O/0764/23

TRADE MARKS ACT 1994

IN THE MATTER OF

TRADE MARK APPLICATION NOS 3712012 & 3712010

IN THE NAME OF PETER SPLATT

AND

OPPOSITION THERETO UNDER NOS 430855 & 430861

BY J&J SNACK FOODS CORP

Background and pleadings

1. This decision concerns applications for registration of two trade marks in the name of Peter Splatt, which are opposed by J&J Snack Foods Corp ("the opponent").

2. The first of the two applications is trade mark application number 3172012 ("the '012 mark"), which was filed on 20 October 2021. The application is for the word trade mark "SlushPuppie" in respect of the following goods:

> Class 3: Shampoos for pets.
>
> Class 5: Vitamin and mineral supplements for pets.
>
> Class 18: Clothing for pets.

3. This application is opposed under ss. 5(2)(a), 5(3), 5(4)(a) and 3(6) of the Trade Marks Act 1994 ("the Act").

4. The second trade mark at issue is trade mark application number 3712010 ("the '010 mark") for the words "Slush Puppie". This trade mark has a filing date of 19 October 2021. Registration is sought for the following goods:

> Class 3: Shampoos for pets.
>
> Class 5: Vitamin and mineral supplements for pets.

5. The grounds of opposition against this trade mark are ss. 5(3), 5(4)(a) and 3(6). They are identical to the same grounds raised against the '012 mark.

6. The earlier trade marks relied upon by the opponent are as follows:

- UK trade mark number 3249489 "SLUSH PUPPIE" ("the '489 mark"), registered in classes 7, 11, 21, 25, 28, 30 and 32. Filing date: 10 August 2017; date of registration: 3 November 2017;

- UK trade mark number 2069165 “SLUSH PUPPIE” (the ’165 mark), registered in class 32. Filing date: 18 April 1996; date of registration: 8 November 1996;

- UK trade mark number 900476200 (“the ’200 mark”), shown below, registered in classes 7, 21 and 32. Filing date: 13 February 1997; date of registration: 14 March 2005:

7. The specifications for each of these marks are listed in full in the annexe to this decision.

8. The ground under s. 5(2)(a), which concerns the ’012 mark only, is directed against “clothing for pets”, in class 18. The opponent relies upon the ’489 mark and the goods for which it is registered in class 25, which include “clothing”. The opponent claims that the marks are identical, the goods highly similar and the earlier trade mark very distinctive, which will result in a likelihood of confusion, including the likelihood of association. Consequently, it requests that the application be refused in part under s. 5(2)(a).

9. The s. 5(3) ground concerns both applications and the opponent requests that they be refused in full based on all three of the earlier trade marks listed at paragraph 4, above. The opponent says that each of its marks has a reputation for all of the goods in their specifications and that the relevant public will believe there is an economic connection between the users of the marks. It claims that the contested applications would gain an unfair advantage by feeding on the fame and prestige of the earlier trade marks, that the earlier marks would be tarnished and that the distinctive character of the earlier marks would be eroded by the use of the contested marks.

10. The opponent also relies upon its unregistered rights in the name “SLUSH PUPPIE” which it has used in the UK since 2000. The goods in relation to which it says that it has used the sign are the same as for the ’489 mark, listed in the annexe to this decision. The opponent says that this use has generated a protectable goodwill and that the use of the contested marks would, for any of the goods in their specifications, cause misrepresentation and damage to the opponent’s business. It asserts that the use would be contrary to the law of passing off and requests that both of the contested marks be refused in full under s. 5(4)(a).

11. The opponent also asserts that the contested trade marks were applied for in bad faith. It claims that it is a renowned manufacturer of frozen beverages. It says that Mr Splatt is, or was, an employee of or connected with Slush Puppie Ltd. That company was formerly the opponent’s UK distributor. The opponent asserts that it is inconceivable that Mr Splatt was not aware of the opponent’s rights. It appears to claim that Mr Splatt has neither a bona fide intention nor a legitimate interest in the marks. It also claims he has no intention to use the contested marks. Consequently, the opponent asks that the applications be refused in full under s. 3(6).

12. Mr Splatt filed a counterstatement in which he denies the grounds and put the opponent to proof.

13. Only the opponent filed evidence.

14. A hearing was requested and held before me, by videoconference, on 16 March 2023. The opponent was represented by Sam Carter instructed by Barker Brettell LLP. Mr Splatt did not attend but filed written submissions in lieu, which I will keep in mind.

Evidence

15. The opponent’s evidence is provided by Dan Fachner, the Chief Executive Officer and President of the opponent. The purpose of Mr Fachner’s evidence is twofold. He details the opponent’s trading activities under the trade marks relied upon, from its origins in the USA in the 1970s to its UK activities by the relevant date. He also provides evidence

concerning the relationship between Mr Splatt and the opponent's previous distributor in the UK, as well as some context about the relations between that company and the opponent by the application dates.

16. Mr Fachner was not cross-examined. I have read all of his evidence and I will refer to it, as appropriate, in the course of this decision. I have also read and will bear in mind the written submissions filed by Mr Splatt (originally during the evidence rounds and then resent shortly before the hearing).

Approach to the ss. 5(2) and 5(3) grounds

17. Mr Carter accepted that the case under neither the '165 mark nor the '200 mark puts the opponent in a better position than that based upon the '489 mark. Accordingly, although reliance upon the other marks was not formally dropped, his skeleton argument focused solely on the '489 mark. I will adopt the same approach. As the '489 mark had not been registered for five years at the date on which either application was filed, it is not subject to the use provisions at s. 6A of the Act and it may be relied upon without the opponent having to demonstrate that it has used the mark on or in relation to the goods specified.

Relative grounds: legislation

18. The relevant parts of s. 5 read as follows:

> "5.— Relative grounds for refusal of registration.
>
> (2) A trade mark shall not be registered if because—
>
> > (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, […]
> >
> > there exists a likelihood of confusion of the part of the public, which includes the likelihood of association with the earlier trade mark.

(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 the repute of the earlier trade mark.

(3A) 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.

(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,

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.

(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."

19. Also of relevance is s. 5A, which reads:

"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."

Section 5(2)(a)

20. This ground is relevant to the opposition against the ’012 mark only.

21. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, EU:C:1997:528, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, EU:C:1998:442, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, EU:C:1999:323, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, EU:C:2000:339, *Matratzen Concord GmbH v OHIM*, Case C-3/03, EU:C:2004:233, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, EU:C:2005:594, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P, EU:C:2007:333, and *Bimbo SA v OHIM*, Case C-591/12P, EU:C:2016:591:

> (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) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
>
> (d) 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;
>
> (e) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
>
> (f) 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;

(g) 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.[1]

Comparison of trade marks

22. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA,* Case C-291/00, EU:C:2003:169, the Court of Justice of the European Union ("CJEU") held that:

> "54 […] a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer."

23. The contested mark is "SlushPuppie". The '489 mark is the words "SLUSH PUPPIE". Both marks are word marks. The earlier mark in particular may be used in upper case, lower case, or in title case. In my judgement, the difference which arises from the fact that the contested mark is conjoined and the earlier mark two separate words is one which is so insignificant that it may go unnoticed by the average consumer. The marks are identical.

