O/0778/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003679252
BY FRANZ WILHELM LANGGUTH ERBEN GMBH & CO KG
TO REGISTER THE TRADE MARK:

HOLY MOLY

IN CLASSES 32 AND 33

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 431761
BY HOLY MOLY LTD

BACKGROUND AND PLEADINGS

1. On 29 June 2020, Franz Wilhelm Langguth Erben GmbH & Co KG ("the applicant") applied to register the trade mark shown on the cover page of this decision in the European Union. The applicant subsequently applied for the same mark in the UK on 9 August 2021. In accordance with Article 59 of the Withdrawal Agreement between the UK and the European Union, by filing an application for the same mark in the UK within nine months of the end of the transition period, the applicant's mark is deemed to have the same filing date as the EU mark. Therefore, the deemed filing date of the application in these proceedings is considered to be 29 June 2020.

2. The applicant seeks registration for the following goods:

Class 32 Mineral water [beverages]; Aerated water; Fruit drinks; Juices; Non-alcoholic beverages; Alcohol free wine; Beer and brewery products; Flavoured carbonated beverages; Non-alcoholic preparations for making beverages.

Class 33 Alcoholic beverages (except beer); Wine; Sparkling wines; Spirits [beverages]; Liqueurs; Cocktails; Alcoholic cocktail mixes; Pre-mixed alcoholic beverages, other than beer-based; Beverages containing wine [spritzers]; Spirits [beverages]; Preparations for making alcoholic beverages.

3. The application was opposed by Holy Moly Ltd ("the opponent") on 10 March 2022. The opposition is based upon sections 5(2)(a) and 5(3) of the Trade Marks Act 1994 ("the Act").

4. Under section 5(2)(a), the opponent relies upon the following trade marks:

HOLY MOLY

UK registration no. UK00003442736

Filing date 8 November 2019; Registration date 31 January 2020.
("The First Earlier Mark")

HOLY MOLY

Comparable UK trade mark (EU) registration no. UK00917867259[1]
Filing date 28 February 2018; Registration date 5 June 2020.
("The Second Earlier Mark")

5. Under section 5(3), the opponent relies upon its First Earlier Mark only.

6. Under sections 5(2)(a) and 5(3), the opponent relies upon all of the goods for which its earlier marks are registered, namely:

Class 29 Preserved fruits and vegetables; frozen fruits and vegetables; dried fruits and vegetables; cooked fruits and vegetables; jellies; jams; compotes; milk products; edible oils and fats; flavoured oils; dips; processed avocados; guacamole; crisps; snack foods based on vegetables; savoury dips.

Class 30 Preparations made from cereals; mustard; spices; sauces; condiments; savoury sauces; chutneys and pastes; dressings for food.

7. The opponent claims that there is a likelihood of confusion under section 5(2)(a) because the marks are identical and the goods are "confusingly similar".

8. Under section 5(3), the opponent claims that the application takes unfair advantage of the distinctive character of its First Earlier Mark, and its reputation. "The Applicant has attempted to ride on the coat tails" of the opponent's First Earlier Mark "in order to

[1] Following the end of the transition period of the UK's withdrawal from the EU, all EU trade marks ("EUTM") registered before 1 January 2021 were recorded as comparable trade marks in the UK trade mark register (and as a consequence, have the same legal status as if they had been applied for and registered under UK law). A 'comparable trade mark (EU)' retains the same filing date, priority date (if applicable) and registration date of the EUTM from which it derives.

benefit from its power of attraction, its reputation and its prestige, without paying any financial compensation or contributing to the marketing effort expended by the Opponent". "Further, the use of the Application without due cause would be detrimental to the reputation" of the opponent's First Earlier Mark "on the basis that the association with the Opponent's premium and quality food goods would lead to the dilution" of its mark, "affecting the economic behaviour of the relevant public by diversion of sales as the public believe there is an economic link between the marks".

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

10. The opponent is represented by Pinsent Masons LLP and the applicant is represented by Kunze Rechtsanwälte. Neither party requested a hearing, however, the opponent filed evidence in chief and submissions in lieu of a hearing. I make this decision having taken full account of all the papers, referring to them as necessary.

