

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION No 2025981 OF
KRAFT JACOBS SUCHARD LTD**

AND

**AN APPLICATION UNDER No 9448 FOR IT
TO BE DECLARED INVALID BY
NESTLÉ UK LTD**

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5 **IN THE MATTER OF Application No 2025981
of Kraft Jacobs Suchard Ltd**

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15 **BACKGROUND**

Trade Mark registration No 2025981 in respect of the trade mark COFFEE HOUSE
AROMA, stands on the Trade Marks Register in the name of Kraft Jacobs Suchard Ltd and is
20 in respect of a specification of goods in Class 30 as follows:-

Coffee; mixtures of coffee and chicory, coffee essence and coffee extracts; chicory and
chicory mixtures, all for use as substitutes for coffee, cappuccino.

25 On 11 February 1997 Nestlé UK Ltd made an application under Section 47(1) of the Trade
Marks Act 1994 to have the trade mark registration declared invalid. The grounds of the
application are, in summary:

30 (i) **under Section 3(1)(a)** in that the trade mark is not a sign capable of
distinguishing the goods of the registered proprietors from those of other
undertakings;

(ii) **under the provisions of Section 3(1)(b)** because the trade mark is devoid of
any distinctive character;

35 (iii) **under the provisions of Section 3(1)(c)** because the trade mark serves in the
trade to designate a kind quality or intended purposes of the goods specified in
the registration.

40 The registered proprietors deny all three grounds. Both sides seek an award of costs.

The matter came to be heard on 8 December 1999 when the registered proprietors were
represented by Ms Denise McFarland of Counsel, instructed by their trade mark attorneys
Boult Wade Tennant. The applicants were represented by Ms Emma Himsworth of Counsel
45 instructed by Ms Sara Dixon, Legal Adviser to Nestlé UK.

Applicants' Evidence

This consists of a Statutory Declaration by Sara Dixon dated 16 June 1997. Sara Dixon states that she is a registered trade mark agent and is employed by Nestlé UK Ltd as a legal adviser,
5 a position she has held for over five years. In that connection she is authorised to make the statutory declaration and the facts and matters declared are from her own knowledge or from other sources which she identifies.

Sara Dixon states that the registered proprietor does not use the words the subject of the trade
10 mark in suit in such a way that they could serve to distinguish its goods from those of other undertakings. In that connection she exhibits at SD1 a video tape of television advertisements. These advertisements are for the registered proprietor's Kenco Coffee and use terms such as "Kenco capture the coffee house aroma", "Kenco's new coffee house aroma" and "with its new coffee house aroma, Kenco tastes as good as it smells". Sara Dixon believes that these
15 advertisements demonstrate that the registered trade mark is incapable of distinguishing the registered proprietor's goods, and also that the registered proprietor itself is making no attempt to use the term as a trade mark.

In support of the allegation that the trade mark in suit is devoid of any distinctive character,
20 and consists of words which may serve in the trade to designate the kind or quality of the goods in question, Sara Dixon exhibits at SD2 a photocopy of a label for a variety of the registered proprietor's coffee. This label shows the term "COFFEE HOUSE AROMA" running vertically either side of the front of the label together with the following statement on the label "the Kenco Coffee Company brings you a superior blend of African, Central and
25 South American beans, expertly roasted to capture the distinctive Kenco Coffee House taste and aroma". She believes that this statement clearly demonstrates that the ordinary dictionary words "COFFEE HOUSE AROMA" are so completely descriptive in the context of the sale of coffee that they must in the absence of evidence to the contrary be considered as devoid of distinctive character.

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Registered proprietors' evidence

This consists of a Statutory Declaration dated 19 November 1999 by Mr Nicholas Boyd
35 Shepherd. Because of some errors this declaration was re-sworn on the date given; the earlier declaration was sworn on 29 October 1997.

Mr Shepherd is the General Manager for coffee and food products at Kraft Jacobs Suchard
40 Ltd and in that capacity he makes the declaration. He has been associated with the food industry for 13 years and with the present company for seven years.

The registered proprietor, Mr Shepherd says, first used the trade mark COFFEE HOUSE
AROMA on 20 March 1995 in a television advertisement and he attaches a story board of the
advertisement as Exhibit NBS1. First of all the trade mark was adopted as a theme for a series
of advertisements and subsequently was adopted as part of the badging of its coffee products.
45 It was first introduced on instant coffee packs in February 1996 and this was followed by television advertising for Kenco instant coffee which focussed specifically on a theme which was described as "Coffee House Aroma - Aromatherapy". At Exhibit NBS2 is one of the

labels for Kenco coffee used at that time. This has the statement referred to in the applicants evidence ie "The Kenco Coffee Company brings you a superior blend of African, Central and South American beans, expertly roasted to capture the distinctive Kenco Coffee House taste and aroma". Since then, says Mr Shepherd, the design of the pack has changed and the trade mark COFFEE HOUSE AROMA is used on the pillars of the coffee jar label. Such a label is exhibited at NBS3. Other labels, for Kenco coffee, which includes the term COFFEE HOUSE AROMA are also exhibited at NBS4. In fact, states Mr Shepherd, all of his company's coffee products (with the exception of one which is sold under the name <ORIGINS') all use the trade mark COFFEE HOUSE AROMA.

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At NBS5, Mr Shepherd exhibits details of the company's sales of coffee products which show that in excess of £45 million worth of goods have been sold by the registered proprietor. All the products bore the trade mark in suit.

