O/0957/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003657146

BY PUNCH M LIMITED

TO REGISTER THE TRADE MARK:

IN CLASS 33

AND IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 428213

BY MONSTER ENERGY COMPANY

BACKGROUND AND PLEADINGS

1. On 17 June 2021, Punch M Limited ("the applicant") applied to register the trade mark shown on the cover page of this decision, in the UK. The application was published for opposition purposes on 13 August 2021 and registration is sought for the following goods:

Class 33 Rum [alcoholic beverage]; Alcoholic fruit beverages; Alcoholic beverages of fruit; Beverages (Alcoholic -), except beer; Alcoholic beverages (except beer); Alcoholic beverages except beers; Alcoholic beverages (except beers);Alcoholic beverages [except beers]; Alcoholic beverages containing fruit; Pre-mixed alcoholic beverages; Alcoholic beverages, except beer; Alcoholic carbonated beverages, except beer; Alcoholic punches; Pre-mixed alcoholic beverages, other than beer-based; Alcoholic cocktails; Alcoholic cocktail mixes.

2. On 15 November 2021, the application was opposed by Monster Energy Company ("the opponent") based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). Under section 5(2)(b) of the Act, the opponent relies upon the following trade marks:[1]

PUNCH MONSTER
UKTM no. 912433141
Filing date 16 December 2013; registration date 29 April 2014
Priority date: 22 November 2013 (USA TM no. 86127407)
Class 32 Non-alcoholic beverages.[2]
("the First Earlier Mark")

[1] The opponent also originally relied upon UKTM no. 914823371, but withdrew reliance upon this mark in its written submissions in lieu.
[2] Although the First, Second and Third Earlier Marks are registered for a range of goods and services, I have listed only those goods upon which the opponent relies for the purposes of this ground of opposition.

UKTM no. 914226765

Filing date 9 June 2015; registration date 12 April 2017

Class 32 Non-alcoholic beverages; beer.

("the Second Earlier Mark")

UKTM no. 3254978

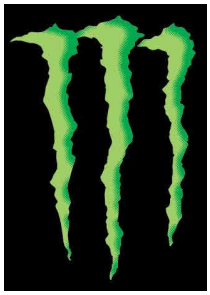
Filing date 6 September 2017; registration date 1 December 2017

Class 33 Alcoholic beverages except beers.

("the Third Earlier Mark")

3. The opponent claims that there is a likelihood of confusion because the marks are similar and the goods are similar.

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

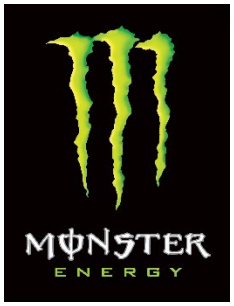


UKTM no. 3350872

Filing date 5 November 2018; registration date 1 March 2019

Priority date: 8 May 2018 (EUTM no. 017896505)

("the Fourth Earlier Mark")



UKTM no. 911154739

Filing date 31 August 2012; registration date 9 January 2013

("the Fifth Earlier Mark)

5. The opponent claims a reputation for the following goods:

Third Earlier Mark

Class 32 Energy drinks, sports drinks, fruit juice drinks, other non-alcoholic beverages.

Fourth Earlier Mark

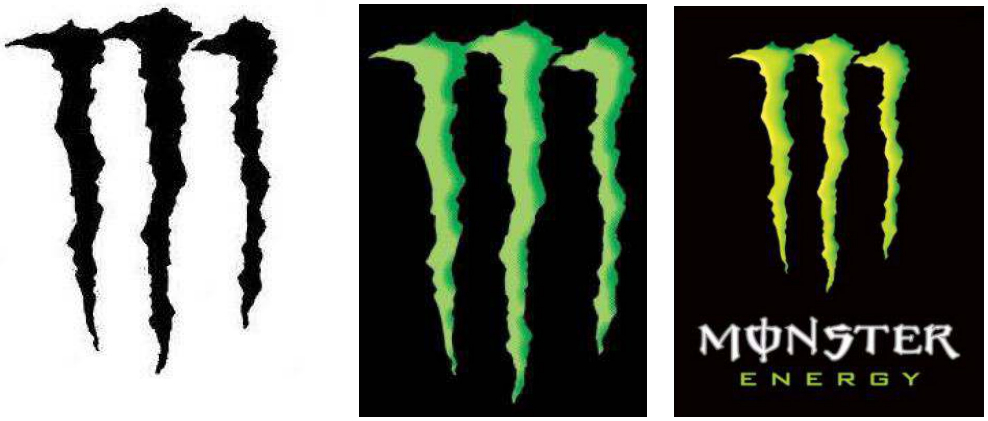
Class 32 Non-alcoholic beverages, namely carbonated and non-carbonated energy drinks, carbonated and non-carbonated sports drinks, and drinks enhanced with vitamins, minerals, nutrients, amino acids and/or herbs.

