

O-607-22

TRADE MARKS ACT 1994

IN THE MATTER OF:

APPLICATION No. 3549437

BY GUY UNWIN

TO REGISTER A SERIES OF TWO MARKS:

DUNKA

&

dunka

AS TRADE MARKS IN CLASS 30

AND

**OPPOSITION THERETO (UNDER No 424343) BY
KRAFT FOODS UK INTELLECTUAL PROPERTY LIMITED**

Background and pleadings

1. The issue in these proceedings is whether there is conflict between the following marks:

Applied for series	Opponent's mark (registration no. 2138995)
DUNKA & dunka¹ Filed on 28 October 2020 Published for opposition purposes on 30 April 2021	DUNKERS Filed on 14 July 1997 Registered on 3 April 1998
Class 30: Baked goods, confectionery, chocolate and desserts; Bread; Pastries, cakes, tarts and biscuits (cookies).	Class 29: Cheese and cheese products, none of which are frozen. Class 30: Snacks and snack products, none of which are frozen

2. The opponent, Kraft Foods UK Intellectual Property Limited, claims that conflict arises under:

- Section 5(2)(b) of the Trade Marks Act 1994 ("the Act"), a claim which relates to the existence of a likelihood of confusion.
- Section 5(3) of the Act, on the basis that its mark has a reputation and that the use of the applied for mark would give rise to an unfair advantage, dilution and/or tarnishment.
- Section 5(4) of the Act, on the basis that the use of the applied for mark is liable to be prevented under the law of passing-off. The opponent relies on the use, throughout the UK, of a sign corresponding to its registered mark in relation to the same goods as per that registration, with such use claimed to have commenced since at least as early as 1998.

¹ Both marks in the series are word marks which, notionally speaking, could be used in upper and lower case. Therefore, there is no real difference between the marks in the series. As such, I will refer to the applied for marks in the singular, referencing the DUNKA mark.

3. The applicant, Guy Unwin, denies the claims made. They also put the opponent to proof of genuine use in relation to its registered mark.

4. Two things are not in dispute:

- There is no dispute that the opponent's mark qualifies as an earlier mark given that it was filed before the date on which the applicant filed their mark.
- There is no dispute that the earlier mark is subject to the proof of use provisions (as per section 6A), given that it had been registered for more than five years as of the filing date of the applicant's mark. In their counterstatement, the applicant put the opponent to proof of use in relation to its earlier mark.

5. Both sides filed evidence, as follows:

- From the applicant, a witness statement of Guy Unwin together with four exhibits. The evidence details the business aims of the applicant's DUNKA product and the exhibits contain pictures of the packaging to be used. The fourth exhibit contains image results from a Google search for DUNKERS with various DAIRYLEA products displayed.
- From the opponent, a witness statement of Terry Rundle together with three exhibits. The evidence relates to the use made of the DUNKERS mark.
- From the applicant, a witness statement of Malcolm Victory, together with two exhibits. The evidence is more in the nature of a critique of the opponent's evidence, although the exhibits do show examples of how the applicant's mark is being used.

6. Neither side requested a hearing. I have, though, had the benefit of written submissions from both the applicant and the opponent². The applicant is represented by Malcolm Victory, albeit this does not appear to have been in any form of professional capacity. The opponent is represented by Wilson Gunn.

7. Despite the UK having left the EU, this decision will still make reference to the jurisprudence of the EU Courts. This is because section 6(3)(a) of the European Union

² I note that the submissions made no reference to the section 5(3) claim, however, as I cannot see that the claim has been formally dropped, this decision will cover that ground too.

(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 Trade Marks Act relied on in these proceedings are derived from an EU Directive.

Section 5(4)(a) – The law of passing-off

8. I find it convenient to start with the ground of opposition under section 5(4)(a), which reads:

“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.”

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.”

