

O/0482/24

TRADE MARKS ACT 1994

IN THE MATTER OF INTERNATIONAL REGISTRATION NO. WO0000001592079

DESIGNATING THE UK

IN THE NAME OF CONSORZIO COOPERATIVE RIUNITE D'ABRUZZO –  
SOCIETA' COOPERATIVE AGRICOLA

FOR THE FOLLOWING TRADE MARK:



IN CLASS 33

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 430591 BY

MONSTER ENERGY COMPANY

## BACKGROUND AND PLEADINGS

1. International registration no. 1592079 (“the IR”) consists of the sign shown on the cover page of this decision. The holder is CONSORZIO COOPERATIVE RIUNITE D’ABRUZZO – SOCIETA’ COOPERATIVE AGRICOLA. The IR is registered with effect from 17 March 2021. With effect from the same date, the holder designated the UK as a territory in which it seeks to protect the IR under the terms of the Protocol to the Madrid Agreement. The holder seeks protection for the following goods:

Class 33 Wine; sparkling wines; distilled spirits; liqueurs; bitters; sparkling alcoholic beverages; alcoholic fruit beverages; alcoholic beverages, except beer.

2. On 27 January 2022, Monster Energy Company (“the opponent”) opposed the protection of the IR in the UK based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Under section 5(2)(b) of the Act, the opponent relies upon the following trade marks:



UKTM no. 3296450

Filing date 13 March 2018; registration date 1 June 2018

Priority date: 21 September 2017

Relying on some goods for which the mark is registered, namely:

Class 32 Non-alcoholic beverages, including carbonated drinks and energy drinks; syrups, concentrates, powders [... for making beverages].<sup>1</sup>

(“the First Earlier Mark”)



UKTM no. 3254978

Filing date 6 September 2017; registration date 1 December 2017

Relying on some goods for which the mark is registered, namely:

Class 33 Alcoholic beverages except beers.

(“the Second Earlier Mark”)



UKTM no. 917923806<sup>2</sup>

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<sup>1</sup> Although on its Form TM7, the opponent simply stated that it relied upon “syrups, concentrates, powders” the term as it reads in the specification is “syrups, concentrates, powders and preparations for making beverages”. This must be read as covering syrups, concentrates, powders and preparations, all of which are for making beverages. To simply read it as syrups, concentrates and powders, would render it lacking clarity and precision. For example, it is not clear to me what would be covered by the term “powders”, absent the clarification that it is powders for making beverages. Consequently, I will proceed on the basis that the term relied upon is as listed here.

<sup>2</sup> On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all rights holders with an existing European Union trade mark (“EUTM”). As a result of the opponent having an EUTM protected as at the end of the Implementation Period, a comparable UK trade mark was automatically created. The comparable trade mark

Filing date 27 June 2018; registration date 27 October 2018

Relying on some goods for which the mark is registered, namely:

Class 33 Alcoholic beverages except beers.

(“the Third Earlier Mark”)

3. The opponent claims that the marks are similar, and the goods are identical or similar, with the result that there is a likelihood of confusion.

4. Under section 5(3) of the Act, the opponent relies upon the Second Earlier Mark, as well as the following trade mark:



UKTM no. 3431545

Filing date 25 September 2019; registration date 13 December 2019

(“the Fourth Earlier Mark”)

5. Under this ground of opposition, the opponent claims that the Second Earlier Mark has a reputation for “energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages” and that the Fourth Earlier Mark has a reputation for “non-alcoholic beverages, including carbonated drinks and energy drinks; syrups, concentrates, powders [...] for making beverages”. The opponent claims that use of the applicant’s mark would, without due cause, take unfair advantage of, and/or be detrimental to, the distinctive character and/or repute of the Second and Fourth Earlier Marks.

6. Under section 5(4)(a) of the Act, the opponent relies upon the following signs which it claims to have used throughout the UK since 2008 in relation to “drinks”:

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shown here is now recorded on the UK trade mark register, has the same legal status as if it had been applied for and registered under UK law, and retains its original filing date.