Comparison of goods and services

24. The goods to be compared are:

Earlier specification	**Contested specification**
Class 25: Clothing, shirts, tee-shirts, hoodies, vests, swimsuits, swim trunks, sleepwear, leggings, footwear, headgear.	Class 18: Clothing for pets

[1] Although the UK has left the EU, section 6(3)(a) of the European Union (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 Act relied upon in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to EU trade mark law.

25. In the judgment of the CJEU in *Canon*, 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."

26. "Complementary" means that "[…] there is a close connection between [the goods/services], in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking": *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM),* Case T-325/06, EU:T:2008:338.

27. The opponent says that the goods are identical because "clothing for pets" falls within "clothing". However, in *Pathway IP Sarl (formerly Regus No. 2 Sarl) v Easygroup Ltd (formerly Easygroup IP Licensing Limited),* [2018] EWHC 3608 (Ch), the late Mr Justice Carr considered the *Omega 1* and *Omega 2* cases and stated that in his (provisional) view, the class number should be taken into account where the meaning of the disputed term is not otherwise sufficiently clear and precise.[2] In particular, the judge stated that where "the words chosen may be vague or could refer to goods or services in numerous classes [of the Nice classification system], the class may be used as an aid to interpret what the words mean with the overall objective of legal certainty of the specification of goods and services." Therefore, although as a matter of language clothing for pets appears to be a particular type of clothing, I reject the submission that a registration for clothing in class 25 includes clothing for pets, as the latter is proper to class 18.

28. While there are obvious dissimilarities arising from the intended wearer of the clothing, clothing is used for protection from the elements, whether it is meant for pets or humans.

[2] *Omega Engineering Incorporated v Omega SA (Omega AG) (Omega Ltd)* [2010] EWHC 1211 (Ch) and *Omega Engineering Incorporated v Omega S.A. (Omega AG) (Omega Ltd.)* [2012] EWHC 3440 (Ch).

There is also a degree of similarity in nature. I do not see any other significant point of overlap. There is a low degree of similarity between these goods.

The average consumer and the nature of the purchasing act

29. The average consumer is a legal construct deemed to be reasonably well informed and reasonably circumspect: *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) at [60]. For the purposes 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 and services in question: *Lloyd Schuhfabrik.*

30. The average consumer of the respective goods is a member of the general public. The goods will be chosen from shelves in the physical premises of retail stores or from their online equivalents and it will be a predominantly visual purchase, though I do not exclude an aural element. Consumers will consider a number of factors, such as functional attributes like waterproofing and the aesthetic appeal of the garment. However, the goods are likely to be relatively frequent and inexpensive purchases. The average consumer will pay a medium degree of attention to the selection of both parties' goods.

Distinctive character of the earlier trade marks

31. In *Lloyd Schuhfabrik*, 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 *WindsurfingChiemsee* v *Huber and Attenberger* [1999] ECR I-0000, 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)."

32. In my view, the average consumer will be well aware that "SLUSH" means snow which has begun to melt. I also think that "PUPPIE" will either be seen as a deliberate misspelling of "PUPPY" or be mistaken for that word and thus will be understood as meaning a young dog. In the context of use for clothing, "SLUSH" may be perceived as allusive of garments capable of withstanding slushy conditions. However, the combination of this word with "PUPPIE" is unusual and the mark as a whole conveys no clear meaning. It has, in my view, a reasonably high degree of inherent distinctive character.

33. The opponent has filed some evidence from a licensing company's website which shows the words "SLUSH PUPPiE", in a stylised form, applied to sweatshirts.[3] Although the prints acknowledge the "strong brand loyalty" of "SLUSH PUPPiE" in the UK and indicate that the accessory range launched in 2016, with apparently "relentless" demand for the products ever since (the prints are dated 2022), there is no detail about the level of sales of clothing under the mark. The evidence is insufficient to establish that the distinctiveness of the mark has been enhanced through use.

[3] Exhibit 9, pp. 3-6

Likelihood of confusion

34. The opponent says that confusion will arise either directly or indirectly. Mr Carter submitted that the average consumer would think that the use of the application was licensed by the opponent, or that there was some other trade connection.

35. Iain Purvis Q.C., sitting as the Appointed Person explained indirect confusion in *LA Sugar Limited v Back Beat Inc.*, BL O/375/10, where he said:

> "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."

36. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold L.J. referred to the comments of James Mellor Q.C (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (BL O/219/16), where he said at [16] that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold L.J. agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

37. Although the goods have limited similarity, the identity between the marks and the reasonably high degree of inherent distinctiveness enjoyed by the earlier mark will, in my view, lead the consumer to believe that the use of the words "SlushPuppie" in relation to

clothing for pets is, at the least, use by an entity economically connected to the opponent, such as under a licensing arrangement. There is a likelihood of confusion.

Conclusions under s. 5(2)(a)

38. The opposition against "clothing for pets" in the '012 mark's specification succeeds.

Section 5(3)

39. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, EU:C:1999:408, *General Motors* [1999] ETMR 950; Case 252/07, EU:C:2008:655 *Intel,* [2009] ETMR 13; Case C-408/01, EU:C:2003:582, *Adidas-Salomon,* [2004] ETMR 10; and C-487/07, EU:C:2009:378, *L'Oréal v Bellure* [2009] ETMR 55; Case C-323/09, EU:C:2011:604, *Marks and Spencer v Interflora*; and Case C-383/12P, EU:C:2013:741*, 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) the more immediately and strongly the earlier mark is brought to mind by the later mark, the greater the likelihood that use of the latter will take unfair advantage of, or will be detrimental to, the distinctive character or the repute of the earlier mark: *L'Oréal v Bellure NV*, paragraph 44.

(g) 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.

(h) 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*.*

(i) 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'Oréal v Bellure NV,* paragraph 40*.* The stronger the reputation of the earlier mark, the easier it will be to prove that detriment has been caused to it: *L'Oréal v Bellure NV*, paragraph 44.

(j) 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'Oréal v Bellure).*

Reputation

40. In *General Motors,* the CJEU gave the following guidance for the assessment of a trade mark's reputation:

> "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".

41. The evidence is that "SLUSH PUPPIE" is a brand of non-carbonated frozen beverages founded in the USA in 1970.[4] Sales of beverages under the "SLUSH PUPPIE" mark in the UK were in excess of $15 million each year between 2016 and 2019, inclusive.[5] Archive prints from www.slushpuppie.co.uk dated between 2 December 2016 and 4 June 2019 show "SLUSH PUPPIE" on drinks machines and applied to cups.[6] The exact form is reproduced below:

42. These pages also include some use of "Slush Puppie" in plain text. The 2016 and 2017 pages are directed at potential retailers and include reference to "Spooky Slush Puppie" available in Coop shops in England. The 2018 print includes details of the brand's first use in the UK in 1974 and mentions both the "classic" ice crystal drink, in a number of flavours, and a sugar-free version.

43. In April 2017, One Stop retailers were able to stock four limited-edition flavours over four months.[7] This appears to mean additional flavours were available to retailers who already had a SLUSH PUPPIE machine: one retailer is quoted as saying that "the machine is very important to our store. We even include the drinks in the meal deal because it's so popular".

