

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2161647
IN THE NAME OF TREBOR BASSETT LIMITED**

AND

**IN THE MATTER OF OPPOSITION NO. 49406 THERETO
BY SWIZZELS MATLOW LIMITED**

TRADE MARKS ACT 1994

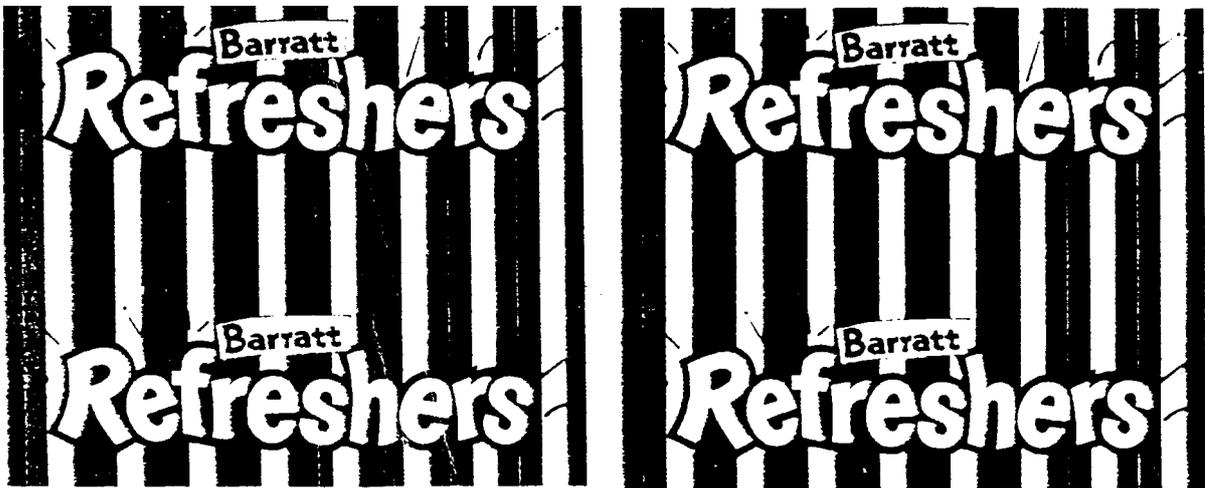
**IN THE MATTER OF Application No. 2161647
in the name of Trebor Bassett Limited**

and

**IN THE MATTER OF Opposition No. 49406
thereto by Swizzels Matlow Limited**

BACKGROUND

1. On 20 March 1998 Trebor Bassett Limited of 25 Berkeley Square, London W1X 6MT applied to register the series of 2 trade marks shown below in relation to chocolate, chocolates, confectionery, candy, sweets; snack foods; ice cream; frozen confections:-



2. The applicant claims the colours pink, green, yellow, purple and white as an element of the first mark in the series.
3. The application numbered 2161647 was published for opposition purposes on 28 October 1998.
4. On 28 January 1999 Swizzels Matlow Limited filed notice of opposition to this application. The grounds of opposition were, in summary - under Section 5(4)(a) in that the opponents have used the trade mark REFRESHERS continuously in the United Kingdom since 1957 in respect of "chewy confectionery", approximate annual retail sales in the last 5 years have been in excess of £1 million and advertising and promotion of the opponents' REFRESHERS confectionery have been in excess of £100,000 per annum.