RELEVANCE OF EU LAW

11. 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 on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

EVIDENCE

12. The opponent's evidence consists of the witness statement of Matthew Thomas Gerard Harris dated 28 December 2022. Mr Harris is a Chartered Trade Mark Attorney at Pinsent Masons LLP, the representatives for the opponent, a position he has held since January 2018. Mr Harris' statement was accompanied by 29 exhibits (MH1-MH29).

13. Whilst I do not propose to summarise it here, I have taken all of the evidence and the parties' submissions into consideration in reaching my decision and will refer to them where necessary below.

DECISION

Section 5(2)(a)

14. Section 5(2)(a) reads as follows:

> "5(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 trade mark is protected
>
> (b) …
>
> there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

15. The earlier marks had not completed their registration process more than five years before the relevant date (the filing date of the mark in issue). Accordingly, the use provisions at section 6A of the Act do not apply.

16. The opponent may rely on all of the goods it has identified without demonstrating that it has used the marks.

17. In making this decision, I bear in mind the following principles 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 great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Identity of the marks

18. It is a prerequisite of section 5(2)(a) that the trade marks are identical. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, Case C-291/00, 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 the average consumer."

19. All the opponent's and applicant's marks are the words "HOLY MOLY". They are self-evidently identical.

Comparison of goods

20. The competing goods are as follows:

Opponent's goods	**Applicant's goods**
Class 29 Preserved fruits and vegetables; frozen fruits and vegetables; dried fruits and vegetables; cooked fruits and	Class 32 Mineral water [beverages]; Aerated water; Fruit drinks; Juices; Non-alcoholic beverages; Alcohol free wine; Beer and

vegetables; jellies; jams; compotes; milk products; edible oils and fats; flavoured oils; dips; processed avocados; guacamole; crisps; snack foods based on vegetables; savoury dips. <u>Class 30</u> Preparations made from cereals; mustard; spices; sauces; condiments; savoury sauces; chutneys and pastes; dressings for food.	brewery products; Flavoured carbonated beverages; Non-alcoholic preparations for making beverages. <u>Class 33</u> Alcoholic beverages (except beer); Wine; Sparkling wines; Spirits [beverages]; Liqueurs; Cocktails; Alcoholic cocktail mixes; Pre-mixed alcoholic beverages, other than beer-based; Beverages containing wine [spritzers]; Spirits [beverages]; Preparations for making alcoholic beverages.

21. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In the judgment of the 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."

22. Guidance on this issue has 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

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

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

24. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

"… Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR) [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each

involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

25. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM,* Case T-325/06, the GC stated that "complementary" means:

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

Class 32

Mineral water [beverages]; Aerated water; Fruit drinks; Juices; Non-alcoholic beverages; Alcohol free wine; Flavoured carbonated beverages; Non-alcoholic preparations for making beverages.

26. I consider that the opponent's "milk products" would include milk-based drinks, such as milkshakes. I therefore consider that these goods would overlap in user, method of use and purpose with the applicant's above goods. All of the goods are consumed by the general public to quench their thirst. I consider that, to some extent, the goods overlap in nature as they are all non-alcoholic beverages/liquids, however, the opponents are milk-based and the applicants are water or fruit based. I consider that there will also be an overlap in distribution channels as the goods would all be sold in supermarkets. I note that the opponent submits that the goods would be sold down the same aisle, and has supported this with evidence in **exhibits MH1** to **MH8**, which show the "meal deal" section of supermarkets. Albeit the goods may be sold next to each other in the meal-deal aisle, I also bear in mind that the bigger versions of the goods are sold in different aisles located within the store. The opponent's goods, which are milk-based, are sold within the refrigerated dairy aisle and the applicant's

goods would be sold within the generic drinks aisle of a supermarket. The goods are not complementary, but to some extent they may be in competition. I therefore consider that the goods are similar to a medium degree.

Beer and brewery products.

27. For the applicant's above goods, I consider that its best case comparison will also be with the opponent's "milk products" which include milk-based drinks.

