

O-095-06

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No 2306065  
BY SAMWORTH BROTHERS LIMITED  
TO REGISTER A TRADE MARK  
IN CLASSES 29 & 30**

**AND IN THE MATTER OF OPPOSITION  
THERE TO UNDER NO 91329  
BY KETTLE FOODS INC.**

## BACKGROUND

1) On 23 July 2002, Samworth Brothers Limited of Chetwode House, Leicester Road, Melton Mowbray, Leicestershire, LE13 1GA applied under the Trade Marks Act 1994 for registration of the following trade mark:



2) The mark was sought to be registered in respect of the following goods:

In Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats; crisps; salted foods; nuts; fruit salads; chilled and prepared ready meals; salads; sausages; soups; yoghurt; all included in Class 29.

In Class 30: Rice, tapioca, flour and preparations made from flour and made from cereals; bread; pastry and confectionery; salt, mustard, vinegar; honey; aromatic preparations for food; beverages; biscuits; sandwiches; bread rolls; buns, cakes; curry; salad dressings; flavourings; noodles; pasta; chilled and prepared ready meals; pasta salads; pasties; pies, pizzas; puddings; desserts; all included in Class 30.

3) On 12 December 2002 Kettle Foods Inc. of P.O. Box 564, Salem, Oregon 97308-0664 filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following marks:

| Mark   | Number        | Effective Date | Class | Specification  |
|--------|---------------|----------------|-------|--|
| KETTLE | CTM<br>521435 | 24.04.97       | 29    | Meat, fish, poultry and game; potato crisps and snack foods included in this class; meat extracts; preserved, dried, fried, baked and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats.   |
|        |               |                | 30    | Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle, yeast, baking-powder; salt, mustard; pepper, vinegar, sauces (condiments); spices; ice; popcorn, corn chips and snackfoods included in this class. |
|        |               |                | 42    | Providing of food and drink; cafes and cafeteria services; canteen services; catering services; restaurants and self-service   |

|        |         |          |    |  |
|--------|---------|----------|----|--|
|        |         |          |    | restaurant services; snack bars.   |
| KETTLE | 1346391 | 03.06.88 | 29 | Snack foods included in Class 29.  |
| KETTLE | 1521054 | 05.12.92 | 29 | Crisps; all included in Class 29.  |
| KETTLE | 1451936 | 07.01.91 | 30 | Biscuits, cakes, cookies, popcorn; all included in Class 30.   |
| KETTLE | 1568884 | 14.04.94 | 42 | Restaurant services; catering services for the provision of food and drink; all included in Class 42; but not including any such services relating to soup or soup kitchens. |

b) The mark in suit is similar to the opponent's trade marks, and the goods applied for are identical or similar. The opponent has made substantial use of the above marks in the UK since 1989, and has created a considerable reputation in the said trade marks, including the sign KETTLE FOODS. The mark applied for therefore offends against Section 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994. In the alternative, if the goods are not similar, the mark offends against section 5(3) of the Trade Marks Act 1994.

4) The applicant subsequently filed a counterstatement denying the opponent's claims. The applicant claims to have been trading under Kettleby Foods since April 1999. They also questioned whether the opponent's trade mark 1451936 was an earlier mark as the statement of grounds showed a publication date of 7 January 2001, in fact this was an error and the date was 7 January 1991.

5) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 19 January 2006 when the opponent was represented by Mr Vanhegan of Counsel instructed by Messrs Field Fisher Waterhouse. The applicant was represented by Ms McBride of Messrs Withers & Rogers LLP.

#### **OPPONENT'S EVIDENCE**

6) The opponent filed sixteen witness statements. The first, dated 17 September 2004, is by Jeremy Bradley, the Managing Director of Kettle Foods Ltd, a wholly owned subsidiary of the opponent company. He provides a brief history of the company and states that the product was first imported into the UK in 1988, production was subsequently set up in the UK. In 1988 the Kettle Crisp Co Ltd was formed changing its name to Kettle Foods Ltd in 1990. At exhibit JB3 he provides examples of the packaging used which have the words "KETTLE CHIPS" in large print. He states that sales went from £3.6 million in 1991/92 to over £40 million by 2001/02. The company also exports to mainland Europe.