The opponent claims that use of the applicant's mark would be contrary to the law of passing off.

7. The applicant filed a counterstatement denying the claims made.

8. Neither party requested a hearing, but both filed written submissions in lieu. This decision is taken following a careful consideration of all the papers on file.

## **REPRESENTATION**

9. The holder is represented by AA Thornton IP LLP and the opponent is represented by Bird & Bird LLP.

## **EVIDENCE AND SUBMISSIONS**

10. The opponent filed evidence in chief in the form of the witness statement of Paul J. Dechary dated 8 June 2023, which is accompanied by 33 exhibits (PJD1 to PJD33). Mr Dechary is the Executive Vice President and Deputy General Counsel of the opponent.

11. The holder elected not to file evidence.

12. The opponent and the holder both filed written submissions in lieu dated 9 October 2023.

13. I have taken the evidence and submissions into consideration in reaching my decision and will refer to them below, where necessary.

## **RELEVANCE OF EU LAW**

14. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

### **Section 5(2)(b)**

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

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

(a)...

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

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

16. Section 5A of the Act is as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

17. The First, Second and Third Earlier Marks are relied upon under this ground. Given their earlier filing dates, all three qualify as earlier trade marks pursuant to section 6 of the Act. Further, as they had not completed their registration process more than 5 years prior to the designation date of the IR, they are not subject to the use provisions in section 6A of the Act. Consequently, the opponent can rely upon all of the goods identified for the purposes of this opposition.

18. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v 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 to mind the earlier mark, 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.

### **Comparison of goods**

19. The competing goods are as follows:

<b>Opponent's goods</b>	<b>Holder's goods</b>
<b>The First Earlier Mark</b> <u>Class 32</u>	<u>Class 33</u> Wine; sparkling wines; distilled spirits; liqueurs; bitters; sparkling alcoholic



<p>Non-alcoholic beverages, including carbonated drinks and energy drinks; syrups, concentrates, powders [... for making beverages].</p> <p><b>The Second Earlier Mark</b>  <u>Class 33</u>  Alcoholic beverages except beers.</p> <p><b>The Third Earlier Mark</b>  <u>Class 33</u>  Alcoholic beverages except beers.</p>	<p>beverages; alcoholic fruit beverages; alcoholic beverages, except beer.</p>
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20. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

“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.”

21. 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.

*Alcoholic beverages, except beer*

22. The holder accepts that this term is identical to the specifications of the Second and Third Earlier Marks.

23. The specification of the First Earlier Marks includes non-alcoholic beverages. In this regard, the opponent submits as follows:

“18. [...] The broad term “*non-alcoholic beverages*” covers a wide range of goods, including non-alcoholic equivalents of the Contested Goods, such as non-alcoholic wine and sparkling wine, non-alcoholic spirits and liqueurs, and non-alcoholic fruit drinks. The availability and popularity of non-alcoholic equivalents to alcoholic drinks is well-established in the UK, with both options commonly offered to consumers in the same settings, such as bars, pubs and supermarkets, and presented alongside each other, such as on a menu or a supermarket shelf. As such, not only is the nature, intended purpose and method of use of the relevant goods the same – namely they are all consumable liquids which are drunk to quench thirst, as well as for taste and enjoyment – but the distribution channels are also the same and the goods are directly in competition with one another. For these reasons, the similarity of non-alcoholic beverages and alcoholic beverages has been established in case law.”

24. The opponent also refers me to a previous decision of this tribunal in which alcoholic and non-alcoholic drinks were found to be similar to a medium degree.<sup>3</sup> I bear in mind that decisions of other hearing officers are not binding on me, and I must make the decision anew based upon my own analysis of the parties' respective specifications.