Fifth Earlier Mark

Class 32 Non-alcoholic beverages.

6. The opponent claims that use of the applicant's mark would, without due cause, take unfair advantage of, and/or be detrimental to, the distinctive character or reputation of the earlier marks.

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



8. The opponent claims that use of the applicant's mark would amount to passing off.

9. The applicant filed a counterstatement denying the claims made and putting the opponent to proof of use of the First and Third Earlier Marks.[3]

10. The applicant is unrepresented and the opponent is represented by Bird & Bird LLP.

11. Only the opponent filed evidence. Neither party requested a hearing, but both filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

[3] The applicant also sought proof of use of UKTM no. 914823371, but as the opponent no longer relies upon this mark, I need address it no further.

EVIDENCE AND SUBMISSIONS

12. The opponent filed evidence in the form of the witness statement of Paul J. Dechary dated 24 August 2022, which is accompanied by 31 exhibits.

13. The opponent filed written submissions in lieu dated 3 February 2023.

14. The applicant filed written submissions in lieu dated 25 April 2023.

RELEVANCE OF EU LAW

15. 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 the trade mark case-law of EU courts.

DECISION

Preliminary Issue

16. I note that the deadline for filing written submissions in lieu in this case was 18 April 2023. The applicant did not file its written submissions in lieu until 25 April 2023 (1 week late). The opponent has, consequently, requested that the written submissions in lieu be disregarded.

17. Given the short time delay in the submissions being filed, I do not consider it appropriate to disregard the submissions entirely. That being said, much of those submissions relate to matters which, in the circumstances, I did not have to decide for the reasons set out below, or relate to the actual activities of the parties, which is not relevant to the notional assessment that I must undertake under section 5(2). Consequently, the admission of the written submissions into proceedings has had no bearing on the outcome of this decision.

Section 5(2)(b)

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

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

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

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

20. The First, Second and Third Earlier Marks qualify as earlier marks pursuant to section 6 of the Act. As the First Earlier Mark was registered more than 5 years before the application date of the mark in issue, it is subject to proof of use pursuant to section 6A of the Act. The Second Earlier Mark had not been registered more than 5 years prior to the application date of the mark in issue and, consequently, the opponent can rely upon it without having to demonstrate use. Although the applicant requested that the opponent provide proof of use of the Third Earlier Mark, as it had not been registered for more than 5 years at the application date of the mark in issue, it is not yet subject to proof of use and, consequently, the opponent can rely upon the full breadth of the specification.

Proof of use

21. Although genuine use of the First Earlier Mark is in issue, I do not consider that the issue of proof of use will be determinative in these proceedings for reasons that will become apparent. Consequently, I will conduct my assessment on the basis that the opponent can rely upon the full breadth of its specification.

Section 5(2)(b) – case law

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

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other

components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;

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

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

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

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

Comparison of goods

23. The competing goods are as follows:

Opponent's goods	Applicant's goods
The First Earlier Mark Class 32 Non-alcoholic beverages. **The Second Earlier Mark** Class 32 Non-alcoholic beverages; beer. **The Third Earlier Mark** Class 33 Alcoholic beverages except beers.	Class 33 Rum [alcoholic beverage]; Alcoholic fruit beverages; Alcoholic beverages of fruit; Beverages (Alcoholic -), except beer; Alcoholic beverages (except beer); Alcoholic beverages except beers; Alcoholic beverages (except beers); Alcoholic beverages [except beers]; Alcoholic beverages containing fruit; Pre-mixed alcoholic beverages; Alcoholic beverages, except beer; Alcoholic carbonated beverages, except beer; Alcoholic punches; Pre-mixed alcoholic beverages, other than beer-based; Alcoholic cocktails; Alcoholic cocktail mixes.

24. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

> "In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary."

25. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and, in particular, whether they are or are likely to be found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance, whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

26. 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 Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM),* Case T-325/06, the General Court 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 that the responsibility for those goods lies with the same undertaking."

27. All of the terms in the applicant's specification fall within the term "alcoholic beverages except beers" in the specification of the Third Earlier Mark. Consequently, they are identical on the principle outlined in *Meric*.[4]

28. In relation to the comparison with the Second Earlier Mark, the opponent directs me to a previous decision of this Tribunal in *Green Isle Trade Mark*, in which the Hearing Officer stated:[5]

> ""Alcoholic beverages, except beer" includes goods such as cider and alcopops. These goods have some similarity in nature with beer, as they are generally reasonably low in alcohol. Like beer, these goods are generally consumed in longer measures, being bought in bottles or cans and, when dispensed from a tap, in pints and half pints. The goods are not produced from the same ingredients but both cider and beer are produced by fermentation. The intoxicating effects of alcoholic beverages and their pleasurable drinking experience are shared across the goods. Users and method of use are the same. There is a competitive relationship between the goods, as the substitution of beer for cider is a reasonable prospect. The goods are not complementary, not being important or essential for one another's use, but there may be proximity in their channels of trade, since beer and cider are likely to be fairly close together in supermarkets and other retail premises, and both with be available in restaurants and bars. There is a high degree of similarity between "alcoholic beverages, except beer" and "beer"."

29. For the same reasons, I agree that there is a high degree of similarity between *Alcoholic fruit beverages; Alcoholic beverages of fruit; Beverages (Alcoholic -), except beer; Alcoholic beverages (except beer); Alcoholic beverages except beers; Alcoholic beverages (except beers); Alcoholic beverages [except beers]; Alcoholic beverages containing fruit; Pre-mixed alcoholic beverages; Alcoholic beverages, except beer; Alcoholic carbonated beverages, except beer; Pre-mixed alcoholic beverages, other*

[4] *Gérard Meric v Office for Harmonisation in the Internal Market,* Case T- 133/05
[5] *BL O/889/21*

than beer-based; in the applicant's specification and the specification of the Second Earlier Mark.

30. However, I do not consider that the same applies to *Rum [alcoholic beverage]; Alcoholic punches; Alcoholic cocktails; Alcoholic cocktail mixes* in the applicant's specification. Although rum, cocktails and beer are all alcoholic beverages which may be drunk by the same users for a pleasurable drinking experience (which may include the intoxicating effects of alcohol), there are differences between them. The production methods are different. Beer is a long drink with lower alcohol content, whilst rum is a short drink with higher alcohol content. Although cocktails may be long drinks, they tend to be of higher alcohol content. In my view, they will be pereceived as relating to different sub-categories of alcoholic beverages. Whilst there will be some overlap in trade channels, with the goods all typically being sold in the alcoholic beverage aisle of supermarkets, they are likely to be in discrete sections of those aisles. In licensed premises, spirits are typically displayed in bottles behind a bar, whilst beer would be on taps at the front of the bar or in fridges. Cocktails are likely to be made to order following selection from a drinks menu. There may be some degree of competition between the goods, but given the differences between them, I do not consider that the competitive choice between beer and rum is commonly made. There is a low degree of similarity between the goods. For the reasons set out below, I do not consider that "non-alcoholic beverages" puts the opponent in any stronger position.

31. All of the terms in the applicant's specification will overlap in nature with "non-alcoholic beverages" in the specification of the First Earlier Mark, to the extent that they are all drinkable liquids. However, they differ in the alcoholic content of one, compared to the absence of alcohol in the other. Although alcoholic drinks may be consumed for refreshment purposes, they are always consumed at least partly for the effect of the alcohol. The purpose of the goods may, therefore, be somewhat similar, but are different in a key respect. The method of use is the same. I do not consider there to be any meaningful competition, because commercial choices are likely to be between different types of alcoholic drinks, rather than an alcoholic drink or a soft drink. I do not consider there to be any complementarity, because although they may be drunk together, the average consumer would not expect the same undertaking to

be responsible for the goods. Consequently, I find the goods to be dissimilar. If I am wrong in this finding, then they will be similar to only a low degree.