7) Mr Bradley details the various marketing activities carried out by his company including sponsorships of sporting and cultural events, attending trade exhibitions, in-store promotions, joint promotions with wine companies. He also provides copies of brochures relating to the launches of various new flavours of chips and dips. The opponent's products also feature in advertising carried out by stores such as Tesco, Sainsbury etc. Additionally the company has published leaflets which give details of recipes which feature the opponent's chips. Naturally these carry the name "KETTLE CHIPS". The opponent's products also feature in magazines which give notice of new

food products. These placements are not paid for by the opponent. The total amount spent on advertising has averaged over £1.6 million in the three years prior to 2002.

8) Mr Bradley states that his company's product is sold throughout the UK with approximately 17,200 stores stocking the product. He states that his company also sells products under the retailers' premium range such as Tesco "Finest" and Sainsbury "Taste the Difference". These are clearly not sold under the trade mark KETTLE. Whilst sales have grown from £20 million in 1998 to £40 million in 2002 the private label sales have increased so that in 2002 they accounted for nearly £25 million.

9) Mr Bradley states that his company's products are sold in a number of areas in the average supermarket, with other crisps, dips, snack foods and sandwiches. Because of their ethical employment practices Mr Bradley states that his company has received a deal of publicity. At exhibit JB28 he provides a list of publications which featured his company and he also provides readership figures. These are all for the first half of 2000 and shows that his company was mentioned by newspapers, trade papers, local papers and magazines such as the *Daily Mail*, *Daily Telegraph*, *The Guardian*, *The Grocery Trader*, *Food Trade Review*, *Independent Retail News*, *Evening News (Norwich)*, *Manx Magazine*, *Women's Realm*, *The Business Weekly*, *The Readers Digest* amongst others.

10) Throughout his evidence Mr Bradley emphasises the quality of the product and the packaging. This has been promoted using the strap line "THE KETTLE DIFFERENCE". This is also reflected in the price charged which is almost double that of other types of crisps, tortillas and dips. Emphasis is placed on the natural ingredients used rather than chemicals and, increasingly organic ingredients. He also states that other types of foods such as chilled foods and bread are actively being considered in order to expand the range and benefit from the KETTLE reputation.

11) Mr Bradley states that his company owns a number of domain names with the word KETTLE in them and uses a range of KETTLE trade marks such as KETTLE BAKED, KETTLE POPPINS, KETTLE ORGANICS, KETTLE Chips, KETTLE Dips etc. He states that his company guards its' intellectual rights to protect its reputation.

12) The second witness statement, dated 27 September 2004, is by Stuart Whitwell the Managing Director of Intangible Business Limited a company which provides consultancy on brand valuation, brand management and brand strategy. He provides details of his experience in a variety of industries. He gives details of how his company value a brand. He states that cheaper products of an inferior quality marketed under a similar name would erode the image attached to a brand. He also states that it is easier to diversify if you have a premium brand. He states his belief that the opponent has developed a significant reputation in the foods industry under the KETTLE FOODS and KETTLE brands.

13) The third witness statement, dated 27 September 2004, is by Monica Stevenson of The Old White Cottage, Sproxton, Melton Mowbray who is the PA to the General Manager of a local hotel. She states that she has been employed in the Melton Mowbray area for the last fourteen years and has a good knowledge of the local area.

She states that she is aware of a village called “Ab Kettleby” which is north of Melton Mowbray and a place called Ketton just outside Oakham. However, she states that she has never heard of a place called Eye Kettleby. At exhibit MS1 she provides a map of the area which shows the location of Ab Kettleby. She states that she has never heard of Kettleby Foods although she is aware of a company called Samworth Brothers that produces various food and snack food products which is located south west of Melton Mowbray. She states that she is a consumer of the opponent’s products.