44. The sign shown below was used on packaging for ready-made drinks in pouches between 2019 and 2021; a photograph shows the product on shelves, priced in pence:[8]

[4] Fachner, §§3-4.
[5] Fachner, §27. The figures are not exact, being based on royalties from a licensee.
[6] Exhibit 4.
[7] Exhibit 9, pp. 45-46.
[8] Exhibit 6; Fachner, §19.

45. The Twitter page @SlushPuppieUK was set up in November 2009.[9] Posts dated between October 2019 and January 2020 include reference to "Slush Puppie" drinks, including new flavours, and show the slightly stylised words "SLUSH PUPPiE" on cups and a machine. Prints of the SLUSHPUPPiEPouchUK Twitter page show a joining date of January 2018 and posts in September and October 2019. One says that the product is available in Tesco as well as a number of convenience store chains such as Londis; two others are accompanied by the "#Tesco" hashtag. Other social media pages are included but none appears to be targeted at the UK and it is not possible to know their impact on customers in this country.

46. A press release dated 30 June 2021 (i.e. within the relevant periods) details the planned revival of the "SLUSH PUPPiE" frozen drink in the UK.[10] It refers to the "refresh" of the brand, relaunching it and taking the brand "to the next level"; the new distributor is quoted as saying that "SLUSH PUPPiE is a brand that is extremely well-known in the UK". An article from betterretailing.com dated 1 July 2021 about the same relaunch notes that there will be "no immediate change to retailers who currently have a Slush Puppie machine".[11]

47. Although the "refresh" of the brand suggests that it had not been performing as well as its owners or distributors might have hoped prior to 2021, the reference to retailers who "currently" have machines suggests that its use had not stopped entirely by 2021. There are no sales figures after 2019 but the sales figures for beverages between 2016 and 2019 inclusive are substantial. There is use of both stylised presentations of "SLUSH PUPPIE" and of the words alone but the more prevalent use is of the stylised marks. Where a mark is put to proof of genuine use, if the form used differs from the strict registered form the proprietor of such a mark may avail themselves of the law of variant

[9] Exhibit 10.
[10] Exhibit 7.
[11] Exhibit 9, pp.62-63.

forms.[12] If the variant form used is judged acceptable, use in that form will also be taken into account in determining whether the trade mark has a reputation. In my view, the approach to whether the ’489 mark has a reputation ought to be the same. This is also consistent with the General Court’s comments in *adidas AG v EUIPO*, case T-307/17, EU:T:2019:427, where it held at [58] that “the requirements that apply to genuine use are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration”. The rationale for this was that not imposing a requirement for strict conformity between the form used and the registered form allowed the proprietor to make alterations that did not alter the mark’s distinctive character but which might enable it to be better adapted to the marketing requirements for the goods and/or services.[13] It follows logically that if a particular form of use is sufficient to show genuine use and/or acquired distinctive character because proprietors are permitted to make minor alterations for better commercial exploitation of their marks, the same minor variations should be permitted when considering whether a trade mark has established a reputation.

48. In *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22, Phillip Johnson, sitting as the Appointed Person, considered the correct approach to assessing whether the form of a mark is an acceptable variant under the genuine use provisions. He said:

> “13. […] While the law has developed since *Nirvana* [BL O/262/06], the recent case law still requires a comparison of the marks to identify elements of the mark added (or subtracted) which have led to the alteration of the mark (that is, the differences) (see for instance, T-598/18 *Grupo Textil Brownie v EUIPO*, EU:T:2020:22, [63 and 64]).
>
> 14. The courts, and particularly the General Court, have developed certain principles which apply to assess whether a mark is an acceptable variant and the following appear relevant to this case.

[12] At ss. 6A(4), 46(2) and 47(2C) of the Act.
[13] See also *Specsavers & Ors v Asda Stores Ltd*, case C-252/12, EU:C:2013:497 at [29]

15. First, when comparing the alterations between the mark as registered and used it is clear that the alteration or omission of a non-distinctive element does not alter the distinctive character of the mark as a whole: T-146/15 *Hypen v EUIPO*, EU:T:2016:469, [30]. Secondly, where a mark contains words and a figurative element the word element will usually be more distinctive: T-171/17 *M & K v EUIPO*, EU:T:2018:683, [41]. This suggests that changes in figurative elements are usually less likely to change the distinctive character than those related to the word elements.

16. Thirdly, where a trade mark comprises two (or more) distinctive elements (eg a house mark and a sub-brand) it is not sufficient to prove use of only one of those distinctive elements: T-297/20 *Fashioneast v AM.VI. Srl*, EU:T:2021:432, [40] (I note that this case is only persuasive, but I see no reason to disagree with it). Fourthly, the addition of descriptive or suggestive words (or it is suppose figurative elements) is unlikely to change the distinctive character of the mark: compare, T-258/13 *Artkis*, EU:T:2015:207, [27] (ARKTIS registered and use of ARKTIS LINE sufficient) and T-209/09 *Alder*, EU:T:2011:169, [58] (HALDER registered and use of HALDER I, HALDER II etc sufficient) with R 89/2000-1 CAPTAIN (23 April 2001) (CAPTAIN registered and use of CAPTAIN BIRDS EYE insufficient).

17. It is also worth highlighting the recent case of T-615/20 *Mood Media v EUIPO*, EU:T:2022:109 where the General Court was considering whether the use of various marks amounted to the use of the registered mark MOOD MEDIA. It took the view that the omission of the word “MEDIA” would affect the distinctive character of the mark (see [61 and 62]) because MOOD and MEDIA were in combination weakly distinctive, and the word MOOD alone was less distinctive still.”

49. The stylised forms of the words “SLUSH PUPPIE” shown in the evidence are acceptable variants. The typeface is, in both cases, minimally stylised. The use of a lower case “i” does not in any way alter the meaning or dominant element of the mark, which is the words “SLUSH PUPPIE”.

50. Taking into account the substantial sales figures, the length of use of the mark in the UK and the fact that the goods appear to have been sold via a number of outlets including convenience stores and supermarkets, I am satisfied that despite the absence of sales figures from 2020/2021 the ’489 mark had by the relevant dates a reputation in respect of frozen beverages. My view is that, even if trade ceased during 2020 (which seems unlikely given the comments about the brand refresh having no impact on existing retailers), the level of sales was such that the reputation was likely to persist at the relevant date, if less strongly than previously.

51. As far as the other goods are concerned, “SLUSH PUPPiE”, in the stylised presentation shown at paragraph 44, above, is shown on packaging for a “Slushie Maker”, a syrup set, paper cups and straws, and what appears to be a reusable beaker, all said to be representative of the use in the UK between 2019 and 2021.[14] Prints dated 2022 from a licensing company’s website, www.pinkkey.co.uk, show a range of goods such as mugs and sweatshirts bearing the stylised words “SLUSH PUPPiE”.[15] There are also two articles dated May 2021, from www.dailyrecord.co.uk and www.delish.com, reporting that ALDI is selling Slush Puppie makers online; stylised “SLUSH PUPPiE” wording is visible on the machine and it comes with syrups, branded cups and straws.[16] Both refer to other retailers selling the same machine, the latter article pointing to Amazon, though it is unclear if this is the UK site. An article from www.mirror.co.uk dated July 2019 also reports that Primark was selling sets of Slush Puppie-making cups and syrup.[17] It refers to sales of the same on Amazon (in pounds sterling) and at B&M, while also mentioning machines for sale on Amazon, again in pounds sterling. Prints from www.hobbydb.com refer to the “Slush Puppie (Mascot)” as the mascot for the “famous drink of the same name”.[18] Vinyl art toys of the mascot appear to be available but prices are in dollars.