28. However, the applicant's goods are grain-based alcoholic drinks, which would only be brought by adults over the age of 18. The goods are commonly consumed for pleasure whilst socialising, or with the intention of becoming intoxicated. Therefore the goods do not overlap in nature and purpose. The goods would not be produced by the same undertaking, and therefore do not overlap in trade channels. They may all be sold within a supermarket, but would be located within different aisles, and not within close proximity. The applicant's goods would also be sold within off-licences or behind a bar. The goods are neither complementary nor in competition. I consider there will be an overlap in user and method of use to the extent that all of the goods are consumed/drunk by adult's over the age of 18, however, I do not consider that this is enough to establish similarity between the goods. I therefore consider that the goods are dissimilar.

Class 33

Alcoholic beverages (except beer); Wine; Sparkling wines; Spirits [beverages]; Liqueurs; Cocktails; Alcoholic cocktail mixes; Pre-mixed alcoholic beverages, other than beer-based; Beverages containing wine [spritzers]; Spirits [beverages]; Preparations for making alcoholic beverages.

29. I consider that the above goods are alcoholic drinks, which derive from grapes and grains, with some mixed with either mixers (for example, soda and lemonade) or juices. However, the same comparison applies in paragraphs 27 and 28 above. The goods are dissimilar.

30. It is a prerequisite of section 5(2)(a) that the goods be similar. The opposition will, therefore, fail in respect of the goods that I have found to be dissimilar.[2] The opposition under section 5(2)(a) fails for the following goods:

Class 32 Beer and brewery products.

Class 33 Alcoholic beverages (except beer); Wine; Sparkling wines; Spirits [beverages]; Liqueurs; Cocktails; Alcoholic cocktail mixes; Pre-mixed alcoholic beverages, other than beer-based; Beverages containing wine [spritzers]; Spirits [beverages]; Preparations for making alcoholic beverages.

The average consumer and the nature of the purchasing act

31. 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."

32. The average consumer for the goods will be members of the general public. I consider that the cost of the goods, on balance, is likely to be relatively low, and that the majority of the goods will be purchased relatively frequently, most likely as part of

[2] *eSure Insurance v Direct Line Insurance,* [2008] ETMR 77 CA

a weekly food shop or even as part of a meal deal. I consider that the level of attention paid during the purchasing process for mineral water and aerated water will be between a low and medium degree. However, I consider that for the remaining class 29, 32 and 33 goods, the average consumer will take various factors into consideration such as the cost, taste and the ingredients, especially to reflect their dietary requirements, or any allergens to avoid. Therefore, I consider the level of attention paid during the purchasing process for these goods will be a medium degree.

33. The goods are likely to be obtained by self-selection from shelves of a supermarket, retail outlet or online equivalents. Visual considerations are therefore likely to dominate the selection process. I also do not discount that there may be an aural component to the purchase if the goods were to be ordered at a bar or in a café. However, visual considerations would still be likely to dominate as the goods would be displayed behind the bar in fridges, or on a menu.[3]

Distinctive character of the earlier trade marks

34. 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 C108/97 and C-109/97 Windsurfing Chiemsee v Huber and Attenberger [1999] ECR 1-2779, 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

[3] *Simonds Farsons Cisk plc v OHIM,* Case T-3/04

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 promotion of 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)."

35. 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, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

36. I will begin by assessing the inherent distinctive character of the First and Second Earlier Marks. I note that the words "HOLY MOLY" are a well-known phrase which is used to express surprise or praise. I therefore do not consider that it is descriptive or allusive of the opponent's "milk products". However, it may be considered laudatory. I therefore consider that the opponent's marks are inherently distinctive to no more than a medium degree.