25. The goods will overlap in nature and method of use to the extent that they are all drinkable liquids. However, they differ in the alcoholic content of one, compared to the absence of alcohol in the other. Although alcoholic drinks may be consumed for refreshment purposes, they are always consumed at least partly for the effect of the alcohol. The purpose of the goods may, therefore, be somewhat similar, but are different in a key respect. I do not consider there to be any meaningful competition, because commercial choices are likely to be between different types of alcoholic drinks, rather than between an alcoholic drink or a soft drink. I do not consider there to be any complementarity, because although some alcoholic beverages may be drunk with the opponent's non-alcoholic beverages, the average consumer would not expect the same undertaking to be responsible for the goods.<sup>4</sup> Whilst there may be an overlap in trade channels to the extent that all of the goods may be sold through supermarkets and other retail outlets, they are unlikely to be sold in the same aisles. Even when considering non-alcoholic wines, if they are sold in the same aisle, they are likely to be in clearly differentiated sections, setting them apart from their alcoholic equivalents. I have no evidence before me to suggest that it is common for producers of alcoholic beverages to also produce non-alcoholic goods, nor do I consider it likely. Taking all of this into account, any similarity that does exist is at a low degree. I have considered whether the opponent's syrups, concentrates and powders put it in any stronger position. In my view, they do not. There is even less overlap in method of use, nature and purpose than there is for the non-alcoholic beverages. Consequently, I would have found these goods to be dissimilar.

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<sup>3</sup> BL O/909/21

<sup>4</sup> *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

*Wine; sparkling wines; distilled spirits; liqueurs; bitters; sparkling alcoholic beverages; alcoholic fruit beverages.*

26. The holder accepts that these goods are identical to the specifications of the Second and Third Earlier Marks.

27. For the same reasons set out above, I find that any similarity that exists between these goods and those of the First Earlier Mark is at a low degree.

### **The average consumer and the nature of the purchasing act**

28. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which the goods are likely to be selected by the average consumer. 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.”

29. The average consumer for the goods will be a member of the general public (who is over the age of 18, in the case of alcoholic drinks). The cost of the goods is likely to be relatively low, and they are likely to be reasonably frequent purchases. However, factors such as flavour and alcohol content are likely to be considered when purchasing the goods. Consequently, I consider that a medium degree of attention is likely to be paid. However, I accept that to the extent that the opponent's specification would cover goods such as bottled water, a low degree of attention may be paid.

30. The goods are likely to be self-selected from the shelves of a retail outlet or an online equivalent. They may also be purchased following perusal of the goods at food and drink venues (either on taps, on shelves or in fridges behind the bar or, alternatively, on a drinks list). Consequently, visual considerations are likely to dominate the purchasing process. However, I do not discount an aural component to the purchase given that advice may be sought from retail assistants and orders may be placed verbally in a bar or restaurant.

### **Comparison of trade marks**

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

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

33. The respective trade marks are shown below:

Opponent's trade marks	The IR
	
<p>(the First Earlier Mark)</p>	
	
<p>(the Second Earlier Mark)</p>	
	
<p>(the Third Earlier Mark)</p>	

## Overall Impression

34. The IR consists of the words CODICE CITRA, with the word CITRA presented in much larger font. Above the text elements is a device consisting of three curved lines, which are thicker in the bottom left hand corner and decrease in width at the top right hand corner. Each line gets progressively larger. The eye is naturally drawn to the element of the mark that can be read. Consequently, the word CITRA plays the greater role in the overall impression due to its size, the word CODICE plays a slightly lesser role and the device plays the smallest role in the overall impression.

35. The First Earlier Mark consists of a device made up of three long lines, with another line at the top of each (which is at a right angle to the first). Each line is jagged in appearance and tapers off to a point at the bottom. The lines are presented in black, with a silver edging, which gives the device a three-dimensional appearance. The whole device is presented at an angle with the thicker part of the lines at the top right-hand corner. There are no other elements to contribute to the overall impression, which lies in the device itself.

36. The Second Earlier Mark consists of the same device as described above, but without the silver edging/three-dimensional appearance and, this time, presented vertically. The overall impression lies in the device itself.