The average consumer and the nature of the purchasing act

32. As the above case law 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 (as he then was) 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."

33. The average consumer for the parties' goods will be a member of the general public (over the age of 18, in the case of alcoholic drinks). The cost of the goods is likely to be relatively low, and they are likely to be reasonably frequent purchases. However, factors such as flavour and alcohol content are likely to be considered for at least some of the goods. Consequently, I consider a medium degree of attention is likely to be paid. However, I agree with the opponent that for non-alcoholic beverages, which would include, for example, bottled water, a low degree of attention would be paid.

34. The goods are likely to be self-selected from the shelves of a retail outlet or an online equivalent. They may also be purchased following perusal of the goods at licensed premises (either on taps, on shelves or in fridges behind the bar or, alternatively, on a drinks list). Consequently, visual considerations are likely to dominate the purchasing process. However, I do not discount an aural component to

the purchase of the goods, given that advice may be sought from retail assistants and orders may be placed verbally at a bar or restaurant.

Comparison of trade marks

35. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

> "… it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."

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

37. The respective trade marks are shown below:

Opponent's trade marks	Applicant's trade mark
PUNCH MONSTER (the First Earlier Mark)	

 (the Second Earlier Mark)  (the Third Earlier Mark)	

Overall Impression

38. The applicant's mark consists of the word PUNCH presented in white uppercase font, overlaid on a red letter M. These text elements appear on a slightly diagonal black strip, which is itself presented on a rough-edged yellow circle. The overall impression of the mark lies in the combination of these elements, with the text elements playing a greater role. I bear in mind that the word PUNCH will not be distinctive for most of the applicant's goods, because it will be seen to indicate the type of beverage or, perhaps, that they are flavoured like punch. In my experience, spirits are typically a key ingredient in punch, and rum is very often used as a base. Consequently, I consider the word PUNCH to be of low distinctiveness for *rum [alcoholic beverage]* (at best).

39. The First Earlier Mark consists of the words PUNCH MONSTER. The word PUNCH is, even when used on non-alcoholic beverages, in my view, likely to be seen as indicating a non-alcoholic version of a PUNCH drink or a drink flavoured in the

same way as punch. Consequently, I consider the word MONSTER to be the distinctive element of the mark. Alternatively, I recognise that the words PUNCH MONSTER may be viewed as a unit referring to a person with an enormous appetite for punch (in the same way as, for example, cookie monster, cake monster etc.). If that is the case, then the distinctiveness of the mark lies in the combination of these elements as a whole.

40. The Second Earlier Mark consists of a device which consists of three vertical lines and at the top of each line is another, which sits at a right angle to the vertical line. Each line is jagged in its appearance and tapers off to a point at the bottom. The device is presented in grey above the word PUNCH, which is itself presented above the word MONSTER, which is presented above the words PUNCH + ENERGY. The + sign is presented on a boxing glove device. These words are all presented in stylised fonts. The overall impression of the mark lies in the combination of these elements. For the same reasons set out above, the word PUNCH will be non-distinctive. Although less likely given the presentation of the words on top of each other in this mark, the words PUNCH MONSTER maybe seen as a unit for the same reasons set out above. Even if that is the case, the distinctiveness will lie in the combination of these words (not the word PUNCH solus).

41. The Third Earlier Mark consists of the same device as in the Second Earlier Mark, this time presented in black. There are no other elements to contribute to the overall impression of the mark, which lies in the device itself.

Visual Comparison

The First Earlier Mark and the applicant's mark

42. Visually, the marks overlap in the presence of the word PUNCH. The first letter of the second word in the opponent's mark – M – also appears in the applicant's mark. However, the arrangement, background devices and use of colour are points of difference. In my view, this results in only between a low and medium degree of similarity.

The Second Earlier Mark and the applicant's mark

43. Visually, the marks coincide in the presence of the word PUNCH. Again, the first letter of the second word in the opponent's mark appears in the applicant's mark. However, the device elements, the use of colour in the applicant's mark, the arrangement, and the additional words PUNCH + ENERGY in the Second Earlier Mark are all points of visual difference. In my view, there is only a very low degree of visual similarity between the marks.

The Third Earlier Mark and the applicant's mark

44. Visually, the only point of similarity is that the device in the Third Earlier Mark may be said to resemble a letter M and there is a letter M in the applicant's mark. However, in my view, when taken as a whole, the marks are visually dissimilar. If I am wrong in that finding, they are similar to only a very low degree.