9. The three elements which the opponent must show are well-known: goodwill; misrepresentation leading to deception or a likelihood of deception; and, damage

resulting from the misrepresentation³. In a case where the contested mark is unused, the relevant date is the date when the application was made for the contested mark⁴. Here the mark is unused before the filing date, or more accurately, I take it to be unused because there is no claim or evidence of prior use; whilst the applicant's evidence contains examples of packaging to be used, there is no evidence about any use in the marketplace. The relevant date is, therefore, 28 October 2020.

Goodwill

10. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223:

“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.”

11. The applicant does not appear to take issue with the opponent's evidence, as in Malcolm Victory's witness statement, paragraph 11, they state “There is no dispute about the public awareness or sales of the DUNKERS mark...”. The opponent's evidence contains detail of UK sales for its DUNKERS product, valued at £27 million in 2018, £50 million in 2019 and £51 million in 2020⁵. Also provided are example invoices to support the sales. In terms of the product itself, it is stated that the mark has been used for more than 20 years. The first exhibit provided in Terry Rundle's witness statement is a copy of a document entitled “*Dairylea Advertising History 1955-present*”. From what can be ascertained from this document, I especially note:

³ *Discount Outlet v Feel Good UK* [2017] EWHC 1400 (IPEC), Her Honour Judge Melissa Clarke, sitting as a deputy judge of the High Court.

⁴ *Advanced Perimeter Systems Limited v Multisys Computers Limited* [2012] R.P.C. 14, Mr Daniel Alexander QC, sitting as the Appointed Person.

⁵ Data taken from *AC Nielsen*, an independent global leader in consumer research

- That a product branded DAIRYLEA was launched in 1950, as a form of cheese spread. Cheese slices were then introduced under that name in 1965.
- A timeline showing new products includes: “Dairylea Dunkers” in 1996 (a product containing cheese spread/dip and breadsticks), “Dairylea Lunchables” in 1998 (this appears to be a stackable product such as crackers and cheese slices), “Dairylea Strip Cheese” (a peelable strip of cheese) and “Dairylea Snackers” (crackers and cheese, plus a sweet treat).
- In 2007, there seems to be a further “DAIRYLEA DUNKERS” product with the cheese spread/dip being accompanied by baked crisps. In 2009 there is a version combined with Ritz™ crackers. In 2016 there is a version with jumbo tubes, which appears to be some form of alternative to a breadstick, presumably tubelike. There is also a version containing nachos.

12. The opponent’s evidence is by no means voluminous; its approach seems to be to present the basic facts as speaking for themselves. That said, some of those basic facts, such as its unchallenged UK sales figures, are significant in nature. Its advertising history demonstrates the longstanding nature of its use and the type of brand expansion it has undertaken. I have little hesitation in holding that the opponent had a protectable goodwill at the relevant date, a strong one at that, in the field of cheese spread, and that this goodwill has extended to other products such as combination products where its cheese spread is accompanied by other items of food such as bread sticks (etc).

13. In terms of that goodwill, the word DAIRYLEA is a key part of the attractive force that brings in custom. However, the other names it has used in relation to its combination products, including DUNKERS, form part of that attractive force and goodwill.

Misrepresentation

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

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

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

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

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.”

15. It is the opponent's customers, or potential customers, that must be deceived⁶.

⁶ See *Neutrogena Corporation and Another v Golden Limited and Another*, [1996] RPC 473

16. I note that the applicant states that from the nature of its packaging it is clear that they are not attempting to deceive anyone. Whilst I don't disagree with this, innocent deception is equally actionable⁷.

17. In their evidence, the applicant has provided information about their DUNKA product together with examples of its packaging. It is a biscuit, the qualities of which apparently make it a good one for dunking in tea. I will, therefore, start my assessment with whether the use of the word DUNKA for biscuits (which is covered by the term "baked goods" and "biscuits (cookies)") would result in a substantial number of members of the public being misled into purchasing the applicant's biscuits in the belief that it is a product of the opponent. When making this assessment, I cannot base my findings on the applicant's proposed packaging. This is not how they applied for the mark. Instead, I must consider the prospective use of the word mark DUNKA, bearing in mind that it could be used in a range of notional and fair ways. It is, though, relevant to consider the nature of the opponent's actual use, including, as the applicant points out in its evidence and submissions, that it is used in conjunction with the word DAIRYLEA. This is what the public will have seen which, consequently, will impact on their propensity to believe whether the applicant's goods are those of the opponent or not.