14) The opponent also filed a number of short statements from various people in the food industry and also, seemingly, one or two who have no connection with the food industry other than the fact that they purchase and consume food. All of them provide details of who they are and all say very much the same in their statements. Rather than detail each and every statement I intend to briefly list their details and give an overview of what they say, apart from two people whose comments differed albeit slightly who are listed separately.

- a) Gary Waterson, UK Commercial Director of Griffith Laboratories Ltd a global manufacturer of food ingredients who provide taste and texture components. They supply the opponent with products.
- b) Gerri Scott, Purchasing Manager of Pret a Manger which runs a chain of sandwich stores. They sell the opponent’s products.
- c) Mark Harrison, Director of Colourfield Research Limited, which has carried out research for the opponent.
- d) Chris Kozlik, Sales Manager of Alcan, which supplies the opponent.
- e) Steve Chandler, Director General of the Snack, Nut and Crisp Manufacturing Association.
- f) Jay Patel, Director of Kelly’s Food Hall, who sells the opponent’s products.
- g) Anil Shah, proprietor of a convenience store in Fenchurch St, London, who sells the opponent’s products.
- h) Vinesh Patel, employee of Goyal News convenience store in Aldgate High St, London.
- i) Richard Simon Beniston, Events Manager for English Heritage Trust.
- j) Michael James Hough, Business Systems Analyst of Wolverine Europe Limited
- k) Alison Stewart, a nanny working in London

15) All the above state that they are aware of the reputation of KETTLE and KETTLE FOODS for quality snacks and crisps. They also state that they are not aware of any food manufacturer called Kettleby Foods or with a name similar to KETTLE.

16) Jeremy Spencer Munday, Senior Lecturer for the Department of Linguistics, Cultural and Translation Studies for the University of Surrey. He gives his opinion that the marks of the two parties are similar.

17) Catherine Symons, Product Developer for Marks & Spencer Group Plc sells the opponent’s products. She only comments that the opponent has a reputation under the KETTLE marks.

## **APPLICANT'S EVIDENCE**

18) The applicant filed a witness statement, dated 28 January 2005, by Fiona McBride the applicant's Trade Mark Attorney. She states that Kettleby Foods Limited is a wholly owned subsidiary of Samworth Brothers Limited and was first opened as a business in April 1999. The aim of the company was to produce premium quality ready foods. The company now offers over sixty different ready meal varieties including cottage pie, Cumberland pie and beef stew and dumplings. She states that the company has also introduced a range of healthy options and premium and snacking ranges.

19) Ms McBride states that "the site of the factory and business is located in Leicestershire near the ancient Anglo-Saxon site of Eye Kettleby. The choice of the name Kettleby came principally from the historical, geographical significance of this site and for no other reason." At exhibit FMB1 she provides a copy of page 43 of the Ordnance Survey road atlas 2002 Britain showing the town of Ab Kettleby near to the site of the Kettleby factory. She states that the mark KETTLEBY FOODS and device has been used since April 1999 in the UK.

20) Ms McBride claims that the applicant has established a strong reputation in the UK and has won a series of awards for its products. She states that the applicant has established itself as a key player in the UK chilled ready meals market with its main customer being Tesco. She states that almost 100% of the companies business is with Tesco. She provides the following sales figures:

| Year | Turnover £ million |
|------|--------------------|
| 1999 | 10.8               |
| 2000 | 19                 |
| 2001 | 24.5               |
| 2002 | 32.9               |

21) Ms McBride states that the applicant does not sell direct to the public under the mark in suit, it sells under the retailers own brand. The average consumer will therefore be unaware of the mark in suit. She gives her views on the confusability of the marks and states that the average consumer of the applicant and the subsequent trade channels are different. She states that the marks have co-existed for three years prior to the application. Ms McBride states that the word "KETTLE" is a well known dictionary word which has a specific meaning to the average consumer, i.e. being a vessel, commonly metal, for boiling water. Ms McBride states that as the opponent's reputation has strengthened over the past three years whilst coexisting with the applicant's trade mark there can be no damage caused by the applicant's trade mark. She also claims that in the absence of any confusion the grounds of opposition should be dismissed.