37. The Third Earlier Mark consists of the same device described above, presented vertically in green on a black background. Beneath the device is the word MONSTER presented in a stylised font, above the word ENERGY, which is presented in a green standard font. The overall impression of the mark lies in the combination of these elements, with neither the device nor text dominating. Whilst the eye is naturally drawn to the element of the mark that can be read, this is counterbalanced by the comparative size of the device.

## Visual Comparison

### *The First Earlier Mark and the IR*

38. The First Earlier Mark and the IR overlap to the extent that they both consist of, or include, devices which are made up of three lines, presented at an angle. The holder suggests that the First Earlier Mark will be recognised as a letter M; I disagree. The holder has referred me to a decision of this tribunal in which the Hearing Officer described the device in question as a stylised letter 'm'.<sup>5</sup> However, the hearing officer went on to explain that this was only one of the possible interpretations of the mark and that it was unlikely to be verbalised due to it simply being figurative. Consequently, I do not consider that the hearing officer's words can be attributed the meaning suggested by the holder. The holder also points me to a judgment of Ms Amanda Michaels, sitting as the Appointed Person, in which the holder states that the opponent's marks were considered to represent a stylised letter 'M'.<sup>6</sup> However, what the Appointed Person actually said was:

“25. [...] They might be seen by the average consumer in a number of different ways. One possibility would be that they would be seen as a sort of hammer head, nail head or even a handle at the top of each vertical line. Alternatively, they might be seen by some as making the whole device look like a stylised letter M, or, as Mr Cuddigan QC suggested, a cricket wicket. [...]”

39. I am not, therefore, convinced that this is authority for the view that the opponent's marks should be viewed as stylised versions of, or even representing, the letter 'M'. The holder also refers to the fact that the description used by the opponent in registration of its mark references the letter 'M'. However, that is irrelevant; what matters is the perception of the average consumer.

40. I recognise that there is some similarity in the lines to the extent that they both get thinner at one end, and neither are uniform in their edging. However, they differ in the

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<sup>5</sup> BL O/214/20

<sup>6</sup> BI O/415/18



shorter lines at the top of the First Earlier Mark and the curved nature of the lines in the IR. The silver outline in the First Earlier Mark is also absent from the device in the IR. There is also a clearly significant visual difference created by the words CODICE CITRA which are present in the IR but absent from the First Earlier Mark. At best, I consider the marks to be visually similar to a low degree.

#### *The Second Earlier Mark and the IR*

41. The same applies to the comparison with Second Earlier Mark. However, the device is presented vertically in the Second Earlier Mark, but at an angle in the IR. On the other hand, neither device has any silver outline to act as a point of difference. At best, I consider the marks to be visually similar to a low degree.

#### *The Third Earlier Mark and the IR*

42. The same points apply as set out above. However, in this mark, the additional words MONSTER ENERGY act as a point of visual difference, as does the different stylisation used in each mark. I note that the Third Earlier Mark uses the colour green, but I bear in mind that the IR is registered in black and white and so could be used in any colour. In my view, these marks are visually dissimilar. If I am wrong in that finding, then they share only a very low degree of visual similarity.

### Aural Comparison

#### *The First and Second Earlier Marks and the IR*

43. The First and Second Earlier Marks are unlikely to be articulated, because they will simply be viewed as a device. By contrast, the IR is likely to be pronounced as COE-DEES-SIT-RA. Consequently, there is no aural similarity between the marks.

### *The Third Earlier Mark and the IR*

44. The Third Earlier Mark includes the words MONSTER ENERGY, which will be given their ordinary English pronunciation. These words sound entirely different to the words in the IR. In my view, the marks are aurally dissimilar.

