlier case with regard to the similarity between the applicant’s goods and part of the registered proprietor’s specification I intend to adopt that part of the decision. The Hearing Officer said:

“Non-alcoholic beverages, fruit juices, fruit drinks

52) A “beverage” is defined as “a drink other than water”². Therefore, it is clear to me that the term *non-alcoholic beverages* will include both *fruit juices* and *fruit drinks*. In respect of these latter goods, Angus has adduced evidence illustrating not just one trader but three traders providing *processed fruits* and *fruit juices* or *fruit drinks*. It contends that this supports its view that the consumer is familiar with such brand extensions. I accept this illustrates that at least part of the respective trade channels may be the same, but I note that such goods would not generally be found in the same shelves in a shop. Quite the opposite, they are usually found in different areas of a shop.

53) In respect of their nature, *processed fruit* and *fruit juice* are similar insofar as they are both produced by the act of processing fruit and are often just that, with no additional ingredients. They differ in that one is a foodstuff, the other a drink. As such the purpose is different in that one is eaten, the other is drunk by the user. They are generally not in competition to each other, however, I recognize that sometimes oranges, for example, may be purchased for the express purpose of “juicing”. In such an example, there may be some competition between the fresh fruit itself and the juice made from the same fruit. That said, they are likely to appear in different parts of a shop and on different shelves.

54) Taking all of the above into consideration, in particular the nature of the respective goods, the overlap in trade channels and the consumers’ familiarity with this, I find that *fresh and processed fruit* share a reasonable level of similarity to *non-alcoholic beverages, fruit juices and fruit drinks*.

2 "beverage n." *The Concise Oxford English Dictionary*, Twelfth edition . Ed. Catherine Soanes and Angus Stevenson. Oxford University Press, 2008. *Oxford Reference Online*. Oxford University Press. Intellectual Property Office. 11 November 2009 <http://www.oxfordreference.com/views/ENTRY.html?subview=Main&entry=t23.e5052>.”

30) Although the evidence now shows that these goods are now sold alongside each other, this does not affect the finding it would merely reinforce it. I now move onto consider the similarity of the applicant’s goods with “alcoholic beverages”. The applicant has provided further evidence.

31) In the earlier hearing the Hearing officer compared *fruit liqueurs* in Class 33 to *fresh and processed fruit* as this was considered by the applicant (then the opponent) to provide its strongest case. For ease of reference the Hearing officer found that:

“56) The fact that *liquor* may be flavoured with a specific fruit is not sufficient to make these goods similar. An ingredient that goes into the composition of a product is not the only, nor necessarily the most important, factor to be considered. The nature of the respective goods is different as one is an alcoholic drink, the other a fresh or processed fruit. One is for drinking for intoxication, the other for eating as sustenance. The production processes involved are different. *Fruit liqueurs* are alcoholic drinks produced by distillation or fermentation whereas *fresh fruit* merely requires picking and packaging. *Processed fruit* may undergo a more elaborate process than merely picking and packaging, but whichever process this may be, it will be greatly different to distilling or fermenting.

57) Further, the specialist process required to produce *liqueur* and the resources required for such a process suggests that the respective goods will originate from different trade sources with different supply chains. They belong to different sectors. The respective goods are neither complementary nor substitutable. It is true that the *liqueur* may be flavoured by a fruit but there is no expectation by the consumer that the *fruit* and the *liqueur* will originate from the same undertaking. In an attempt to address this point, Angus provide evidence of a third party trading under the mark MONIN providing fruit liqueurs as well as fruit sauces, fruit syrups and fruit teas. However, as there is no evidence that MONIN is also used in respect of *fresh or processed fruit*, it does not advance its case to any significant extent. In any event, this is only a single example and I would be reluctant to extrapolate that this is the case more generally. Therefore, as the nature, purpose and method of use of the respective goods are clearly distinct, I find that they are not similar.”

32) Mr Malynicz contends that:

“22. The remaining question is what to make of the “alcoholic beverages” in class 32. Mr Bryant found that these were not similar but, with the greatest of respect, he did not provide any reasoning in paragraphs 56 and 57 of his decision. His sole reasoning related to why fruit liqueurs were not similar. He did not appear to consider whether, for example, “beer” might be similar to the earlier goods. In addition, he did not have before him the evidence now provided by Mr Caddy on this point.

23. A summary of Mr Caddy’s new evidence is as follows:

23.1. Paragraph 12 of his statement and Exhibits VIC-2(5) and VIC-2(6) show that there is such a thing as fruit beers. The applicant does not contend for similarity merely on the basis that one product is an ingredient of another (the point made by Mr Bryant) but when, as in the FRULI product, the ingredient is promoted as the main selling point (see the picture of the strawberry on the front and the name itself) that is a different matter. In addition, alcoholic drinks from class 33 (ciders, etc) often promote themselves heavily in terms of their fruit content;

23.2. At paragraph 13 he explains that the respective goods are often stocked next to or near each other: see also VIC-2(7) (8) and (9). This pattern is not confined to the major multiples or small independent retailers. Farm shops also do it: see his paragraph 15 and VIC-2(11) and (12).

23.3. At paragraph 18 he explains that there is a clear practice emerging of mixing other alcoholic drinks (from class 33) with fruit juices and that it is a natural progression for this to happen in relation to beer: see his VIC-2(14), the Smirnoff/Ocean spray beverage.

23.4. At paragraph 20 he makes the point that Belgian beer on sale in the UK is widely known to include a range of fruit beers, but that this practice is not confined to beer from that country. He also exhibits at VIC-2(16) an example of Pumpkin Ale, a raspberry leaf beer called Long Days. When the ingredient such as this is promoted as the main selling point of the product, that does, in the applicant’s submission, make for similarity.”