## **OPPONENT'S EVIDENCE IN REPLY**

22) The opponent filed three witness statements in reply. The first, dated 11 March 2005, is by Beth Porter who is the receptionist for the opponent company. She states that as part of her duties she deals with incoming calls. She states that on 25 February

2005 at around 11.30 she answered a call from a woman who was trying to contact the applicant.

23) The second statement, dated 11 March 2005, is by Helen Browne who is the PA to the Executive Team in the opponent company. She states that on 25 February she was walking through reception when she overheard the exchange on the telephone between Ms Porter and the caller where the applicant company was named. As Ms Browne was aware of the trade mark dispute she reported the telephone call to the Company Secretary. A check was made of the company's telephone system but the identity of the caller could not be ascertained.

24) The third witness statement, dated 3 May 2005, is by Darren Trent Olivier a Solicitor at Field Fisher Waterhouse. He provides copies of papers from the Registry file with regard to an earlier application filed by the current applicant. The application, number 2306026 was for the mark WALKERS MIDSHIRE FOODS and was filed on 23 July 2002. The mark was opposed and the applicant withdrew its application. Mr Olivier states that he has filed this evidence as a counter to the claim by the applicant that its mark derives from the historical and geographical location.

25) That concludes my review of the evidence. I now turn to the decision.

## **DECISION**

26) I first consider the position under section 5(2)(b) which reads:

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

(a)...

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

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

27) An “earlier trade mark” is defined in section 6, the relevant parts of which state:

“6.-(1) In this Act an "earlier trade mark" means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,”

28) The opponent is relying upon the five trade marks shown in paragraph 3 above. These have effective dates of registration ranging from June 1988-April 1997, all of which are clearly earlier trade marks.

29) In determining the question under section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Mayer & Co. GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R 723. It is clear from these cases that:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*;

(b) the matter must be judged through the eyes of the average consumer, of the goods / services in question; *Sabel BV v Puma AG*, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it; *Sabel BV v Puma AG*;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*;

(h) further, 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; *Marca Mode CV v Adidas AG*;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*

30) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgements of the European Court of Justice mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of

similarity in the goods, the category of goods in question and how they are marketed. Furthermore, I must compare the applicant's mark and the marks relied upon by the opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods and services covered within the respective specifications.

31) The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was considered by David Kitchen Q.C. sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchen concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

32) I also have to consider whether the marks that the opponent is relying upon have a particularly distinctive character either arising from the inherent characteristics of the marks or because of the use made of them. All of the opponent's marks consist of the single word KETTLE in capital letters. The opponent states that products under the KETTLE brand are sold in approximately 17,200 stores throughout the UK. The opponent gives turnover figures which include goods sold under retailer's brands however they also supply the figures for such sales so it is possible to state that in 2002 the opponent sold £15 million under the Kettle brand. Whilst all the evidence corroborating these figures as well as the advertising expenditure of approximately £1.6 million per annum show crisps, tortillas and dips the opponent has a wide ranging specification under its five marks and has not stated that its sales relate only to a small aspect of these specifications. There is no evidence that the opponent's mark has any meaning other than the term for a vessel for boiling water or heating liquids, although I am aware that fish can be cooked in a fish kettle. In my opinion, the opponent's marks are inherently distinctive for the goods and services for which they are registered. However, I do not accept that the opponent has provided evidence to support its contention that it should benefit from an enhanced reputation.

33) It was agreed at the hearing by the applicant that the opponent's goods are the same and similar as the specification for which the applicant is seeking to register its mark.