18. Another point to keep in mind is the nature of the words DUNKERS and DUNKA. Both marks clearly allude to the process of dunking, whether that is the applicant's biscuit being dunked into tea, or the opponent's product where the bread sticks (etc) are dunked into the cheese spread. The nature of these words increases, in my view, the potential for different products (from different brand owners) to use words such as this which are evocative of the dunking process. Whilst I accept that the nature of the words here are far from the very allusive/descriptive words at play in *Office Cleaning*

⁷ See, for example, *Office Cleaning Services Limited v Westminster Window & General Cleaners Limited* [1946] RPC 39 (HOL), where Lord Simonds stated that: "Confusion innocently caused will yet be restrained. But, if the intention to deceive is found, it will be readily inferred that deception will result. Who knows better than the trader the mysteries of his trade."

Services Limited v Westminster Window & General Cleaners Limited [1946] 63 RPC 39, the words of Lord Simonds are still relevant:

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

19. I must also consider the proximity between the fields of activity. Whilst part of the opponent’s product contains bread sticks (etc) which, like the applicant’s biscuits, are baked goods, the opponent’s product is a combination one which, beyond the general point that they are all foods which can be quickly eaten, target a different need and purpose. They are also likely to be sold in a quite different part of a supermarket.

20. In terms of the mark sought to be registered, there is clearly some degree of visual similarity between the word DUNKA and DUNKERS (which I pitch at a medium level) together with a very high degree of aural and conceptual similarity (I should add that although DUNKA may be seen as an invented word for certain goods/services, for the fields of activity here, it will be seen as evocative of the word DUNKER). However, I must also keep in mind that whilst DUNKERS is part of the opponent’s attractive force, so too is the word DAIRYLEA.

21. I come to the view that the combination of i) the nature of the fields of activity, ii) the inherent nature of the words DUNKA/DUNKERS, and iii) the nature of the opponent’s goodwill which includes the word DAIRYLEA, results in there being no deception amongst a substantial number of members of the public. Any commonality observed (if observed at all), will be put down to mere co-incidence. The opposition under section 5(4)(a) fails in relation to biscuits, a finding I extend, for similar reasons, to “confectionary, chocolate and desserts; pastries, cakes, tarts”.

22. That leaves “baked goods” (and also “bread”), which I accept includes items such as bread sticks which form part of the opponent’s combination product. Whilst this increases the overlap in the field of activity, they only partly overlap in terms of the products purpose and nature, and they will still be sold in separate parts of the supermarket. Further, there are no examples of the breadsticks being sold independently of the combination product. For a substantial number of members of the public to come to the conclusion that the applicant’s baked goods (which includes breadsticks) are actually goods of the opponent, they would need to assume that the opponent has begun offering breadsticks alone. In my view, the inherent nature of the word DUNKA/DUNKERS, together with the absence of something (the word DAIRYLEA) that would point them more strongly towards the opponent, means there is no deception here either.

23. The ground under section 5(4)(a) is dismissed.

Proof of use of the opponent’s registered mark

24. Before coming to the other grounds of opposition, I must start with the proof of use assessment. Unless the earlier mark clears this hurdle, the opposition must fail.

The relevant law and principles

25. The relevant parts of section 6A of the Act read as follows:

“(1A) In this Section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

.....

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this Section as if it were registered only in respect of those goods or services.”

26. The onus is on the opponent, as proprietor of the earlier mark, to show use. This is in accordance with section 100 of the Act, which states:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

27. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114. [...]The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C 416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I 4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single

undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus, there is no de minimis rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

28. Proven use of a mark which fails to establish that “the commercial exploitation of the marks is real” because the use would not be “viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark” is, therefore, not genuine use.