37. I also note that the opponent has pleaded enhanced distinctive character for its First and Second Earlier Marks. In this instance, similarity has only been established based upon the opponent's "milk products" which would include milk-based drinks. I note that within the evidence, the only reference to goods which would fall within this term is the opponent's "nutshakes that taste heavenly" in its Twitter bio, alongside the following depiction in its Twitter cover photo exhibited at **15D**:

38. Firstly, **exhibit 15D** is dated 27 December 2022, which falls after the relevant date. Secondly, the remaining evidence relates to guacamole and savoury dips. Consequently, it cannot assist the opponent in demonstrating enhanced distinctiveness for the goods that I have found to be similar to those in the application. For the avoidance of doubt, I do not consider the opponent's savoury dips/guacamole to be similar to those of the application, for the reasons set out in my decision.

Likelihood of confusion

39. 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 the marks 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. This includes the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. It is necessary for me to keep in mind the distinctive character of the earlier mark, 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 trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

- The marks are identical.
- I have found the parties' goods to be similar to a medium degree.
- I have found the opponent's marks to be inherently distinctive to no more than a medium degree.
- I have identified the average consumer to be (adult) members of the general public who will select the goods primarily by visual means, although I do not discount an aural component.
- I have concluded that between a low and medium degree of attention will be paid when purchasing the water goods.

- I have concluded that a medium degree of attention will be paid during the purchasing process for the remaining goods.

40. Taking all of the above into account, that the marks are identical, the goods are similar to a medium degree, and bearing in mind the interdependency principle (i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa), there is a likelihood of direct confusion.

41. As noted in paragraph 30 above, for the goods that I have found dissimilar, the opposition will fail in respect of those goods.

Section 5(3)

42. 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 (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) 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."

43. As noted above, the First Earlier Mark relied upon qualifies as an earlier mark pursuant to section 6 of the Act. I note that all of the goods under the First Earlier Mark are being relied upon for the opposition under section 5(3) of the Act.

44. 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*).

45. The conditions of section 5(3) are cumulative. Firstly, the opponent's and applicant's marks must be identical or similar. Secondly, the opponent must show that the First Earlier Mark has achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must have 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 First Earlier Mark being brought to mind by the later mark. Fourthly, assuming that the first, second and third conditions have been met, section 5(3) requires that one or more types of damage claimed 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.

46. The relevant date for the assessment under section 5(3) is the date of application i.e. 29 June 2020.

Reputation

47. 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."

48. In determining whether the opponent has demonstrated a reputation for the goods and services in issue, it is necessary for me to consider whether its mark will be known by a significant part of the public concerned with the 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 undertakings in promoting it."

49. As the First Earlier Mark is a UKTM, it must have a reputation amongst a significant part of the UK public.

50. It is clear from all of the evidence that opponent, "Holy Moly Dips", sells a "range of four different tubs of smashed avocado and guacamole", and is the first brand to "create fresh guacamole dips using high pressure processing" which does not use chemicals or high temperatures.[4] Its goods are also made from "natural ingredients with no added sugar, no nasties or preservatives".[5]

51. At **exhibits MH19** to **MH23** Mr Harris has provided a range of press articles in relation to its goods, including the following:

- A Mail Online article dated 19 January 2019, where the opponent's Holy Moly Smashed Avocado is rated as one of the 12 popular choices of dips.
- A Retail times article dated 27 April 2020 which states that Holy Moly is a "revolutionary British brand" and has launched its own "e-commerce platform", which is now live and allows consumers to order the opponent's products and have them delivered directly to their home. It notes that the opponent uses high pressure processing (HPP) which is a process "commonly used in cold-pressed fruit juices and don't use chemicals or high temperatures, preserving the taste, texture and nutrients of each avocado".
- A Mirror online article dated 20 June 2020 which lists the best vegan snacks to buy online, with the Holy Moly Guacamole original listed as number 2.
- The Sun article dated 13 December 2018 which lists the Holy Moly Guacamole three chilli as a festive dip for Christmas which is currently on sale from £2.79 to £2.23 in Ocado.