34) I therefore turn to the marks of the two parties. As all of the opponent's marks are for the same single word I shall carry out a single comparison test. For ease of reference I reproduce them below:

| Applicant's mark  | Opponent's mark |
|---|-----------------|
|  | KETTLE          |

35) Clearly, the opponent's mark forms the initial part of the applicant's mark. Visually and aurally they differ by the addition of the letters "BY" on the end of the word "KETTLE" and the addition of a second word "FOODS". As the applicant is seeking to register the mark in suit for goods in Classes 29 and 30, all of which can be classified as foods, the second word of the applicant's mark would have little distinctive character as far as the average consumer is concerned. Visually the applicant's mark also has a device element of a large kettle surrounded by food.

36) Conceptually, the applicant's mark differs in that the word KETTLEBY is suggestive of a place, whereas the opponent's mark is a well known word which refers to a vessel for boiling water. However, the applicant's mark also has a very large device of a kettle, albeit surrounded by food. The opponent's claim that the dominant part of the device mark is the kettle and this gives a conceptual link to their mark. The applicant drew my attention to two cases, *Shaker de L Laudato & C Sas v OHIM Case T-7/04 (Limoncello)* and *Canali Ireland Ltd v OHIM Case T-310/031*. Whilst these are not binding on the Registry I note the views expressed in these cases and take them into account.

37) I must also consider the average consumer for the types of goods applied for which can be broadly categorised as food and drink. In my opinion, the average consumer has to be the general public who are reasonably well informed and reasonably circumspect and observant. In my view, food and drink are not purchased without some consideration, as personal preferences and also dietary considerations are taken into account. Although I must take into account the concept of imperfect recollection.

38) Taking account of the above it is my opinion that the similarities between the marks outweigh the differences.

39) The applicant seeks sanctuary under Section 7(1) of the Trade Marks Act 1994 which relates to honest concurrent use. Section 7 of the Trade Marks Act states:

“7.- (1) This section applies where on an application for the registration of a trade mark it appears to the registrar -

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

but the applicant shows to the satisfaction of the registrar that there has been honest concurrent use of the trade mark for which registration is sought.

(2) In that case the registrar shall not refuse the application by reason of the earlier trade mark or other earlier right unless objection on that ground is raised in opposition proceedings by the proprietor of that earlier trade mark or other earlier right.

(3) For the purposes of this section “honest concurrent use” means such use in the United Kingdom, by the applicant or with his consent, as would formerly have amounted to honest concurrent use for the purposes of Section 12(2) of the Trade Marks Act 1938.

(4) Nothing in this section affects-

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).

(5) This section does not apply when there is an order in force under section 8 below.”

40) The provisions of Section 7 of the Act were considered by the Hearing Officer in *C.D.S. Computer Design Systems Ltd v Coda Ltd* (O/372/00) dated 6 October 2000. In that decision the Hearing Officer said:

“First of all, I note that this provision of the Act does not derive from Council Directive No. 89/104/EEC of December 21, 1998 to approximate the laws of the Member States relating to trade marks. It is thus a piece of home spun legislation which can only be interpreted as complementing rather than conflicting with the Directive. I say that because Article 5 of the Directive (the equivalent of Section 5 of the Trade Marks Act 1994) requires a trade mark to be excluded from the register if it conflicts with an earlier trade mark or other earlier right. However, the fifth recital to the Directive gives Member States latitude as to the stage at which such relative grounds are to be taken into consideration. The fifth recital states:

“Whereas Member States also remain free to fix the provisions of procedure concerning the registration, the revocation and invalidity of trade marks acquired by registration; whereas they can, for example, determine the form of trade mark registration and invalidity procedures, decide whether earlier rights should be invoked either in the registration procedure or in the invalidity procedure or both and, if they allow earlier rights to be invoked in the registration procedure, have an opposition procedure or an *ex officio* examination procedure or both; whereas member states remain free to determine the effects of revocation or invalidity of trade marks.”