29. The relevant period in question is the five-year period: 29 October 2015 to 28 October 2020.

30. I have already touched on the evidence of use when dealing with the ground of opposition under section 5(4)(a). Whilst it could have been more detailed, I am satisfied that it represents genuine use of the mark during the relevant period. When referring to the mark, I note that the mark in use is always accompanied, in one form or another, by the word DAIRYLEA. However, the manner of such use is in a way that the word DUNKERS is unaltered and whilst used alongside other components, it is self-standing and, in accordance with the guidance in cases such as *Colosseum Holdings AG v Levi Strauss & Co.*, case C-12/12⁸, I consider that the use shown constitutes genuine use of the mark as registered.

⁸ Court of Justice of the European Union (“CJEU”).

Fair specification

31. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C., as the Appointed Person, summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

32. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows (at [47]):

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) (“Thomas Pink”) at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

33. In *Merck KGaA v Merck Sharp & Dohme Corp & Ors* [2017] EWCA Civ 1834 (Court of Appeal), a case which concerned pharmaceutical substances and preparations, Kitchen LJ held that it was well established that (1) a category of goods/services may contain numerous subcategories capable of being viewed independently and, (2) the purpose and intended use of a pharmaceutical product are of particular importance in identifying the subcategory to which it belongs.

34. The opponent's specification reads:

Class 29: Cheese and cheese products, none of which are frozen.

Class 30: Snacks and snack products, none of which are frozen

35. As touched on already, the actual use is in relation to a single product, albeit one in which there are two edible components. The product is comprised of a portion of cheese spread/dip, accompanied in the packaging by something which may be

dunked into the cheese, such as bread sticks, baked cones, chip-sticks, baked crisps, crackers, a jumbo tube or nachos.

36. Setting aside the classification of the goods, it seems to me, and without wishing to diminish the role of the bread stick (etc) within the product, it is the cheese spread which is the key component. The average consumer will be purchasing the product because they wish to eat the cheese, albeit in a convenient way, with the bread stick (etc) functioning as a handy (and itself edible) way of consuming the cheese spread. It is a snack product, based on that cheese. In my view, the average consumer is likely to describe the product as a “cheese-based snack product”.

37. That leaves whether the fair description should be placed in class 29 or 30, or both. In assessing this point, I have borne in mind the WIPO’s⁹ general remarks for the classification of goods in the Nice Classification¹⁰:

“General Remarks

The indications of goods or services appearing in the class headings are general indications relating to the fields to which, in principle, the goods or services belong. The Alphabetical List should therefore be consulted in order to ascertain the exact classification of each individual product or service.

GOODS

If a product cannot be classified with the aid of the List of Classes, the Explanatory Notes and the Alphabetical List, the following remarks set forth the criteria to be applied:

- a. A finished product is in principle classified according to its function or purpose. If the function or purpose of a finished product is not mentioned in any class heading, the finished product is classified by analogy with other comparable finished products, indicated in the Alphabetical List. If none is

⁹ The World Intellectual Property Organization

¹⁰www.wipo.int/classifications/nice/nclpub/en/fr/?lang=en&menulang=en¬ion=general_remarks&version=20220101

found, other subsidiary criteria, such as that of the material of which the product is made or its mode of operation, are applied.

- b. A finished product which is a multipurpose composite object (e.g., clocks incorporating radios) may be classified in all classes that correspond to any of its functions or intended purposes. However if a good has a primary purpose it should be classified in this class. If those functions or purposes are not mentioned in any class heading, other criteria, indicated under (a), above, are to be applied.
- c.
- d. Goods intended to form part of another product are in principle classified in the same class as that product only in cases where the same type of goods cannot normally be used for another purpose. In all other cases, the criterion indicated under (a), above, applies.
- e. When a product, whether finished or not, is classified according to the material of which it is made, and it is made of different materials, the product is in principle classified according to the material which predominates.
- f.”