52. I note that I have not been provided with any turnover figures by the opponent. However, Mr Harris has listed, within his witness statement, a range of awards that the opponent has won or been nominated for. This is supported by an article from "Startups" dated 15 December 2021, exhibited in **MH26**, which states that "Holy Moly

[4] **Exhibit MH11**
[5] **Exhibit MH24**

Dips" is a finalist for the 2018 Startups Peoples Champion. It also states that the opponent has "seen a huge increase in sales of guacamole with over 200 million pots sold last year" and that their first year of trading was successful, selling 250,000 units in retailers such as Waitrose, Ocado, Whole Foods and Amazon Fresh. Furthermore, **exhibit MH11** contains an article from the Evening Standard titled "Entrepreneurs: The founders of Holy Moly Dips are riding the UK's avocado boom" dated 2 September 2019. The article states that "Holy Moly Dips" was founded in 2017 and is already selling £2.2 million worth of avocado pots each year at retailers such as Waitrose, Ocado, Sainsbury's and Amazon Fresh. This evidence is also supported by an article exhibited in **MH24** titled "Holy Moly! 100% natural avocado dip from Cirencester hits shelves at Waitrose" from Gloucestershire Live, dated 27 July 2017**.** Moreover, I note that exhibited in **MH18** is a Sun article dated 11 November 2018, which lists the "Holy Moly Guacamole Spicy, £2.75 from Sainsbury's" as one of the best Christmas supermarket dips "to keep all your guests entertained this festive season". Exhibited at **MH21** is a Mirror online article dated 26 July 2019 which states that Sainsbury's is now selling the opponent's smashed avocado tubs at £2.75 (which is also already stocked at Waitrose and Ocado).

53. It is clear that, taking all the evidence as a whole into account, the opponent's guacamole and avocado dips were clearly being sold in some of the above retailers from as early as 2017, up until the relevant date, and that they had sold a notable amount. Moreover, given that the sales have been made through national retailers, there is likely to be a reasonable geographical spread of the use within the UK.

54. Whilst the opponent has not provided any marketing figures, I note that the opponent has provided evidence of its Instagram, Facebook, TikTok and Twitter accounts. I note that its Instagram page has 19,000 followers, and that its Facebook page has 4.6k followers, and an "intro" section which says "a range of sin-free, vegan friendly avocado dips containing no nasties. Hallelujah!". However, its social media screenshots are dated 27 December 2022 and therefore only demonstrates how many followers its pages had after the relevant period. Nonetheless, the above clearly shows that the opponent's goods have been advertised through multiple third party articles/press coverage.

55. Taking all of the above into account, although I have not been specifically provided with turnover figures, advertising figures, or information about the opponent's market share, I consider that the above evidence is enough to conclude that the opponent has a limited reputation in the UK in respect of its guacamole.

Link

56. 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
>
> The marks are identical.
>
> 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 and services, and the relevant section of the public
>
> I note that all of the applicant's class 32 and 33 goods are dissimilar to the opponent's guacamole. Albeit the goods are all for human consumption, I do not consider that they overlap in nature, method of use or purpose. The applicant's goods are all liquids which are drunk to quench the users thirst or for pleasure/with the intention of becoming intoxicated, and the opponent's goods are a type of food which is eaten for sustenance. The goods overlap in distribution channels at a general level, all being sold within supermarkets, but they would be sold in completely different aisles. The goods are also not in competition.
>
> The opponent argues that the goods are complementary because they are consumed and bought together. However, as highlighted by the case law above, complementarity is a two part test. First, are the goods important or indispensable to one another? In this case, they are not. Second, would the

relevant public consider that the goods originate from the same undertaking? In this case, they would not; I consider it unlikely that the average consumer would expect the applicant's goods to originate from the same undertaking that produced guacamole. Consequently, the goods are not complementary.

The strength of the earlier mark's reputation

The opponent enjoys a limited reputation in the UK for guacamole.

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

The opponent's First Earlier Mark is inherently distinctive to no more than a medium degree.

I have provided a summary of the opponent's evidence at paragraphs 50 to 55 above. While this was for the purpose of assessing whether the First Earlier Mark has a reputation, the same evidence is relevant to assessing whether the opponent has established enhanced distinctiveness.

I consider that for the opponent's guacamole goods, that the above sales figures and evidence of advertising in the third party publications is enough to establish that the inherent distinctiveness of the First Earlier Mark would be enhanced to between a medium and high degree.