52. There are, however, no sales figures for any goods other than beverages. Mr Carter referred me to the opponent’s 2017 annual report which gives total net sales in 2017 of

[14] Fachner, §18 and exhibit 5.
[15] Exhibit 9, pp. 3-6
[16] Exhibit 9, pp. 24-28.
[17] Exhibit 9, pp. 50
[18] Exhibit 11.

over $1.08 billion.[19] The report also shows that frozen beverage sales are around 15% of turnover. This is a global figure and includes the ICEE and PARROT ICE brands as well as SLUSH PUPPIE. Mr Carter extrapolated from this that if turnover was approximately $1bn, frozen beverage turnover was approximately $150m in 2017. As Mr Fachner's evidence is that UK SLUSH PUPPIE sales were worth around $15m, Mr Carter submitted that UK SLUSH PUPPIE sales must be around 10% of the opponent's turnover. Revenue from equipment sales and repair and maintenance was, he submitted, approximately 10% of all sales in 2015 to 2017. Therefore, he reasoned that assuming that the ratio of frozen beverage sales to equipment sales, repair and maintenance (2:3) is the same, if UK frozen beverage sales amounted to 15% of turnover or $15m, revenue from equipment sales and repair and maintenance is likely to be in the region of $10m per annum in the UK.

53. I do not find the evidence relating to goods other than beverages to be sufficiently solid to support a finding of a reputation. There are two specific reasons why I decline to accept Mr Carter's assessment. First, the sales, repair and maintenance figures given in the annual report are for both goods (sales) and services (repair and maintenance). Even if I were to accept that Mr Carter is right about the proportions relative to the UK, it is impossible to tell precisely what equipment or services were sold and in what quantities. The second point is that Mr Carter's submission requires me to accept that the ratio of equipment sales, repair and maintenance in relation to the SLUSH PUPPIE brand in the UK is the same as the overall figure for the opponent as a whole. There are, however, at least two other brands involved in the figures for these goods and services and potentially many other countries: the opponent plainly has operations in many territories. There are, therefore, variables such as the opening of new markets, which may involve many more machine sales than in established markets like the UK, and country-to-country variation as to the level of sales of equipment and parts. The bar for establishing a reputation is not particularly onerous but it requires, in my view, more solid evidence than a series of deductions which may be based on flawed presumption. Other than in relation to frozen beverages, there is no information which enables me to determine with any precision the

[19] Exhibit 3.

level of sales in relation to the goods in the specification. I find that the opponent had at the relevant date a reasonable reputation for the mark “SLUSH PUPPIE” in relation to frozen beverages only.

Link

54. Whether the public will make the required mental ‘link’ between the marks must take account of all relevant factors, which are identified in *Intel* as:

> (i) The degree of similarity between the conflicting marks;
>
> (ii) 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;
>
> (iii) Strength of the earlier mark’s reputation;
>
> (iv) The degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
>
> (v) Whether there is a likelihood of confusion.

55. I have already made findings in respect of some of these factors. I adopt my earlier finding and reasons for holding that the ’012 mark is identical to the earlier mark. The ’010 is also identical to the ’489 mark, as both are word marks which may be used in upper, lower or title case.

56. I also adopt my earlier findings that the average consumer of “clothing for pets” will pay a medium degree of attention to what is a predominantly visual purchase. In my view, all of the goods at issue will be a mainly visual selection, chosen from retail counters or shelves or, where appropriate, their online equivalents.

57. I find that “shampoo for pets” will be purchased with a medium degree of attention, the goods being frequent purchases but being subject to some care to select the correct

shampoo for the purpose, whether that is general pet care or to treat a specific condition. “Vitamin and mineral supplements for pets” are more akin to medicine and are likely to be selected with some care to ensure that the supplement contains the desired vitamins or minerals, or that it will treat or prevent a particular condition. These goods will be selected with a higher than average degree of attention.

58. The average consumer will select their preferred flavour when purchasing frozen beverages but these are likely to be inexpensive goods purchased quickly without much thought and consequently with a lower than average degree of attention.

59. There is no similarity between the goods and services. They are, however, consumer goods which will be bought by the general public.

60. The earlier mark had a reasonable reputation at the relevant date.

61. In relation to frozen beverages, *Collins English Dictionary* online suggests that “slush” is a US rather than British English term for “a confection consisting of shaved or crushed ice with a syrup, usually fruit-flavored, poured over it”.[20] However, the UK press reports about SLUSH PUPPIE machines refer to the drinks as both “slushies” (which is admittedly the more frequent) and “slush drink”; there is also reference to the “slush” produced, for which there are fine and coarse settings. It therefore appears that the word “SLUSH” will be taken to describe the nature of the drink; it is at least highly allusive. However, “PUPPIE” is fanciful for frozen beverages and the combination “SLUSH PUPPIE” has no obvious meaning as a whole. The mark is inherently distinctive to a reasonably high degree. In view of the use shown, in particular the longstanding presence in the UK (since 1974) and the sales figures in evidence, the mark’s distinctiveness for frozen beverages has been enhanced and it is distinctive to a high, though not the very highest, degree.

62. The lack of similarity between the goods would normally be sufficient to rule out a likelihood of confusion. However, given the extensive overlap between the users of the goods, the strength of the reputation and, in particular, the highly distinctive nature of the ’489 mark, a likelihood of confusion cannot be ruled out simply on this basis. That said,

[20] https://www.collinsdictionary.com/dictionary/english/slush [accessed 27 July 2023].

the relevant public is only likely to believe that the opponent has consented to the use of the mark where there is a connection between the earlier mark's reputation and the goods on which it is used, or the goods would reasonably be considered to be a brand expansion or merchandise. The evidence shows that the opponent's mark has been applied to various goods which are all related to beverages, such as syrups, straws and paper cups. Much of this, such as the use on paper cups when a SLUSH PUPPIE drink is purchased, is characteristic of promotion rather than an attempt to carve out a place in the market for the goods. Use on goods such as clothing may more plausibly be an attempt to exploit the brand more widely than for beverages and beverage-related paraphernalia but there is nothing to indicate the extent of any such intention on the opponent's part. None of this suggests that the pet care sector is a natural market development for a frozen beverage manufacturer, including under licence arrangements. Nor is it clear why the reputation of the earlier mark would be relevant to pet care products. Despite the evidence that there has been some limited licensing on non-beverage products, the distance between the goods is too great for the relevant public to assume that use in relation to the applied-for goods was with the opponent's consent. There is no likelihood of confusion.

63. It is, however, settled case law that the level of similarity required for the "link" is lower than that required for a likelihood of confusion.[21] Taking all of the competing factors into account, I consider that use of the contested marks in relation to any of the contested goods would cause the average consumer to call the '489 mark to mind.