Aural Comparison

The First Earlier Mark and the applicant's mark

45. The applicant's mark is likely to be articulated PUNCH-EM or EM-PUNCH. The words PUNCH and MONSTER in the First Earlier Mark will be given their ordinary English pronunciation. The word PUNCH will be pronounced identically in both marks. In my view, there is a medium degree of aural similarity.

The Second Earlier Mark and the applicant's mark

46. In my view, the words PUNCH + ENERGY in the Second Earlier Mark are unlikely to be articulated due to their size. The device will also not be articulated. Consequently, it will be pronounced in the same way as the First Earlier Mark and it is similar to the applicant's mark to a medium degree. If I am wrong in that finding, then the marks will be similar to between a low and medium degree.

The Third Earlier Mark and the applicant's mark

47. I do not consider that the Third Earlier Mark will be articulated, because it is likely to be viewed as a device (probably of a claw mark). Consequently, the marks are aurally dissimilar. If I am wrong in this finding and there are some consumers that would view the Third Earlier Mark as a letter M, then the marks will be aurally similar to between a medium and high degree.

Conceptual Comparison

The First Earlier Mark and the applicant's mark

48. The marks will overlap conceptually in that they both reference PUNCH, albeit the similarity is non-distinctive or lowly distinctive. The addition of the word MONSTER in the First Earlier Mark acts as a point of conceptual difference.

The Second Earlier Mark and the applicant's mark

49. The same will apply to the comparison with the Second Earlier Mark.

The Third Earlier Mark and the applicant's mark

50. If any message is conveyed by the Third Earlier Mark, it will be that of a claw mark. Consequently, I consider the marks to be conceptually dissimilar. However, even if the Third Earlier Mark is viewed as a letter M, I do not consider that any real message will be conveyed by that letter alone, so the conceptual position with regard to the common letter 'M' is neutral. The word PUNCH will be a point of conceptual difference, albeit a non-distinctive or lowly distinctive one.

The distinctive character of the earlier marks

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

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

52. 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 distinctive character of a mark can be enhanced by virtue of the use that has been made of it.

53. I will begin by assessing the inherent distinctive character of the earlier marks. The First Earlier Mark consists of the words PUNCH MONSTER. As noted above, PUNCH is non-distinctive or lowly distinctive for the goods in issue. The word MONSTER is an ordinary dictionary word, which has no connection to the goods. Consequently, I consider the First Earlier Mark to be inherently distinctive to a medium (or average) degree. The Second Earlier Mark consists of the same words, albeit in a slightly stylised font. The addition of the words PUNCH + ENERGY do not contribute to the

distinctiveness of the mark, in my view. However, the device does. Consequently, I consider the Second Earlier Mark to be inherently distinctive to between a medium and high degree. The Third Earlier Mark consists of a device, most likely to be seen as a claw mark. Consequently, I consider it to be inherently distinctive to a medium (or average) degree.

54. I now turn to consider the enhanced distinctiveness of the earlier marks in the UK. In this regard, I note the following from the opponent's evidence:

a) The opponent started selling MONSTER energy drinks in the UK in 2008.

b) The claw device has appeared on the opponent's energy drinks in the UK since January 2008.

c) The opponent's MONSTER energy drink sales to distributors in the UK, all of which bore a form of the claw device, are as follows:

2012	€79.9million
2013	€96.3million
2014	€95.9million
2015	€119.6milion
2016	€124.4million
2017	€153million
2018	€183million
2019	€189million
2020	€235.6million
2021	€325million

Clearly, retail sales would be higher.

d) In 2019 alone, almost 297million cans of MONSTER energy drink were sold (all of which bore one of the claw device marks).

e) A series of invoices demonstrate sales of goods described as MONSTER PUNCH.[6] These are dated between 24 August 2016 and 1 March 2021. These demonstrate sales of MONSTER PUNCH goods to UK customers amounting to over 40,000 units. I acknowledge that this is not the same presentation as the First Earlier Mark which consists of the words PUNCH MONSTER (not MONSTER PUNCH).

f) In the UK, the opponent has spent more than $700million on sales and marketing activities for the MONSTER brand in the UK between 2011 and 2021.

g) By the end of 2021, the opponent had a 28.9% market share for energy drinks in the UK.[7]

h) The opponent has engaged in advertising through various sporting events, including in association with the English Premier League.

i) The opponent has sponsored well known sports people such as Michael Schumacher, Lewis Hamilton and Conor McGregor.