Whether there is a likelihood of confusion

As there is no similarity of the goods, there can be no likelihood of confusion.

57. I am now required to determine whether, in this particular case, the relevant public would bring the First Earlier Mark to mind when confronted with the applicants mark. That is, to make a link between them. However, the parties' goods are dissimilar, and the opponent's limited reputation is not strong enough to bridge the gap between them.

I therefore consider that the distance between the goods is sufficient to offset the identity of the marks and, therefore, I do not consider that the requisite link will be made in respect of the goods.

58. As I have found there to be no link between the marks in the minds of the average consumer in the UK, there can be no resulting damage caused to the opponent's mark.

59. However, for the sake of completeness, if I am wrong in that finding and a link is made, I do not consider that there would be any damage for the reasons set out below.

Unfair Advantage

60. The goods are dissimilar and the opponent's reputation is not strong enough for there to be unfair advantage as a result of the transfer of the image of the First Earlier Mark. The average consumer would not assume that the opponent, an undertaking with a limited reputation for only producing guacamole, would also produce fruit drinks, juices, alcoholic beverages, cocktails and spirits. The image of guacamole is not transferable to the applicant's goods in classes 32 and 33 and I have no evidence/submissions from the opponent as to how such an image transfer might occur. As the opponent's image does not transfer, then the applicant does not benefit from the reputation of the earlier mark, and thus there is no unfair advantage.

61. Since I have found that there is no unfair advantage arising from the applicant using its mark, and that the consumer would not believe that the opponent's and applicant's goods originate from the same or economically linked undertakings, no damage can arise.

Detriment to reputation

62. I note that the opponent also submits that "the use of the Application without due cause would be detrimental to the reputation" of the opponent's First Earlier Mark "on the basis that the association with the Opponent's premium and quality food goods would lead to the dilution of its mark". The opponent has provided no further explanation as to how damage to reputation might arise (I have dealt with the dilution

argument below which relates to damage of distinctive character) and I can see no basis for it.

63. Consequently, I dismiss this head of damage.

Dilution

64. In relation to the opponent's above submission that there will be dilution of its mark, although it is not necessary to adduce evidence of actual detriment or change of economic behaviour of the relevant public of the First Earlier Mark, it is necessary for the opponent to show evidence of a serious risk that detriment may occur in the future. I note that in *Environmental Manufacturing LLP*, 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."

65. In my view, the opponent has not adduced any evidence to lead me to find that there would be detriment (or a future risk of detriment) to the distinctiveness of its First Earlier Mark. I also recall that I found no likelihood of confusion in relation to the goods which the First Earlier Mark has a limited reputation for.

66. The opposition based upon section 5(3) is dismissed.

CONCLUSION

67. The opposition is partially successful under section 5(2)(a) in respect of the following goods, for which the application is refused:

Class 32 Mineral water [beverages]; Aerated water; Fruit drinks; Juices; Non-alcoholic beverages; Alcohol free wine; Flavoured carbonated beverages; Non-alcoholic preparations for making beverages.

68. The application can proceed to registration in respect of the following goods for which the opposition sections 5(2)(a) and 5(3) has been unsuccessful:

Class 32 Beer and brewery products.

Class 33 Alcoholic beverages (except beer); Wine; Sparkling wines; Spirits [beverages]; Liqueurs; Cocktails; Alcoholic cocktail mixes; Pre-mixed alcoholic beverages, other than beer-based; Beverages containing wine [spritzers]; Spirits [beverages]; Preparations for making alcoholic beverages.

COSTS

69. The applicant has enjoyed a greater degree of success in the opposition and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. I will make an appropriate reduction in the award of costs made to reflect the applicant's only partial success. In the circumstances, I award the applicant the sum of **£150** as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Considering the Notice of opposition and preparing a Counterstatement	£150
Total	**£150**

70. I therefore order Holy Moly Ltd to pay Franz Wilhelm Langguth Erben GmbH & Co KG the sum of £150. 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 14th day of August 2023

L FAYTER

For the Registrar