Unfair advantage

64. In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. (as he then was) considered the earlier case law and concluded that:

> "80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting

[21] See *Intra-Presse SAS v OHIM*, joined cases C-581/13P & C-582/13P, EU:C:2014:2387.

these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill."

65. The opponent claims that the contested marks would take unfair advantage of the earlier mark by feeding on the fame and prestige of the earlier mark, riding on the back of the marketing employed by the opponent. It also says that Mr Splatt is aware of the opponent and its trade mark rights and that there is no legitimate reason, compulsion, necessity or right for him to use the contested marks.

66. The stronger the reputation and distinctiveness of an earlier trade mark, the easier it will be to establish detriment. However, there remains a distinct need to prove injury or a serious likelihood of such an injury.[22] Despite the link which I have held will be made, it seems to me that the earlier mark's reputation and distinctiveness is not so strong that any use at all will result in an unfair advantage. The goods are entirely unrelated. There are references in third-party reports to the brand being "old school" or "nostalgic". However, it is not clear how this image, which relates to frozen beverages, would be of benefit in relation to the contested goods. I do not consider that the earlier mark's reputation for frozen beverages would confer an advantage on the user of the later mark. Nor is it obvious why the link which will be made with the earlier mark would result in a marketing advantage, given that the goods are some distance apart. It is not enough that the average consumer will simply be reminded of the earlier mark; if that were so, once a link is established, no more would be required.

[22] See, for example, *Intel* at [68]-[71].

67. Part of the opponent's case is that Mr Splatt had knowledge of the "SLUSH PUPPIE" brand, having been associated with the former UK licensee, and that this strongly suggests an intention to take unfair advantage. Mr Fachner's evidence is that Mr Splatt was a long-time employee and/or contractor for the UK licensee, Slush Puppie Limited (company number 396263). Mr Splatt is said to have worked closely with and for Slush Puppie Limited prior to and after filing the contested applications, including advising and providing input on branding and trade mark matters. Since February 2019, this company has been involved in contentious litigation with one of the opponent's subsidiaries in the US concerning the "SLUSH PUPPIE" business. Mr Fachner's evidence is that the opponent terminated its relationship with Slush Puppie Limited in June 2019, including the termination of any rights to use "SLUSH PUPPIE", which brought about Slush Puppie Limited's change of name to Frozen Brothers Limited on 26 October 2020.[23]

68. Documentary evidence in the form of Companies House records shows that a Peter James Splatt was appointed secretary of Frozen Brothers UK Retail One Limited (company number 12121029) and Frozen Brothers UK Retail Two Limited (company number 12323827) on 16 April 2020.[24] Slush Puppie Limited is a person with significant control of the former; Frozen Brothers Limited is a person with significant control of the latter. Mr Fachner says that these companies were formed after the termination of Frozen Brothers Limited's rights to use the "SLUSH PUPPIE" trade marks.[25] A print from workforgood.co.uk gives a contact email for Frozen Brothers Ltd as peter.splatt@frozenbrothers.com.[26] It says "Member since March 2021" but this would appear to relate to the company; it is not clear whether the contact email changed between that date and the date of the print (2022).

69. Mr Fachner does not explain how he knows that Mr Splatt played an advisory role in Slush Puppie Limited and his evidence is lacking in detail about Mr Splatt's position in the company, which one would have expected to be within his knowledge if he had been in meetings with Mr Splatt or received correspondence from him on behalf of Slush Puppie

[23] Exhibit 12.
[24] Exhibit 13.
[25] Fachner, §37.
[26] Exhibit 14.

Limited. However, given the control of the Frozen Brothers Companies, the evidence does suggest that Mr Splatt is at least likely to have been aware of Slush Puppie Limited. Mr Splatt has not challenged the opponent's claims or evidence, whether with evidence of his own or in submissions. Nor has he given any account of his reasons for adopting the contested marks. Mr Splatt did, however, deny the grounds in full and submits that "given how different the parties' goods are, it is inconceivable that any advantage can be gained". I cannot rule out that Mr Splatt's intentions were not entirely innocent but I do not think that the opponent has established that he intended to take advantage of its reputation. The is no apparent objective unfair advantage given the differences between the goods and the opponent has not offered any persuasive explanation of the subjective unfair advantage which Mr Splatt may have wished to gain. In the absence of a deliberate intention to take advantage of the opponent's reputation or an objective unfair advantage which will arise, this head of damage is not made out.

Detriment to reputation

70. The opponent's claim that the earlier mark would be tarnished if the contested marks were used in relation to products of inferior quality appears to be purely hypothetical. In *Unite The Union v The Unite Group Plc*, BL O/219/13, Anna Carboni, as the Appointed Person, expressed doubt that the mere potential of a trade mark to create a negative association with the earlier mark should form part of the relevant context in opposition proceedings, as many trade mark applications will not yet have been used and some are intended to be used by third parties. There is nothing to suggest that the applied-for marks have already acquired any negative connotations. The claim based on the potential poor quality of the products is rejected.

71. The opponent also relies on the inherent characteristics of the goods in the applied-for specification as likely to cause unpleasant associations with the earlier mark. Mr Carter referred to *Azumi Ltd v Zuma's Choice Pet Products Ltd* [2017] EWHC 609 (IPEC), which was a case involving a high-end London restaurant with a reputation on the one hand and a dog food producer on the other. The judge said:

> "79. I am satisfied that there is […] an inherent tension between dog food and human food of any type and an even greater tension between dog food and food served to humans in high quality restaurant such as Zuma. This is the tension referred to by Arnold J in Red Bull and identified by the Board of Appeal of EUIPO in HELIOS when it referred to animal foodstuffs as being incompatible with foodstuffs for humans and likely to raise unpleasant associations."

72. The goods at issue are not dog food, nor does the opponent operate a high-end eatery and I accept that the negative associations which may arise in relation to the contested goods are not as strong as in *Azumi*. Nonetheless, whilst other cases show the ground made out where, for example, a brand's healthy image is liable to be tarnished by a later application for tobacco, the case law does not suggest that a very strong reaction, such as disgust, is required.[27] For example, in *Lucas Bols v Colgate-Palmolive* (1976) 7 IIC 420, the mark "CLAERYN" for gin was held to be infringed by use of the sign "KLAREIN" (which had identical pronunciation) for a liquid detergent because consumers may be caused to think of detergent when drinking gin. The court in that case characterised the objection as follows:

> ""It is … possible … that the goods to which [the use of] a similar mark relates, appealed to the sensations of the public in such a way that the attraction and the "capacity of the mark to stimulate the desire to buy" the kind of goods for which it is registered, are impaired."[28]

73. In the case of vitamins and mineral supplements for pets, whilst these goods may not be as obviously pungent or unappetising as dog food, they include supplements such as cod liver oil. Not only are the goods for ingestion by animals, which may cause the consumer to think about goods which are of a quality not suitable for human consumption but they may also elicit notions of, for example, fish oils and their associated smell and

[27] *Hollywood v Soma Cruz* [2002] E.T.M.R. 64 OHIM BoA, *Karelia Tobacco Co Inc v Basic Trade Mark SA* R-297/2011-5.
[28] Cited by Neuberger J. (as he then was) in *Premier Brands UK Ltd v Typhoon Europe Ltd*, 2000 WL 503 (2000) at p. 13. See also the AG's opinion in *Adidas-Salomon AG and Adidas Benelux BV v Fitnessworld Trading Ltd*, Case C-408/01, EU:C:2003:404 at [38].