### Conceptual Comparison

#### *The First and Second Earlier Marks and the IR*

45. I consider it unlikely that the First and Second Earlier Marks will convey any conceptual message to the average consumer. The words CODICE CITRA in the IR are not dictionary words and are unlikely to convey any conceptual message to the average consumer, other than the word CITRA might be seen as alluding to something that is citrus in flavour. I consider it unlikely that the device in the IR will convey any message to the consumer. Although the opponent submits that it is likely to be seen as a claw mark, I consider this unlikely in the absence of any other elements of the mark that suggest a connection with an animal or monster. Consequently, the conceptual position is either neutral or the marks will be dissimilar (for those that recognise the allusive meaning of CITRA in the IR). If the First and Second Earlier Marks are viewed as claw marks as submitted by the opponent, then the marks are still conceptually dissimilar.

#### *The Third Earlier Mark and the IR*

46. The words MONSTER ENERGY in the Third Earlier Mark are ordinary dictionary words with recognisable meanings. As explained above, I consider it unlikely that any message will be conveyed by the IR, meaning they are conceptually dissimilar. Even if the allusion of the word CITRA is recognised, this will still result in the marks being conceptually dissimilar.

## The distinctive character of the earlier trade marks

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

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

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

48. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods/services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctive character of a mark can be enhanced by virtue of the use that has been made of it.

49. The First and Second Earlier Marks consist of a device. If it is recognised as anything, it will be that of a claw mark. I consider it to be inherently distinctive to a medium (or average) degree. The Third Earlier Mark consists of the same device, and

the words MONSTER ENERGY presented in a slightly stylised font in green on a black background. In my view, that mark is inherently distinctive to between a medium and high degree.

50. I must now consider whether the distinctiveness of the earlier marks has been enhanced through use. The relevant market for assessing enhanced distinctiveness is the UK market. The opponent's evidence is that it began selling its energy drinks in the UK in January 2008.<sup>7</sup> Throughout this time, the cans have displayed a version of what Mr Dechary describes as "the Claw Icon Marks", an example of which is as follows:<sup>8</sup>



51. The consistency of the presentation of the opponent's product is evident in that the same design was used as recently as 2018.<sup>9</sup> The opponent's UK sales figures for its energy drinks vary between €79.9million in 2012 and €235.6million in 2020.<sup>10</sup> In terms of the number of units sold, this amounted to more than 1.4billion energy drinks between 2012 and 2019.<sup>11</sup> Mr Dechary confirms that all of these displayed "one or more Claw Icon Marks".

52. The opponent's use in the UK has clearly been geographically widespread; I note that as of the date of Mr Dechary's statement, the opponent's energy drinks were sold in over 50,000 retail stores and 7,600 pubs in the UK.<sup>12</sup> Whilst I note that this is reflective of the position after the relevant date, I am satisfied that a distribution

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<sup>7</sup> Paragraph 8 of Mr Dechary's witness statement.

<sup>8</sup> Paragraph 10 of Mr Dechary's witness statement.

<sup>9</sup> Exhibit PJD-1

<sup>10</sup> Paragraph 14 of Mr Dechary's witness statement.

<sup>11</sup> Paragraph 15 of Mr Dechary's witness statement.

<sup>12</sup> Paragraph 14 of Mr Dechary's witness statement.

network of that size is likely to have grown gradually over a long period of time. The geographical spread of the opponent's use is further supported by evidence that the opponent's energy drinks were sold in national retailers, Sainsbury's and Morrisons, in 2020.<sup>13</sup>

53. The opponent's market share for energy drinks in the UK has increased from around 8% in 2012 to around 22% in 2020.<sup>14</sup> The opponent's investment in promoting its marks in the UK has been significant, with much of this focused on athlete and sporting event sponsorship/endorsement.<sup>15</sup> Taking all of this into account, it is plain that the Second and Third Earlier Marks have been used extensively in relation to energy drinks. However, those goods are not relied upon under this ground and there is no evidence of use for the alcoholic beverages relied upon. Whilst I note that there is no evidence of use of the First Earlier Mark, it is so close to the Second Earlier Mark in its appearance, that I consider the distinctiveness of that mark is likely to have been enhanced through use to a high degree in relation to energy drinks only. I will proceed on that basis.