5. On 27 April 1999 the applicants filed a counterstatement denying the grounds of opposition.
6. Both sides seek an award of costs.
7. Both the applicants and the opponents have filed evidence but neither party has asked to be heard. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

OPPONENTS' EVIDENCE

8. This consists of a statutory declaration dated 26 January 2000 by Mr Trevor Jack Leslie William Matlow. He says he is Joint Managing Director of Swizzels Matlow Limited, a position held since 1975. He further says that the opponents or their predecessors have been actively trading as manufacturing confectioners since approximately 1932, producing a wide range of inexpensive sugar confectionery aimed mainly at children. Current total annual turnover in the UK has been approximately £29.6 million.
9. Mr Matlow says that the opponents or their predecessors first commenced use of the trade mark REFRESHERS in 1935 for items of general confectionery and in its chewy form in 1938, such use being continuous up to the present day. Annual retail turnover figures for the opponents' UK sales of REFRESHERS are as follows:

1995	£6.3 million
1996	£8.1 million
1997	£7.1 million
1998	£7.1 million (relevant date 20 March 1998).
10. Exhibit TJLWM1 shows a selection of invoices as evidence of UK Sales.
11. Mr Matlow goes on to say that the opponents' REFRESHERS products are chewy confectionery sold either in small oblong blocks or long thin strips, as shown in Exhibit TJLWM2, and can be purchased by end consumers either individually, in multipacks or as part of a larger assortment pack containing other products from the opponents' range. They come in a range of flavours including strawberry, lemon and lime, apple and blackcurrant, cola as well as the original lemon flavour, all being chewy with a powdery centre. Various wrappings are shown in Exhibit TJLWM3. Various types of trays and boxes in which the opponents' REFRESHERS products are sold to retailers is provided at Exhibit TJLWM4.
12. The opponents also spend between £300,000 and £400,000 per annum on UK advertising in relation to REFRESHERS products. Examples of copies of such sales aids are provided at Exhibit TJLWM5. They place regular advertisements in the CTN Priceguide - a monthly publication produced as a supplement to the confectionery trade magazine Confectionery & Tobacco News (the Priceguide later changed its name to R N Pricechecker and then to Pricechecker), which is distributed to most UK retail

confectioners. Exhibit TJLWM6 provides a selection of photocopies of such advertisements. The opponents also promote REFRESHERS products by means of advertisements and free offers in several well known British childrens comics such as The Beano, Dandy and Bunty and also announce these offers in local newspapers and magazines. Copies of advertisements and notices are provided at Exhibit TJLWM7.

13. Mr Matlow also refers to the opponents' reputation for chewy confectionery with letters from a variety of retailers and wholesalers. Copies of the letters are provided at Exhibit TJLWM8. He goes on to say -

"The Opponents REFRESHERS products, as a result of this long history of use, sales and promotion, undoubtedly enjoy a significant reputation within the United Kingdom for chewy confectionery. On the basis of this reputation, the Opponent enjoys significant rights at common law in the United Kingdom to the extent that use of REFRESHERS by a third party in respect of chewy confectionery or similar goods is liable to be prevented by the Opponents by virtue of the law of passing off."

14. Mr Matlow then refers to opposition proceedings before The Office for Harmonisation in the Internal Market (OHIM). In summary they are -

OPPONENTS' APPLICATION (OPPOSED BY APPLICANTS)

Date	Application No.	Mark	Specification
1.4.96	204990	REFRESHERS	Chewy confectionery

APPLICANTS' APPLICATIONS (OPPOSED BY PRESENT OPPONENTS)

20.3.98	775890	REFRESHERS (Stylised)	Fruit flavoured fizzy sherbert sweets
23.9.98	938688	REFRESHERS	(ditto)

15. Mr Matlow says that negotiations towards an amicable settlement of all these matters are currently deadlocked. He goes on to say that the products have peacefully co-existed for many years, often sold in the same UK outlets. He says this is because the actual products are quite different. The opponents' REFRESHERS are chewy confectionery sold in the form described earlier while the applicants' REFRESHERS are sold in compressed tablet form which when eaten has a powdery and granular consistency and is sold in a roll.
16. Mr Matlow concludes by saying that the applicants' specification is too wide and clearly includes the opponents' goods which would leave them open to an infringement claim by the applicant.