taste. Neither of these is an attractive prospect for someone consuming frozen beverages and I consider that the attractive force of the earlier mark is likely to be affected negatively in consequence. I also consider that the objection would extend to shampoos for pets, which are essentially detergents. The thought of pet shampoo, whether because of attendant images of dirty or smelly pets or simply because it is a chemical formulation which one would not want to ingest, is an unappealing association for the consumer of the opponent's frozen beverages. The reputation of the earlier mark would be damaged if the contested marks were used for these goods. Since I have already upheld the opposition against the '012 mark in relation to the goods in class 18 the point is somewhat moot but I am doubtful that a negative association would be created in relation to clothing for pets. Although the goods are for animals, the earlier mark itself may elicit the image of an animal, so it is unlikely that this alone would be sufficient to tarnish the earlier mark's reputation. The goods in class 18 are neither for consumption nor cleaning and, in my view, there would not be a clear unfavourable association which would be detrimental to the reputation of the earlier mark for frozen beverages.

74. This head of damage is made out in relation to "shampoos for pets" and "vitamins and mineral supplements for pets" but not otherwise.

Detriment to distinctive character

75. Mr Carter submitted that dilution is likely to occur because the presence on the market of a "SLUSH PUPPIE" brand which is not related to the opponent will weaken the ability of "SLUSH PUPPIE" to identify the goods of the opponent and no other.

76. In *Intel*, the CJEU said that:

> "73 A trade mark with a reputation necessarily has distinctive character, at the very least acquired through use. Therefore, even if an earlier mark with a reputation is not unique, the use of a later identical or similar mark may be such as to weaken the distinctive character of that earlier mark.

74 However, 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.

75 Secondly, a first use of an identical or similar mark may suffice, in some circumstances, to cause actual and present detriment to the distinctive character of the earlier mark or to give rise to a serious likelihood that such detriment will occur in the future.

76 Thirdly, as was stated on paragraph 29 of this judgment, detriment to the distinctive character of the earlier mark is caused when that mark’s ability to identify the goods or services for which it is registered and used as coming from the proprietor of that mark is weakened, since use of the later mark leads to dispersion of the identity and hold upon the public mind of the earlier mark.

77 It follows that proof that the use of the later mark is or would be detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future.

78 It is immaterial, however, for the purposes of assessing whether the use of the later mark is or would be detrimental to the distinctive character of the earlier mark, whether or not the proprietor of the later mark draws real commercial benefit from the distinctive character of the earlier mark.”

77. However, the court also made clear that it is not enough for an opponent to point to the uniqueness of its mark, or the strength of its reputation, and the theoretical risk of dilution:

“80 The fact that:

– the earlier mark has a huge reputation for certain specific types of goods or services, and

– those goods or services and the goods or services for which the later mark is registered are dissimilar or dissimilar to a substantial degree, and

– the earlier mark is unique in respect of any goods or services, and

– for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark calls the earlier mark to mind,

is not sufficient to establish that the use of the later mark takes or would take unfair advantage of, or is or would be detrimental to, the distinctive character or the repute of the earlier mark, within the meaning of Article 4(4)(a) of the Directive."

78. This is echoed in *Environmental Manufacturing LLP v OHIM,* Case C-383/12P, where the CJEU stated that:

> "37. The concept of 'change in the economic behaviour of the average consumer' lays down an objective condition. That change cannot be deduced solely from subjective elements such as consumers' perceptions. The mere fact that consumers note the presence of a new sign similar to an earlier sign is not sufficient of itself to establish the existence of a detriment or a risk of detriment to the distinctive character of the earlier mark within the meaning of Article 8(5) of Regulation No 207/2009, in as much as that similarity does not cause any confusion in their minds."

79. The court also elaborated on the requirement for evidence of a change in behaviour. It is now clear that there is no need for the opponent to show actual detriment but there must be a serious risk of such detriment, based on logical deductions, taking into account

normal practice in the commercial sector concerned, rather than supposition: *Environmental Manufacturing* at [42] to [43].

80. There is no evidence that the earlier mark is unique but it is undoubtedly highly distinctive, making it potentially vulnerable to detriment through dilution. However, the opponent has not put forward any specific evidence that the earlier mark's distinctiveness will be diluted. Nor has it put forward any arguments to support its case other than the uniqueness and distinctiveness of its mark, which the CJEU has indicated are, on their own, insufficient. Given the gap between the commercial sectors in which the parties operate, it is difficult to envisage how the link with the earlier mark would lead to the opponent's consumers for beverages changing their economic behaviour on account of another "SLUSH PUPPIE" brand operating in the pet care market. This head of damage is not made out.

Due cause

81. It is apparent from *Leidseplein Beheer BV v Red Bull,* Case C-65/12, EU:C:2014:49 that a party may have due cause to use a sign notwithstanding the absence of objectively overriding reasons for doing so. In particular, a party may have due cause to use a sign similar to that of another person's trade mark with a reputation where the user of the later sign had been using a similar sign for similar goods or services prior to the date of the application for the reputed mark. It is also clear from *Leidseplein*, at [44], that the onus of establishing due cause is on the applicant for the later trade mark. Although Mr Splatt denies in his counterstatement that the use of the contested marks would be without due cause, he provides no basis for his claim that he has due cause. In his written submissions, he argues that the claim under s. 5(3) should fail but offers no reason other than this for his claim to due cause. In the absence of any reasons why Mr Splatt's subjective interests using the sign should defeat the claim under s. 5(3), to the extent that it has succeeded, the reliance on due cause must fail.

Conclusions under s. 5(3)

82. The opposition succeeds in relation to “shampoos for pets” and “vitamins and mineral supplements for pets” in the specifications of both marks.

Section 5(4)(a)

83. In *Reckitt & Colman Products Limited v Borden Inc. & Ors* [1990] RPC 341 HL, Lord Oliver of Aylmerton described at [406] the ‘classical trinity’ that must be proved in order to reach a finding of passing off:

> “First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’ (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.”

84. There is no evidence that Mr Splatt has used the contested marks. Consequently, the relevant dates are the dates of application, namely 19 October 2021 for the ’010 mark and 20 October 2021 for the ’012 mark.[29]

[29] *Advanced Perimeter Systems Limited v Multisys Computers Limited,* BL O/410/11 at [43].

Goodwill

85. I have outlined the evidence filed in respect of the various goods relied upon above. I am satisfied that the opponent enjoyed goodwill in connection with the sign "SLUSH PUPPIE" at the relevant dates in respect of frozen beverages, notwithstanding the absence of sales figures for 2020 and 2021. It is not entirely clear to me that trade was suspended in those years but even if it was, or it was reduced, my view is that the longstanding use in the UK and the level of sales between 2016 and 2019 mean that the goodwill will not have entirely dissipated by the relevant dates.[30] There are no sales figures for any other goods and the evidence is very limited. I do not accept that there was a substantial goodwill other than for frozen beverages.

Misrepresentation

86. 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."