In relation to all applications for registration under the Act, the Trade Marks Registry must examine them against the provisions of Sections 3 and 5 and undertake a search under the provisions of Section 37 for that purpose. If, and when, as a result of the search an earlier trade mark is identified which is considered to be the same or similar in respect of both the trade mark and the specification of goods and services, then the Trade Marks Registry must raise an objection to the application for registration

However, if the applicant is able to show, to the satisfaction of the Trade Marks Registry, that there has been honest concurrent use of the trade mark, the subject of the application, with the earlier mark, under the provisions of Section 7, and with due regard to the fifth recital, then the application may be accepted and published. Where the concurrent use has not been in respect of all of the goods or services for which the application is sought to be registered, the acceptance will be for those goods or services where there has been honest concurrent use. If there is no opposition to the application for registration either from the owner of the earlier right against which the applicant for registration claims honest concurrent use or any third party, then the application will in due course be registered. However, if opposition is filed then the Registrar must determine whether the grounds for refusal upon which the opposition is based are made out. If the opposition is based upon section 5 then the provisions of the appropriate subsections must be considered. The fact that honest concurrent use has been shown at the examination stage cannot of itself overcome the objection.

If, for example, the trade mark the subject of the application for registration, and the trade mark the subject of the earlier trade mark were identical, and the specification of goods or services of the application was identical to the specification of goods or services covered by the earlier trade mark, then refusal must follow under Section 5(1), which bars absolutely the registration of identical trade marks in respect of identical goods or services (unless the proprietor of the earlier trade mark consents to the registration of the later trade mark). But in relation to section 5(2) the respective trade marks or respective specifications of goods or services may only be similar and the fact that there has been actual use of the trade mark in suit concurrently with the earlier trade mark, may be relevant in determining whether there is a likelihood of confusion.”

41) Therefore, the fact that there has been concurrent use of the trade mark in suit alongside the trade marks on which an opposition is based will not in itself save the application. But it is one of the relevant factors which should be taken into account in determining whether there is, or is not, a likelihood of confusion. Such consideration can, of course, only apply if sufficient information is available to satisfy the tribunal that, as a result of the parallel use that has taken place, the relevant public appears to be able to distinguish between the goods or services of the parties and that confusion is, therefore, unlikely.

42) In this case both parties have provided information of the uses they have made of their trade marks, I need therefore to consider the nature and volume of this parallel use and the bearing it has on whether there is a likelihood of confusion. The opponent's use has been primarily on crisps, tortillas and dips, which are sold throughout the UK. The applicant's evidence of use shows that it has been supplying a range of frozen meals to Tesco under the retailers own brand. Ms McBride states that the applicant has not sold direct to the public and does not provide any evidence of goods sold to the public by anyone under the mark sought to be registered. Indeed she states that almost 100% of the applicant's business is with Tesco.

43) The applicant contends that it has been in business under the mark in suit for six years and that the opponent has not taken any action against them. However, given that the applicant was selling effectively to a single entity and all of its product was labelled under the Tesco label, I am not sure why their activity would have come to the opponent's attention. Similarly, the average consumer would be unaware of the applicant's existence. The applicant also referred to a proposal to restrict its specification to "all for sale to the retailer trade". However, the opponent has shown in its evidence that it also provides goods to retailers under the retailers own brand.

44) Taking account of all of the above when considering the marks globally, I believe that there is a likelihood of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2)(b) therefore succeeds.

45) As this decides the matter I do not intend to go on and consider the other grounds.

46) As the opponent is successful it is entitled to a contribution towards its costs. At the hearing the opponent sought to have costs awarded that were closer to the actual sums involved. However, as I stated at the hearing I do not believe that this is a case where costs above the normal scale are applicable. Whilst the applicant sought to rely upon honest concurrent use and its offer of a limitation to its specification it also contended that the marks were not similar. Taking all of the circumstances in account I order the applicant to pay the opponent the sum of £1,800. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 10<sup>th</sup> day of April 2006**

**George W Salthouse  
For the Registrar,  
the Comptroller-General**