APPLICANTS' EVIDENCE

17. This consists of a statutory declaration dated 23 May 2000 by Mary Lisa Hacon Owen. Ms Owen says she is the Company Secretary of Trebor Bassett Limited, a position held since 1994. She provides a brief history of the present company - Trebor was founded in 1907, Bassett in 1842. In 1989 Cadbury Schweppes PLC acquired both businesses and merged them in 1990 to become Trebor Bassett Limited. The company currently has 28% market share of the UK sweet sector. Since the mid 1980s, Cadbury Schweppes PLC has focussed on beverages and confectionery. The confectionery companies sell a range of products made by themselves or under licence which includes: chocolate, chocolate products, drinking chocolate, cocoa, preparations for making beverages, mints, sugar confectionery, gums, cakes, gateaux, biscuits, wafers, desserts, yoghurts, fromage frais, flavoured milks, frozen confections, ice lollies and ice cream. She goes on to say that the companies are constantly exploring new product areas for their well established brands.
18. Turning to REFRESHERS Ms Owen says this was first adopted in the UK as a brand in about 1935 by the applicants' predecessors in title and has been used on "pressed fruit-flavoured fizzy sweets" continuously since. In 1999 (ie. after the relevant date) the applicants introduced "hard lollies" and "ice lollies" under the REFRESHERS brand.
19. Ms Owen refers to earlier registrations in the name of the applicants. These are reproduced as Exhibit MLH01 [and as Annex A to this decision]. Ms Owen goes on to say that the present application is based on their earlier registration No. 1337401 (TREBOR Refreshers Label). Exhibit MLH02 shows the mark as applied for. Reference is made to the get-up which, she says, has been a consistent feature of their product over the years. Exhibit MLH03 shows a selection of labels and point of sale material from before 1992. It was explained that prior to 1992 they carried the TREBOR umbrella brand and after 1992 the BARRATT umbrella brand.
20. Ms Owen then refers to the opponents' use of REFRESHERS and says this is always in conjunction with their umbrella brand MATLOW'S. It is also pointed out that the opponents' evidence shows their get-up is quite different. Exhibit MKH04 shows a specimen of the opponents' MATLOW'S REFRESHERS get-up.
21. Ms Owen then refers to the opponents' description of their goods as "chewy confectionery" and that "confectionery" is defined in a dictionary as "anything made by a confectioner". However, she says, their evidence only refers to oblong blocks and long thin strips and product descriptions such as chew bars/chewy bar and chewy sweets. Therefore, she says, their assertion to rights in "chewy confectionery" is not substantiated by their evidence.
22. Ms Owen then refers to the get-up and says that the applicants and opponents operate in the same market - primarily aimed at children - where products are primarily bought by self-selection and not asked for by name, so that get-up "plays a vital role in selecting the desired product." Ms Owen also observes that although the applicants

have introduced in 1999 "hard lollies" and "frozen lollies" under the REFRESHERS brand they have had no complaints from the opponents that such use would be actionable at common law as alleged in the opponents' evidence.

23. Use of the REFRESHERS mark by the applicants is outlined by Ms Owen. She says that the product is available throughout the UK and are distributed primarily through supermarkets, grocery stores, sweet shops, garage forecourts and kiosks. The volume of sales between 1990 and 1998 were in excess of 8500 tonnes and totalling approximately £42.5 million. The sweets currently retail at 20p a roll or 5p for lollies.
24. I should add that in submitting the above evidence, the agents acting for the applicants argued in their covering letter that the evidence submitted by the opponents at paragraph 14 of Mr Matlow's declaration and Exhibit TJLWM8 (letters from retailers and wholesalers attesting to the opponents' reputation in REFRESHERS) should be disregarded "as there is no information as to how the sources were selected nor is there any indication that they were the only parties approached, whether a questionnaire was sent to them and the nature of any questions put to them etc. Also, the bulk of the letters submitted appear identical in language and lead one to suspect that prepared statements had been sent by the opponents' agents."
25. The opponents were invited to comment on this and the applicants' evidence. In their letter of 7 September 2000 the opponents' agents indicated that the opponents did not wish to file any evidence in reply.
26. That concludes my review of the evidence.