[30] See the discussion of residual goodwill in *Ad Lib Club Limited v Granville* [1971] FSR 1 (HC).

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."

87. The opponent submits that there is no requirement for a common field of activity.[31] I accept that. However, it is also the case that the Court of Appeal in *Harrods* said that:

> "Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that
>
> > 'even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.'"

88. The Court of Appeal in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41 considered the difference between a likelihood of

[31] The opponent relies upon *Boxing Brands Ltd v Sports Direct International Plc & Ors* [2013] EWHC 2200 (Ch). There is higher authority to the same effect in *Harrods Limited v Harrodian School Limited* [1996] RPC 697.

confusion and misrepresentation in passing off. Kitchin L.J. considered the role of the average consumer in the assessment of a likelihood of confusion and concluded:

> "[…] if, having regard to the perceptions and expectations of the average consumer, the court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then it may properly find infringement."

89. Although this was an infringement case, the principles apply equally under 5(2): see *Soulcycle Inc v Matalan Ltd,* [2017] EWHC 496 (Ch). In *Marks and Spencer PLC v Interflora,* [2012] EWCA (Civ) 1501, Lewison L.J. had previously cast doubt on whether the test for misrepresentation for passing off purposes came to the same thing as the test for a likelihood of confusion under trade mark law. However, in the light of the Court of Appeal's later judgment in *Comic Enterprises,* it seems doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes. This is because they are both normative tests intended to exclude the particularly careless or careful, rather than quantitive assessments.

90. I considered at paragraph 62, above, whether there was a likelihood of confusion for any of the contested goods based on the opponent's "frozen beverages" and concluded that there would not be. For the same reasons, I find that there would be no misrepresentation. Although the relevant public may wonder if the contested goods are those of the opponent, the distance between the goods is too great for the consumer to believe that that is the case. The s. 5(4)(a) ground is rejected.

Section 3(6)

91. Section 3(6) of the Act states:

> "(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith".

92. In *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121 the Court of Appeal considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz*

Hauswirth GmbH, Case C-529/07 EU:C:2009:361, *Malaysia Dairy Industries Pte. Ltd v Ankenævnetfor Patenter Varemærker* Case C-320/12, EU:C:2013:435, *Koton Mağazacilik Tekstil Sanayi ve Ticaret AŞ,* Case C-104/18 P, EU:C:2019:724, *Hasbro, Inc. v EUIPO, Kreativni Dogaaji d.o.o. intervening,* Case T-663/19, EU:2021:211, *pelicantravel.com s.r.o. v OHIM, Pelikan Vertriebsgesellschaft mbH & Co KG (intervening),* Case T-136/11, EU:T:2012:689, and *Psytech International Ltd v OHIM, Institute for Personality & Ability Testing, Inc (intervening),* Case T-507/08, EU:T:2011:46. So far as relevant to the instant case, it summarised the law as follows:

"68. The following points of relevance to this case can be gleaned from these CJEU authorities:

1. The allegation that a trade mark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can be relied on before the EUIPO or by means of a counterclaim in infringement proceedings: *Lindt* at [34].

2. Bad faith is an autonomous concept of EU trade mark law which must be given a uniform interpretation in the EU: *Malaysia Dairy Industries* at [29].

3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: *Lindt* at [45]; *Koton Mağazacilik* at [45].

4. The concept of bad faith, so understood, relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other sinister

motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices: *Hasbro* at [41].

5. The date for assessment of bad faith is the time of filing the application: *Lindt* at [35].

6. It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved: *Pelikan* at [21] and [40].

7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: *Hasbro* at [42].

8. Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case: *Lindt* at [37].

9. For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case: *Lindt* at [41] – [42].

10. Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists: *Lindt* at [49].

11. Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark: *Koton Mağazacilik* at [46].

12. It is relevant to consider the extent of the reputation enjoyed by the sign at the time when the application was filed: the extent of that reputation may justify the applicant's interest in seeking wider legal protection for its sign: *Lindt* at [51] to [52]."

93. The mere fact that the applicant knew that another party used the trade mark in the UK does not establish bad faith: *Lindt, Koton* (paragraph 55). The applicant may have reasonably believed that it was entitled to apply to register the mark, for example where there had been honest concurrent use of the marks: *Hotel Cipriani*.

94. However, an application to register a mark is likely to have been filed in bad faith where the applicant knew that a third party used the mark in the UK, or had reason to believe that it may wish to do so in future and intended to use the trade mark registration to extract payment/consideration from the third party, e.g. to lever a UK licence from an overseas trader (*Daawat* Trade Mark, [2003] RPC 11) or to gain an unfair advantage by exploiting the reputation of a well-known name (*Trump International Limited v DDTM Operations LLC*, [2019] EWHC 769 (Ch)).

95. I begin by reminding myself that bad faith is a serious allegation which must be distinctly proved. It is not enough for an opponent to prove facts which are also consistent with good faith. The burden, and it is a heavy one, is on the opponent to show that Mr Splatt acted in bad faith.

96. The opponent's position is that Mr Splatt is or was an employee or contractor of the opponent's former UK distributor and that he must have been aware of the opponent's rights. It says that it is inconceivable that Mr Splatt had a legitimate interest in or a bona fide intention to use the marks. In his skeleton argument, Mr Carter expanded on the claim, saying that the inference is that Mr Splatt intends to prevent the opponent from expanding into new merchandising opportunities or to challenge the opponent's present or future registered or unregistered rights. In my view, if this was the opponent's case, it ought to have been distinctly pleaded at the outset.

97. I have described the evidence of Mr Splatt's connection to the former UK distributor at paragraphs 67 and 68, above. Mr Splatt was appointed secretary of the Frozen Brothers UK Retail companies in April 2020. The respective companies' interests in one another (i.e. as persons with significant control) were notified to Companies House in July and November 2019. This establishes that Mr Splatt, as secretary, is likely to have known about Slush Puppie Limited. His involvement with Slush Puppie Limited and any dealings

concerning the opponent are less clear. Mr Fachner says that Mr Splatt advised Slush Puppie Limited about trade marks before the contested marks were applied for but he does not say how he knows this and the information he gives is vague. However, his evidence on this point is not obviously incredible: he may well have become aware of Mr Splatt's role during interactions with the UK distributor. Less convincing is how Mr Fachner is able to give evidence regarding Mr Splatt's relationship with Slush Puppie Limited after the applications, more than two years after the termination of the opponent's agreement with that company. This is not, prima facie, information that Mr Fachner would be privy to and he does not give the source of his information. That said, as I indicated earlier, Mr Splatt has not attempted to deny his connection with Slush Puppie Limited or to rebut Mr Fachner's evidence. I do not, therefore, consider that Mr Fachner's evidence is tainted throughout by what, without sufficient explanation, appears to be an overstatement.