33) The Hearing Officer only considered the issue of fruit liqueurs as it was put to him that this was the strongest case. I fully accept that fruit beers and ciders promote themselves by way of the fruit ingredient. The fruit is often denoted upon the label by a device and/or the fruit is named as in “strawberry beer”. It is clear from the evidence of Badger beers that fruit beers have been sold in the UK since at least 2001, for example their Pumpkin beer. However, the evidence regarding how the relevant goods are sold is clearly dated after the application date, as is the evidence of use of a fruit juice brand (Ocean Spray) upon an alcoholic beverage. So, in the instant case I have to compare “Fresh fruit” and “processed fruit” in Classes 29 and 31 respectively to “alcoholic beverages” in Class 32. In the evidence Mr Caddy also points out that fruit beers do not necessarily have to be fermented but instead fermented beer can be simply mixed with liquidised fruit, fruit syrup or fruit juice. This evidence is unchallenged, even by way of submission.

34) At the hearing Mr Malynicz contended that RTD (Ready to Drink) products such as Bacardi Breezers, Caribbean Twist, WKD etc, which used to be referred to as alcopops, all advertise themselves as containing fruit or fruit juice. He stated that it was a major selling point of the product. These products have been on the market for a considerable time. The word “juice” indicates the inclusion of fruit or vegetable juice. Mr Malynicz contended that when used with the

mark in suit which has as its first three words “Good Natured Juice” this merely highlights the juice aspect of the product.

35) Despite these ingenious contentions I do not see how the position in the instant case is significantly different to the position regarding “fruit liqueurs” in the earlier case. Fresh or processed fruit is a food whereas alcoholic beverages are a drink. One is used to quell hunger the other to quench thirst, or become intoxicated. The users are the same. The physical nature of fresh fruit is solid whereas a beverage is a liquid; although I accept that processed fruit could end in a liquid form. There is no evidence regarding the trade channels. I also accept that the amount of processing that “processed fruit” requires can be similar to that required to mix fermented beer with fruit syrup or juice. Whilst I accept that the evidence shows that there have been changes in the manner in which shops now stock alcohol, I cannot infer that this was the position at the application date. From my own knowledge I believe that this was not the case in August 2007 and assume that if it had been otherwise then the applicant would have filed evidence to establish this position. There is no evidence regarding the issue of whether the goods are competitive. It seems clear to me that they are not. I accept that certain alcoholic beverages such as beer and cider may be flavoured by a fruit and advertise the fact very clearly in both words and devices. But there is no evidence that at the date of the application, the average consumer would have expected that fresh or processed fruit and alcoholic beverages will originate from the same undertaking. For instance there is no evidence that the major players in the processed fruit industry Del Monte or Princes offer alcoholic beverages under the same mark as their tinned fruit. I fully accept that this position has changed somewhat by the date of the hearing, the Ocean Spray evidence might be compelling were the relevant date only that of the hearing. Taking all of the above into account I therefore conclude that fresh or processed fruit is not similar to alcoholic beverages.

36) I now turn to consider the marks of the two parties. For ease of reference these are reproduced below:

| Registered Proprietor’s Trade Mark | Applicant’s Trade Mark |
|---|------------------------|
|  | GOOD NATURED FRUIT |

37) When assessing the extent of similarity between the respective marks, I must do so with reference to their visual, aural and conceptual similarities bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, para 23), although of course I must consider that the average consumer views the marks as wholes. Clearly the two marks share the initial two words of their marks. The applicant’s mark also has the word “fruit” whereas the registered proprietor’s mark has a strapline “juice that doesn’t cost the earth”. The registered proprietor’s mark also has a device element of a leaf but I do not believe that would be viewed as significant by the average consumer. To my mind there is a considerable degree of visual similarity which outweighs any differences.

38) Aurally, the result is very similar. Both are “Good natured” marks. The average consumer would not attempt to articulate the device element, similarly they are unlikely to remember the strapline as it would be viewed as typical of the type of laudatory statements that manufacturers make about their products. The marks are aurally similar.

39) Mr Malynicz contended that:

“9. There is also a high degree of conceptual identity. The GOOD NATURED aspect of the earlier marks is witty because it contains a *double entendre* – that expression usually means “someone of a pleasant disposition”, but here, and in relation to the goods at issue, it can also mean “full of natural goodness” etc. Of course that *double entendre* is identical in both marks.”

40) I fully agree with his reasoning. To my mind the marks are conceptually similar.

41) Considering the marks as wholes and acknowledging the minor differences I consider the marks to have a high degree of similarity.

42) I take all of the above into account when considering the marks globally. I also take into account the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa. The similarities in the marks are such that even if used on goods which are only slightly similar I believe that there is a likelihood of consumers being confused into believing that the goods provided by the registered proprietor are those of the applicant or provided by some undertaking linked to them. The invalidity under Section 5(2) (b) therefore succeeds in relation to “Non-alcoholic beverages; fruit juices; fruit drinks”. However, despite the high degree of similarity of the marks the opposition it fails with regard to “alcoholic beverages included in Class 32”; the goods not being similar.

COSTS

43) The applicant has succeeded in relation to three quarters of the specification that it sought to invalidate. Although the registered proprietor has been successful in retaining part of its specification it is almost by default as it has played almost no role in the case. To my mind the registered proprietor should have considered its position in the instant case more thoroughly following the earlier decision.

| | |
|--|---------------|
| Preparing a statement and considering the other side’s statement | £300 |
| Preparing evidence and considering and commenting on the other side’s evidence | £1100 |
| Preparing for and attending a hearing | £900 |
| TOTAL | £2,300 |

44) I order the registered proprietor to pay the applicant the sum of £2,300. This sum 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 27 day of July 2011

**G W Salthouse
For the Registrar
the Comptroller-General**