DECISION

27. The opponents refer to Section 5(4)(a) of the Act. This section reads as follows:

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

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

(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."

28. Mr Geoffrey Hobbs QC set out the basis of an action for passing off in WILD CHILD trade mark 1998 RPC 455:

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords

in Reckitt and Colman Products Ltd -v- Borden Inc (1990) RPC 341 and Erven Warnink BV -v- J Townend & Sons (Hull) Ltd (1979) ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number.

- (1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature.
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff, and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive literal definition of 'passing off', and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of person: and

- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
 - (b) the closeness or otherwise of the respective fields or activity in which the plaintiff and defendant carry on business;
 - (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
 - (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
 - (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances."
29. It is clear from the above that the opponents must establish a case for goodwill in the UK. The evidence filed by Mr Matlow seems to me to show substantial use over a considerable period of time (since the 1930s). I do not understand the applicants to challenge the fact of the opponents' use though they do comment on the nature and effect of that use. I consider I must make two points about the nature of the use. Firstly, the mark is, for the most part, used with the housemark MATLOW'S and secondly it is used on a very narrow product range - chewy sweets or bars. (See exhibit TJLWM2). I note, however, that the word REFRESHERS is far more prominent than the housemark in that usage. I am also aware that such goods are frequently referred to by the sub-brand alone and that the housemark gets dropped - e.g. SMARTIES are rarely referred to by the purchasing public as "NESTLÉ SMARTIES" in my experience.
30. I also note the letters referring to the opponents' reputation for "chewy confectionery" (exhibit TJLWM8). These appear to come from specialist buyers in confectionery wholesalers and retailers who distribute/sell the opponents' products. As such, they express the view that if another company were to market "chewy confectionery" under the name REFRESHERS in the United Kingdom this would cause widespread confusion. However, they cannot speak for the purchasing public and, as already

referred to by the applicants (see above), there is no information as to how the respondents were selected, whether they were the only parties approached, whether a questionnaire was sent to them or the nature of the questions put to them. Given the similarity of the wording of the letters it certainly suggests that the respondents have been provided with prepared statements. For these reasons, I attach little weight to this evidence. Taking the best view I can on the matter I am satisfied that the opponents have acquired goodwill in the mark REFRESHERS, for the particular type of sweets shown in the Exhibits ie chewy sweets and chewy bars.

31. Turning to the second element, misrepresentation by the defendant, I find this a somewhat unusual case. It is clear from the evidence filed by the applicants that they, also, have acquired a considerable reputation (also since 1930s) for REFRESHERS for closely related goods ie. "pressed fruit - flavoured fizzy sweets". They also show that their use is with housemarks such as TREBOR or (since 1992) BARRATT which feature less prominently than the word REFRESHERS. It is reasonable to infer that the applicants have a concurrent right in the mark in relation to their own particular style of sweets.
32. It is evident that these products have co-existed in the market place for a considerable length of time and the purchasing public appear to have learned to distinguish them. It is not clear how they do so and no evidence has been put before me on this point.
33. Although housemarks are present, as indicated above they are, generally speaking, separate elements presented in different typefaces and very much less prominent than the word REFRESHERS. The inference I draw is that it is the physical nature of the product (flat chewy bar compared to circular compressed tablets) that is likely to be the primary means by which customers make their selection. The applicants suggest that the get-up also plays a vital role and in particular the striped pattern on their labels. I do not discount the visual impact that this feature may have given or that sweets will normally be purchased on the basis of a visual inspection of the products on offer. However I am not persuaded that the elements present in the applied for mark (bearing in mind the dominance of the word REFRESHERS) would be sufficient to avoid confusion if it were to be applied to a chewy bar/sweet product of the kind for which I am satisfied the opponents have a reputation. I bear in mind, also, that the applicants have changed their "umbrella brand" from TREBOR to BARRATT in recent years and the purchasing public may think the same has happened to the opponents' product. In those circumstances I consider that misrepresentation and damage could occur.
34. The above finding is of course based on what it would be open to the applicants to do given the notional breadth of their specification including as it does "confectionery, candy, sweets snack foods". Such terms are sufficiently broad or indeterminate in scope that they could include precisely the sort of goods for which the opponents have a reputation. I consider that the application must be rejected to the extent that that is the case.