98. I am prepared to accept, as Mr Fachner's evidence that Mr Splatt gave trade mark advice to Slush Puppie Limited stands unchallenged, that Mr Splatt was aware of the opponent's rights in the "SLUSH PUPPIE" marks in relation to frozen beverages. However, I do not think that this is sufficient to establish that Mr Splatt acted in bad faith. The case law makes it clear that mere knowledge of another party's rights will not establish bad faith. I accept that in the normal course of business reasonable people would not usually copy another brand's name. However, it is, in my view, relevant that the goods for which registration is sought are far removed from the opponent's area of business. It is also relevant that the goods are pet care/apparel and that they use the obviously allusive "PUPPIE" in relation to those goods. There is no evidence that the opponent had any positive intention to expand its business into pet-related goods, nor is it a typical way in which to expand an existing beverage business. I recognise that the '489 mark is registered for clothing (and has been since 2017) and that this could indicate an intention on the part of the opponent to expand the business. However, there is no more than limited similarity with any of the goods in the earlier specification. Nor, despite the opponent having traded under the "SLUSH PUPPIE" brand for many years, is there evidence that there has been any serious commercial exploitation of the mark in areas other than beverages, which would make it more probable that the present applications

were filed in bad faith in order to stymie the opponent's merchandising of the brand. The time lag between the breakdown of relations between the opponent and its distributor and the applications themselves does not suggest that the two events are closely related and there are no details of the parties' interactions which would positively show that they are. Mr Splatt may be living dangerously but I do not consider that this aspect of the bad faith claim is made out.

99. Whether it is bad faith to apply for a trade mark without any intention to use it in relation to the specified goods and services was considered in *Sky* v *Skykick,* CJEU, Case C-371/18, EU:C:2020:45 ("*Sky CJEU*") and *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121 ("*Sky CA*"). The law appears to be as follows:

a) Applying to register a trade mark without an intention to use it is not bad faith *per se*. Therefore, it is not necessary for the trade mark applicant to be using, or have plans to use, the mark in relation to all the goods/services covered by the specification: *Sky CJEU.*

b) The bad faith of the trade mark applicant cannot, therefore, be presumed on the basis of the mere finding that, at the time of filing his or her application, that applicant had no economic activity corresponding to the goods and services referred to in that application: *Sky CJEU.*

c) However, where the trade mark application is filed without an intention to use it in relation to the specified goods and services, and there is no rationale for the application under trade mark law, it may constitute bad faith. Such bad faith may be established where there are objective, relevant and consistent indications showing that the applicant had the intention either of undermining, in a manner inconsistent with honest practices, the interests of third parties, or of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark: *Sky CJEU.*

d) A trade mark may be applied for in good faith in relation to some of the goods/services covered by the application, and in bad faith as regards others: *Sky CJEU*.

e) It is not possible for there to be bad faith in respect of an entire category of goods or services where there was an intention to use the mark in relation to some goods or services within that category (*Sky CJEU*; *Sky CA*).

f) Each category of goods and services must be considered separately, taking into account legitimate use and factors such as an applicant's reputation, brand recognition and expansion which might justify a wide specification: *Sky CA*.

100. In my view, the opponent has not established a prima facie case that there is no intention to use the marks. The opponent's case appears simply to be that because Mr Splatt knew of the opponent's "SLUSH PUPPIE" brand, he cannot have had any intention to use the marks. However, knowledge of the opponent's brand would not necessarily lead to the absence of an intention to use, even if the absence of an intention to use, per se, were sufficient for a finding of bad faith, which it is not. The list of goods is narrow and internally consistent: all of the goods are pet related. This points towards a commercial intention in a particular market: this is not the type of all-encompassing application which might give rise to a prima facie inference of bad faith because the specification is so wide that one business cannot plausibly intend to use the mark for all of the goods and services. Although the absence of an explanation on the part of Mr Splatt is surprising, he is not required to account for his actions until the opponent establishes a prima facie case against him. It has not done so.

101. To conclude, whilst there is some doubt in my mind as to Mr Splatt's intentions, in view of his involvement with the UK distributor and his knowledge of the opponent, the opponent has not established that his behaviour has crossed the line from sharp practice into bad faith. The opposition under this ground is dismissed.

Overall conclusion

102. The oppositions have succeeded. Subject to appeal, the applications will be refused in full.

Costs

103. The opponent has been successful and is entitled to an award of costs. Costs are sought on the usual scale, which is found in Tribunal Practice Notice 2/2016, and are a contribution rather than full compensation. I award costs to the opponent as follows:

Official fees:	£400
Filing the notices of opposition and considering the counterstatements:	£600
Preparing evidence and considering the other party's evidence:	£1,200
Preparing for and attending the hearing:	£800
Total:	**£3,000**

104. I order Peter Splatt to pay J & J Snack Foods Corp £3,000. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 10th day of August 2023

Heather Harrison

For the Registrar

The Comptroller-General

ANNEXE

OPPONENT'S EARLIER TRADE MARKS

UK3249489 "SLUSH PUPPIE" AND UNREGISTERED SIGN "SLUSH PUPPIE"

Class 7: Food and beverage processing and preparation machines and apparatus, beverage making machines, beverage processing machines, electromechanical beverage preparation machines, aerated beverage making machines, apparatus for preparing refrigerated beverages, pumps [machines] for the beverage industry; ice crushing machines; food and beverage blenders and mixers; parts and fittings for all the aforesaid goods.

Class 11: Apparatus for refrigerating and freezing; beverage cooling apparatus; ice machines and apparatus; cooling installations and machines for liquids; refrigerated beverage dispensing units; apparatus for refrigerating beverages; apparatus for dispensing chilled beverages; refrigerated dispensing units for beverages; ice makers; ice dispensing machines and apparatus; ice cream making machines; refrigerated cabinets for the storage of beverages; refrigerated cabinets for the display of beverages; parts and fittings for all the aforesaid goods.

Class 21: Household or kitchen utensils and containers; cups of paper or plastic; spoons; drinking straws; straw dispensers; portable cold keeping containers (not of precious metal) for food and beverages; hand-operated apparatus for household or kitchen use for making beverages; hand-operated apparatus for household or kitchen use for shaving ice; combs and sponges; brushes [except paintbrushes]; articles for cleaning purposes; glassware, porcelain and earthenware; parts and fittings for all the aforesaid goods.

Class 25: Clothing, shirts, tee-shirts, hoodies, vests, swimsuits, swim trunks, sleepwear, leggings, footwear, headgear.

Class 28: Games, toys and playthings; replica shaved ice machines/toy beverage making machines; balls for games; board games; dolls; games; playing cards; plush toys; toy figures; ornaments for Christmas trees; parts and fittings for all the aforesaid goods.

Class 30: Candy; confectionery; cookies; ice cream, ice pops, edible ices, water ices, frozen confectionery and ingredients for making the same; ice, natural or artificial; flavourings, other than essential oils, for beverages; ice for refreshment.

Class 32: Non-alcoholic drinks; beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; essences; syrups, fruit juices, concentrates and other preparations for making beverages and frozen beverages.

UK2069165 "SLUSH PUPPIE"

Class 32: Non-alcoholic drinks.

UK900476200

Class 7: Machines and machine tools; motors and engines (except for land vehicles); machine coupling and transmission components (except for land vehicles); agricultural implements; incubators for eggs.

Class 21; Household or kitchen utensils and containers (not of precious metal or coated therewith); combs and sponges; brushes (except paint brushes); brush-making materials; articles for cleaning purposes; steelwool; unworked or semi-worked glass (except glass used in building); glassware, porcelain and earthenware not included in other classes.

Class 32: Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.