38. A cheese-based snack product would ordinarily be classified in class 29, it is an animal based foodstuff for human consumption. This is so irrespective of the fact that part of the product may fall in another class. It would be wrong in my view to artificially dissect the product and suggest that breadsticks (etc) should also be allowed as a term itself. The product in relation to which the mark has been used is not a breadstick, it is the complete product. This is exemplified by the nature of what I have described a fair specification to be. I have countenanced the possibility that the complete product (and the fair specification) should be classified in both classes. But the product is not really a multipurpose composite product in the way that clock radios are. The fair specification does not fit within class 30.

39. In view of the above findings, my subsequent findings under sections 5(2)(b) and 5(3) of the Act will be based upon the earlier mark for:

Class 29 - Cheese-based snack products

Section 5(2)(b)

40. Section 5(2)(b) of the Act states that:

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

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

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

41. The following principles are gleaned from the judgments of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater 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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

There are two issues that I will deal with as preliminary points:

- The applicant refers to the use of DAIRYLEA as a point of distinction. However, this is not relevant under this ground as I am only considering the marks as filed and as registered.
- The applicant refers mainly to the proposed use in relation to sweet biscuits, but as the opponent submits, I need to consider all of the goods for which the mark has been filed.

Comparison of marks

42. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The 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.”

43. It would be wrong, therefore, artificially to 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. The marks to be compared are:

DUNKA v **DUNKERS**

44. In terms of overall impression, both marks comprise single words with no other components or features. The overall impression lies in the words themselves.

45. Visually, both marks are single words, albeit one is comprised of 5 letters and the other of 7. The words both share the same first four letters in the same order. They then differ in the last 1, or 3, letters respectively. I consider there to be a medium level of visual similarity.

46. Aurally, both marks are two syllable words, articulated as DUNK-AH/DUNK-AHS, respectively. They are clearly similar aurally to a very high degree.

47. Conceptually, I consider it likely that the average consumer will see both marks (even DUNKA, which might be seen as a purely invented word for other goods/services) as making a suggestive reference to something that can be dunked into something else. The marks are conceptually identical, or else highly similar.

Comparison of goods

48. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court (“GC”) stated that:

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

49. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“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.”

50. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

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

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

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

52. When making this assessment, I have of course borne the opponent's submissions in mind, although, I have also borne in mind that they were made on the basis of the specification of its earlier mark as registered, not as per the fair specification I delineated earlier. In relation to: confectionery, chocolate and desserts; pastries, cakes, tarts and biscuits (cookies), I come to the view that any similarity between the goods is very low. Whilst they are all foods items which could potentially be eaten as a snack, the nature is quite different, they will be sold in different aisles or shelves of a supermarket, are not complementary, and I do not sense any material degree of competition as one is essentially savoury, the other sweet.

53. In relation to baked goods and bread, I accept that such goods include goods which are savoury (including bread sticks and crackers) and that they could be purchased instead of the opponent's goods, for example, perhaps then also purchasing cheese or cheese spread to eat alongside it, to form a snack type meal. This, therefore, provides a degree of competition, although not a highly competitive one in my view. There could also be a degree of complementarity, however, baked goods/bread are not important or indispensable to the use of the opponent's goods, and even if they were to a degree, there is no evidence that this would be in such a way that customers may think the responsibility for those goods lies with the same undertaking. The overall nature will though be different, even if part of a cheese-based snack product could overlap in nature with some baked goods. Baked goods and bread will likely be sold in different parts of a supermarket. Weighing these factors, I consider there to be only a low degree of similarity.

Average consumer and the purchasing act

54. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

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

55. The average consumer will be members of the general public. The goods at interest are food products for human consumption. They are reasonably frequent and reasonably inexpensive purchases. This suggests a degree of care and consideration at the lower end of the spectrum. The goods are likely to be selected from the shelves and refrigerated areas of supermarkets (etc) and their online equivalents.

Distinctive character of the earlier trade marks

56. Having compared the marks, it is necessary to determine the distinctive character of the earlier mark, in order to make an assessment of the likelihood of confusion. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, the CJEU stated that:

“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).

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).”¹¹

57. From an inherent perspective, the mark DUNKERS is suggestive of the goods, in the sense that dunking is part of the consumption process. It is inherently low in distinctive character. That said, the use of the mark is such that for the particular cheese bread stick (etc) combination product marketed by the opponent, the distinctiveness of the mark will have been enhanced to some extent.