35. However, I must also bear in mind Article 13 of the Directive. This was considered in the (so far unreported) RALEIGH INTERNATIONAL case - Opposition No 46834, opposition by Derby Holdings Ltd to Application No 2033472 by Raleigh International Trust (SRIS No O/253/00) where Geoffrey Hobbs, QC, sitting as the Appointed Person said:

“Article 13 of the Directive provides (with emphasis added) that:

“Where grounds for refusal of registration or for revocation or invalidity of a trade mark exist in respect only of some of the goods or services for which that trade mark has been applied for or registered, refusal of registration or revocation or invalidity shall cover those goods or services only.”

Although the words I have emphasised do not appear to have found their way into the text of the 1994 Act, they are binding upon the Registrar of Trade Marks as the person whose task it is to implement Article 13 on behalf of the State in Registry proceedings in the United Kingdom. Article 13 serves to confirm that no grounds for refusal of registration should exist in respect of any of the goods or services for which a trade mark is to be registered. It envisages that the coverage of an application for a trade mark will (so far as possible) be restricted to the extent necessary to confine it to goods or services for which the trade mark in question is fully registrable.”

36. Although the parties have closely competing claims based on long established and substantial trade in their chosen area of the sweet confectionery market there is no evidence that by the material date either side had extended from effectively “one-product” usage of their marks into other areas of the sweet trade. I consider that I should be slow to allow the applicants to extend their trade into sweet items that might fall within the penumbra of protection to which the opponents are entitled. Bearing in mind, also, for both sides, REFRESHERS is not a particularly strong mark given its allusion to the nature of the goods. Equally, given the narrow nature of past use and the composite nature of the mark applied for, I do not think the applicants should be denied registration for areas of the confectionery trade which are different in kind to the sweet market. Making the best I can of the matter I conclude that the applicant should not be allowed to extend into the whole of the wide specification claimed because of the opponents' reputation and goodwill in the mark REFRESHERS for certain items of confectionery. However, I consider that the application should be allowed to proceed to registration for:

“Chocolate, chocolates; ice cream; frozen confections; fruit-flavoured fizzy sweets in compressed tablet form or in lollipop form.”

37. This specification also recognises the very specific area of sweet products where the applicants can reasonably claim a concurrent right of their own - a right which I believe is implicitly acknowledged in Mr Matlow's evidence.

38. I am aware that the applicants have pointed to their registration 1337401 (See Annex A) which has a broader specification but I do not consider the existence of that registration can be determinative of the action before me. The applicants also refer to product diversifications. However, on the evidence before me, any use is after the relevant date and the products referred to would, in any event, be covered by the above specification and would not come into conflict with the goods (or closely similar goods) for which the opponents have acquired a reputation.
39. The application will, therefore, be allowed to proceed to registration if, within 28 days of the end of the appeal period for this decision, the applicants file a form TM21 amending their specification as follows:
- “Chocolate, chocolates; ice cream; frozen confections; fruit-flavoured fizzy sweets in compressed tablet form or lollipop form.”
40. If the applicants do not file a TM21 restricting the specification as set out above the application will be refused in its entirety.
41. In the circumstances, the opposition having been partly successful, I order the applicants to pay the opponents the sum of £300. If the applicants do not amend their specification the opposition will have succeeded in its entirety and I will order the applicants to pay the opponents the sum of £600.
42. The cost award is to be paid within 7 days of the expiry of the period allowed for filing the form TM21 or within 7 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 5 day of February 2001

R A JONES
For the Registrar
the Comptroller-General

Annex only available in a paper copy