### **Likelihood of confusion**

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

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<sup>13</sup> Paragraph 20 of Mr Dechary's witness statement.

<sup>14</sup> Exhibit PJD-4

<sup>15</sup> Paragraph 35 of Mr Dechary's witness statement.

trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

55. I have found as follows:

- a) The specifications of the IR and the Second and Third Earlier Marks are identical. Any similarity that exists between the specifications of the IR and the First Earlier Mark is at a low degree.
- b) The average consumer is a member of the general public (who is over the age of 18, for alcoholic goods) who will generally pay a medium (or average) degree of attention during the purchasing process. However, I recognise that where the specifications include goods such as bottled water, the level of attention paid may be lower.
- c) The purchasing process will be predominantly visual, although I do not discount an aural component.
- d) The First and Second Earlier Marks and the IR are visually similar to a low degree (at best), aurally dissimilar and conceptually neutral or dissimilar, depending on how they are interpreted.
- e) The Third Earlier Mark and the IR are visually similar to a very low degree (at best), aurally dissimilar and conceptually dissimilar.
- f) The First and Second Earlier Marks are inherently distinctive to a medium (or average) degree and the Third Earlier Mark is inherently distinctive to between a medium and high degree. The distinctiveness of the First Earlier Mark has been enhanced through use to a high degree in relation to energy drinks.

56. Bearing in mind the predominantly visual purchasing process and the visual differences between the marks, I do not consider it likely that they will be mistakenly recalled or misremembered as each other. There is no likelihood of direct confusion.

57. I will now consider whether there is a likelihood of indirect confusion. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark’.

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

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

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)".

58. The First and Second Earlier Marks share the greatest degree of similarity with the IR. The First Earlier Mark also benefits from enhanced distinctiveness. However, the goods for which the opponent has demonstrated enhanced distinctiveness are similar to a low degree (at best). In my view, although these marks consist of, or contain, devices of three lines, the presentation of those three lines differs sufficiently to avoid them being misremembered as each other. This is particularly the case given that 1) in relation to the First Earlier Mark the enhanced distinctiveness is offset by the distance between the goods and the marks and 2) in relation to the Second Earlier Mark, the identity of the goods is offset by the lack of any enhanced distinctiveness in relation to the goods relied upon and the distance between the marks. For the Third Earlier Mark, the added (and different) text element very clearly points away from the marks originating from the same or economically linked undertakings. In my view, there is no likelihood of indirect confusion.

59. The opposition based upon section 5(2)(b) of the Act is dismissed.

### **Section 5(3)**

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

“5(3) A trade mark which -

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

61. Section 5(3A) of the Act states:



“Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

62. Under this ground of opposition, the opponent relies upon the Second and Fourth Earlier Marks. I have already explained above that the Second Earlier Mark qualifies as an earlier mark pursuant to section 6 of the Act and is not subject to the use provisions of section 6A of the Act. The same is also true of the Fourth Earlier Mark and the opponent can rely upon all of the goods identified.

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

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

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

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas 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 and *Environmental Manufacturing*, paragraph 34.

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

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

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the 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*).

64. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the earlier marks and the IR are similar. Secondly, the opponent must show that the earlier marks have achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them in the sense of the earlier marks being brought to mind by the IR. Finally, assuming the first three conditions have been met, section 5(3) requires that one or more of the types of damage will occur. It is unnecessary for the purposes of section 5(3) that the goods be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

## **Reputation**

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

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

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

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

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence

of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

66. In determining whether the opponent has demonstrated a reputation for the goods relied upon, it is necessary for me to consider whether its marks will be known by a significant part of the public concerned with those goods. In reaching this decision, I must take all of the evidence into account including "the market share held by the trade mark, the intensity, geographical extent and duration of use, and the size of the investment made by the undertaking in promoting it".