55. I am satisfied that the Third Earlier Mark has been enhanced through use to a high degree in relation to energy drinks. In relation to the First and Second Earlier Marks, I consider that they have also been enhanced through use to a high degree in relation to energy drinks, to the extent that they both contain the word MONSTER and/or the claw device. However, I do not consider that the evidence demonstrates enhanced distinctiveness for the word PUNCH solus. This is important, as it is the distinctiveness of the common element which is key.[8] I also do not consider that the evidence suggests enhanced distinctiveness for goods beyond energy drinks.

[6] Exhibit PJD-2
[7] Exhibit PJD-4
[8] *Kurt Geiger v A-List Corporate Limited,* BL O-075-13

Likelihood of confusion

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

57. I have found the average consumer to be a member of the general public (who is over the age of 18, in relation to alcoholic drinks). I have found that either a medium or low degree of attention will be paid during the purchasing process, depending upon the goods, and that the purchasing process will be predominantly visual (although I do not discount an aural component).

58. In relation to the First Earlier Mark and the application, I have found as follows:

a) My primary finding is that the goods are dissimilar. Consequently, there can be no likelihood of confusion.[9] However, in case I am wrong in that finding, I will carry out my assessment on the basis that there is a low degree of similarity between the goods.

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

b) The marks are visually similar to between a low and medium degree and aurally similar to a medium degree.

c) There will be some conceptual overlap by virtue of the word PUNCH, albeit non-distinctive or lowly distinctive.

d) The First Earlier Mark is inherently distinctive to a medium (or average) degree, which has been enhanced through use to a high degree for energy drinks to the extent that it contains the word MONSTER. However, I do not consider that the evidence demonstrates enhanced distinctiveness for the word PUNCH solus.

59. In relation to the Second Earlier Mark and the application, I have found as follows:

a) The goods vary from being similar to a low degree to similar to a high degree.

b) The marks are visually similar to a very low degree.

c) The marks are aurally similar to a medium degree or to between a low and medium degree, depending upon how the Second Earlier Mark is articulated.

d) There will be some conceptual overlap by virtue of the word PUNCH, albeit non-distinctive or lowly distinctive.

e) The Second Earlier Mark is inherently distinctive to between a medium and high degree, which has been enhanced through use to a high degree for energy drinks to the extent that it contains the word MONSTER and the claw device mark. However, I do not consider that the evidence demonstrates enhanced distinctiveness for the word PUNCH solus.

60. In relation to the Third Earlier Mark and the application, I have found as follows:

a) The goods are identical.

b) Visually, the marks are dissimilar. However, if I am wrong in this finding, then they are similar to only a very low degree.

c) Aurally, the marks are dissimilar or similar to between a medium and high degree, depending upon how the Third Earlier Mark is interpreted.

d) The marks are conceptually dissimilar. However, if the Third Earlier Mark is interpreted as a letter M, the conceptual position is neutral in relation to the common letter M. The word PUNCH in the applicant's mark will be a point of conceptual difference, albeit a non-distinctive or lowly distinctive one.

e) The Third Earlier Mark is inherently distinctive to a medium (or average) degree which has been enhanced through use to a high degree for energy drinks.

Direct Confusion

61. Bearing in mind the visual differences between the marks, and the fact that the purchasing process is predominantly visual, I do not consider it likely that any of the marks will be mistakenly recalled or misremembered as each other. I bear in mind that the Third Earlier Mark may be interpreted as a letter M and that this may result in a higher level of aural similarity. However, even when the marks are, for example, ordered at a bar/restaurant verbally, they will still be encountered visually prior to purchase (such as on product packaging or a menu). In my view, there is no likelihood of direct confusion, even when used on identical goods.

Indirect Confusion

62. If the differences between the marks are identified, I can see no reason why the average consumer would conclude that the marks originate from the same or economically linked undertakings. The common element between the applicant's mark and the First Earlier Mark is the word PUNCH, which is non-distinctive or of only low distinctiveness. Further, even though the application also features the letter M, which is the first letter of the second word in the First Earlier Mark, I can see no reason for the average consumer to conclude that this would be a logical brand extension/variant.