Likelihood of confusion

58. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused. Confusion can be direct (which effectively occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same, but puts the similarity that exists between the marks/services down to the responsible undertakings being the same or related). In terms of indirect confusion, this was dealt with by Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10 where he noted 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

¹¹ C-342/97, paras. 22-23

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”.

59. This case hinges, in my view, on the closeness of the goods, together with the impact that the nature of the word DUNKA/DUNKERS has on the average consumer. The net effect of all the factors is that there is no likelihood of confusion. Notwithstanding that the earlier mark’s distinctiveness may have been enhanced from its low starting point for its particular goods, it will still not be lost on the average consumer that the inherent nature of that word (and the word which comprises the contested mark) has a suggestive connotation. When this is combined with the very low/low degree of similarity between the goods, my view is that the average consumer will regard any similarity that exists as co-incidence and not economic connection. As there is no likelihood of confusion, the ground under section 5(2)(b) is dismissed.

60. I will, though, make one contingency finding:

- If I am wrong to have placed the fair specification only in class 29, then the outcome would in any event be the same. This is because any fair specification in class 30 would need to have reflected the fact that the product is a combination one based on cheese – so everything I have said in terms of similarity of goods and the consequent impact on confusion is equally applicable.

Section 5(3)

61. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*.

62. The law appears to be as follows.

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

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

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

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

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

(f) Detriment to the distinctive character of the earlier mark occurs when the mark’s ability to identify the goods/services for which it is registered is

weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; Intel, paragraphs 76 and 77.

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

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

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

63. I accept that the opponent's mark has a reputation for the product on which it has been used. However, I do not accept that a link will be made. Notwithstanding the similarity between the marks, I consider the distance between the goods, combined with the inherent (and suggestive) nature of the words DUNKA/DUNKERS to mean that the earlier mark will not be brought to mind. All that will be brought to mind is that the goods sold under the applied for mark are good for dunking purposes, without any

particular resonance with the opponent's product. If I am wrong on that and say, for example, that use of DUNKA on baked goods such as bread sticks would bring the earlier mark to mind, my view is that none of the heads of damage will arise. I say this because:

- I struggle to see how any unfair advantage will arise – the contested mark will not benefit from the reputation of a cheese-based snack product – as per my findings under section 5(2)(b), any similarity will be put down to pure coincidence, so why would this lead to any form of benefit.
- There is nothing to suggest that the goods sold under the mark will be inferior, so any tarnishing argument is purely hypothetical, there being no unpleasant inherent characteristic of the applied for goods that could potentially rub off on the earlier mark's reputation.
- The use of the applied for mark will not impact on the earlier mark's distinctiveness. For its product, it will remain just as distinctive and just as capable as performing the distinguishing role to the same extent.

Conclusion

64. The opposition has failed. Subject to appeal, the application will proceed to registration.

Costs

65. I have determined these proceedings in favour of the applicant. They are, therefore, entitled to an award of costs. At the end of the proceedings, the applicant completed a costs proforma indicating the amount of time spent on the proceedings. Although broken down further, this equated to:

- 7 hours 55 minutes for considering and filing the initial forms and statements of case
- 24 hours 50 minutes for filings and considering evidence/submissions
- 4 hours 15 minutes for final submissions

- Total of 37 hours¹².

66. Bearing in mind that some of the material filed by the applicant was somewhat duplicative, and also bearing in mind costs are intended to provide a costs contribution not compensation, I will award costs on the basis of 25 hours. Using the Litigants in Person Costs and Expenses Act 1975 as a guide, which determines the amount per hour awarded to litigants in person as £19 per hour, this equates to £475.

67. I therefore order Kraft Foods UK Intellectual Property Limited to pay Gary Unwin the sum of £475. This 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 18th day of July 2022

Oliver Morris

For the Registrar

the Comptroller-General

¹² I have not included potential travel expenses for a final hearing, as no hearing took place.