67. Although the tests for enhanced distinctiveness and reputation are different, the factors relevant to both are the same. Under this ground, the opponent relies upon the Second Earlier Mark in relation to, *inter alia*, energy drinks. For the same reasons given above, I am satisfied that the Second Earlier Mark had a strong reputation in the UK for energy drinks at the relevant date. In relation to the Fourth Earlier Mark, it is a black and white version of the same mark consistently used on the opponent's energy drink cans over a relatively long period of time. For the same reasons given above, I consider that the Fourth Earlier Mark had a strong reputation in the UK for energy drinks at the relevant date. I do not consider the evidence filed sufficient to demonstrate a reputation for any broader range of goods.

## **Link**

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

### The degree of similarity between the conflicting marks

I have found the Second Earlier Mark and the IR to be visually similar to a low degree (at best), aurally dissimilar and conceptually neutral or dissimilar (depending upon how they are interpreted).

The Fourth Earlier Mark is a black and white version of the Third Earlier Mark. Consequently, I make the same findings in relation to the similarity of the Fourth Earlier Mark and the IR as set out above in relation to the Third Earlier Mark i.e. they are visually similar to a very low degree (at best), and they are aurally and conceptually dissimilar.

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

For the same reasons given above, any similarity that exists between the goods is at a low degree.

The strength of the earlier marks' reputation

The Second and Fourth Earlier Marks have a strong reputation for energy drinks.

The degree of the earlier marks' distinctive character, whether inherent or acquired through use

The distinctiveness of both the Second and Fourth Earlier Marks has been enhanced through use to a high degree in relation to energy drinks.

Whether there is a likelihood of confusion

I do not consider there to be a likelihood of direct or indirect confusion due to the differences between the marks and the distance between the respective goods.

69. Taking all of the above factors into account, I do not consider it likely that a link will be made in the mind of the relevant public, notwithstanding the strength of the opponent's reputation. This is because the marks are so distant and the goods for

which the opponent has a reputation and for which protection of the IR is sought are sufficiently distant to avoid a link being made. If a link was made, it would be too weak for damage to occur or for the IR to take unfair advantage of the Second and Fourth Earlier Marks.

70. The opposition based upon section 5(3) of the Act is dismissed.

**Section 5(4)(a)**

71. Section 5(4)(a) of the Act states as follows:

“5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

aa)...

b) ...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

72. Subsection (4A) of section 5 of the Act 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.”

73. I can deal with this ground relatively swiftly. The signs relied upon by the opponent are either identical to those relied upon under the section 5(2)(b) ground or so similar

that there will be no material difference between them for the purposes of my comparison (i.e. the same mark/sign in colour/black and white). Although the opponent claims goodwill for “drinks”, the evidence overwhelmingly relates to “energy drinks”. I have no doubt in my mind that the opponent had a substantial goodwill for “energy drinks” at the relevant date. However, the evidence does not support a finding of goodwill in relation to a broader category of goods than that. For the same reasons given above, any overlap in fields of activity will be small. In my view, the distance between the parties’ fields of activity, combined with the differences between the IR and the signs relied upon, are sufficient to avoid misrepresentation or damage arising, notwithstanding the strength of the opponent’s goodwill.

74. The opposition based upon section 5(4)(a) of the Act is dismissed.

## **CONCLUSION**

75. The opposition is unsuccessful and, subject to appeal, the IR may proceed to registration.

## **COSTS**

76. The holder has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the holder the sum of **£1,500**, calculated as follows:

Preparing a counterstatement and considering the Notice of opposition	£450
Considering the opponent’s evidence	£600
Written submissions in lieu	£450
<b>Total</b>	<b>£1,500</b>

77. I therefore order Monster Energy Company to pay CONSORZIO COOPERATIVE RIUNITE D'ABRUZZO – SOCIETA' COOPERATIVE AGRICOLA the sum of **£1,500**. This sum is to 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 29<sup>th</sup> day of May 2024**

**S WILSON**

**For the Registrar**