When adding to this the distance between the goods, there is clearly no likelihood of indirect confusion, in my view.

63. In relation to the Third Earlier Mark, even for those average consumers who perceive the claw device as the letter M (which is the opponent's best case), given the difference in stylisation in both marks i.e. the presentation as a claw device in the opponent's mark and the different font in the applicant's mark, I can see no reason why the average consumer would conclude that the goods originate from the same or economically linked undertakings, notwithstanding the identity of the goods and the enhanced distinctiveness of the earlier mark. There is no likelihood of indirect confusion.

64. The same principles apply to the Second Earlier Mark. The common word PUNCH is non-distinctive or of only low distinctiveness and the claw device is so different in its presentation to the applicant's mark that, even if the letter M is identified in both, they are sufficiently different that the average consumer would have no reason to conclude that they originate from the same or economically linked undertakings.

65. The opposition based upon section 5(2)(b) fails.

Section 5(3)

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

> "5(3) A trade mark which -
>
> > (a) is identical with or similar to an earlier trade mark, […] shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark."

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

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

68. I can deal with this ground relatively swiftly. The opponent relies upon the Third, Fourth and Fifth Earlier Marks for the purpose of this ground, which are all variants of the claw device (and in the case of the Fifth Earlier Mark, the words MONSTER ENERGY in a stylised font). Undoubtedly, the opponent has a strong reputation for energy drinks in the UK, taking into account the evidence summarised above. However, bearing in mind the distance between the goods for which the opponent has a reputation and the goods for which the applicant seeks protection, as well as the clear visual differences between the marks, I can see no reason why the average consumer would make a link between them, notwithstanding the strength of the opponent's reputation.

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

Section 5(4)(a)

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

> "5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -
>
> a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,
>
> aa)…
>
> b) …

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

71. Subsection (4A) of section 5 of the Act states:

"(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application."

72. Again, I can deal with this ground relatively swiftly. Undoubtedly, the opponent has goodwill for energy drinks, and the signs relied upon are distinctive of that goodwill. I also bear in mind that two of the signs relied upon under this ground are different to those relied upon under the opponent's section 5(2)(b) ground. However, the opponent faces the same difficulty i.e. the signs are clearly visually very different to the applicant's mark for the same reasons as set out in relation to the other marks relied upon in these proceedings. These visual differences, in circumstances where the purchasing process for the goods would be predominantly visual, combined with the distance between the goods for which the opponent has goodwill (energy drinks) and those for which the applicant seeks protection, result in there being no likelihood of misrepresentation or damage.

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

CONCLUSION

74. The opposition is unsuccessful, and the application may proceed to registration.

COSTS

75. The applicant has been successful and is entitled to a contribution towards its costs. As the applicant is unrepresented, it filed a costs proforma outlining the time spent on the proceedings. The following claims are made:

Considering Notice of Opposition	6 hours
Notice of defence	6 hours
Preparing evidence	1 hour
Written submissions	6 hours
Reading opposition and reading up on case law	3 hours
Written submissions	10 hours
Reading up on case law	10 hours

76. I note that the applicant has claimed for written submissions twice, in differing amounts. Whilst I acknowledge that some time would have been spent in considering the opponent's case, I consider the total amount claimed to be excessive. Further, I note that there are two separate claims for "reading up on case law". The applicant has also claimed 1 hour for preparing evidence, even though none was filed. It seems likely to me that this was intended to relate to the consideration of the opponent's evidence. In my view, the following amounts are reasonable:

• Considering the Notice of opposition (to include reading up on case law)	6 hours
• Preparing the Counterstatement	2 hours
• Considering the opponent's evidence	1 hour
• Written submissions (including considering case law)	10 hours
Total	**19 hours**

77. In relation to the hours expended, I note that The Litigants in Person (Costs and Expenses) Act 1975 (as amended) sets the minimum level of compensation for litigants in person in Court proceedings at £19.00 an hour. I see no reason to award

anything other than this. I therefore order the applicant the sum of £361 (19 hours at £19 per hour).

78. I hereby order Monster Energy Company to pay Punch M Limited the sum of £361. This sum should 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 9th day of October 2023

S WILSON
For the Registrar