15 Mr Shepherd goes on to state that, in his view, the trade mark COFFEE HOUSE AROMA is not directly descriptive of his company's products; it forms an important part of the badging when used in combination with other registered trade marks. In that connection, Mr Shepherd mentions other trade mark registrations which his company owns. He also states that his company has expended large sums of money on advertising (in excess of £4 million in 1996, in respect of coffee products which bear the trade mark COFFEE HOUSE AROMA). At Exhibit NBS6 is exhibited a list of publications where press advertisements have been placed. Examples of promotion are also given. These include point of sale material at NBS7 on which the statement "Kenco's new coffee house aroma, can you smell the difference" is set out.

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25 The second Statutory Declaration is by Tony Di Angeli OBE. He also filed a statutory declaration dated 18 November 1999. Mr Di Angeli is a former editor of "The Grocer" magazine, a position he held from 1971 to 1976. He has also held a number of positions in the food industry and broadcasts on food related issues.

30 Mr Di Angeli states that he is familiar with the brands and trade marks that people use in the drinks industry. He recognises the words COFFEE HOUSE AROMA as a trade mark of the Kenco Coffee Company Ltd and is aware that this trade mark has been used by them in the United Kingdom since 1995 in respect of coffee. He is not aware of anybody else using the words COFFEE HOUSE AROMA or anything similar in relation to coffee or coffee beverages.

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That concludes my review of the evidence.

DECISION

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The applicants' grounds of objection are all based under Section 3(1), the relevant parts of which read as follows:

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- "3.- (1) The following shall not be registered -
- (a) signs which do not satisfy the requirements of section 1(1),

- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d)

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

Section 3(1) has to be read in conjunction with Section 1(1) which in turn reads:

“1.- (1) In this Act a “trade mark” means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings.

A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging.”

Ms McFarland did not argue that I could not re-consider a decision by the Trade Marks Registry to accept for registration an application for registration but in her submission a Hearing Officer should be slow to overturn the Trade Mark Examiner’s decision to accept an application. In my view Ms McFarland was right to make that submission. In the absence of evidence that the decision to accept the application was wrong, I think that a Hearing Officer should be slow to overturn a decision to accept an application for registration by the Trade Marks Registry. It should be done only when the reasons for doing so are clearly compelling or when additional evidence forwarded by parties to the proceedings indicates that the Trade Mark Examiner’s or the ex parte Hearing Officer’s decision was wrong and that a valid objection on absolute grounds was present. With this in mind, I go on to consider the applicants’ grounds of objection under Section 3(1).

There have been several recent decisions of the courts at both national and European level considering the extent and scope of the provisions contained in Section 3(1). Miss Himsworth referred to the recent decision of Mr Geoffrey Hobbs Q.C. sitting as the Appointed Person in *Maasland NV Trade Mark* (SRIS No 397/99) where Mr Hobbs reviewed the current state of the case law in relation to Section 3(1).

I will consider first the objection under Section 3(1)(a). This requires a consideration as to whether the registered trade mark COFFEE HOUSE AROMA was capable, at the date of application, of distinguishing the goods or services of one undertaking from those of other undertakings.

As noted by Morritt LJ in *Bach Flower Remedies Ltd v Healing Herbs Ltd* (CA unreported 21 October 1999), the proviso in Section 3(1) by which a trade mark shall not be refused registration if it has acquired a distinctive character before the date of application does not apply to Section 3(1)(a). Equally, the proviso in Section 47(1) whereby a trade mark shall not be declared invalid if it has acquired a distinctive character for the goods or services for which it is registered, because of the use made of it after registration does not apply to Section 3(1)(a).

It was Miss Himsworth's submission that the registered trade mark was incapable of fulfilling the requirements of Section 3(1)(a). She argued that the applicants' evidence showed that COFFEE HOUSE AROMA was not being used as a badge of origin, the primary function of a trade mark, but instead was being used in a descriptive manner to describe a smell and particular characteristic of the product. Referring to the decision of the Appointed Person in *Maasland*, Miss Himsworth submitted that to pass the test under Section 3(1)(a) the trade mark must act as a badge of origin to the relevant class of people, in this case, the average consumer. She argued that the average consumer should be regarded as "reasonably well-informed and reasonably observant and circumspect". There was, in Miss Himsworth's view, no evidence that the trade mark was regarded as a badge of origin by the average consumer. I do not accept Miss Himsworth submission on this last point. Whilst there is no evidence that the average consumer regards COFFEE HOUSE AROMA as a badge of origin it could equally be said that there is no evidence to the contrary. The question is a jury question which falls to be determined by the Hearing Officer in each case. However, I accept that in addressing the question I should adopt the stance of the average consumer and assume all his/her various attributes.

Ms McFarland submitted that no other trader was using this expression. However, even if I accept that fact, I do not find it to be of much assistance. I take note of the comments of Aldous LJ in *Philips Electronics NV v Remington Consumer Products Ltd* [1999] ETMR 816, where, noting that the proviso as to subsequent use did not apply to Section 3(1)(a), he stated:

"That suggests that the capability of distinguishing depends upon the features of the trade mark itself, not on the result of its use. Thus a person who has had monopoly use of a trade mark for many years may be able to establish that it does in fact denote his goods exclusively, but that does not mean that it has a feature which will distinguish his goods from those of a rival who comes into the market. The more the trade mark describes the goods, whether it consists of a word or shape, the less likely it will be capable of distinguishing those goods from similar goods of another trader. An example of a trade mark which is capable of distinguishing is WELDMESH, whereas WELDED MESH would not be. The former, despite its primary descriptive meaning, has sufficient capricious alteration to enable it to acquire a secondary meaning, thereby demonstrating that it is capable of distinguishing. The latter has no such alteration. Whatever the extent of the use, whether or not it be monopoly use and whether or not there is evidence that the trade and public associate it with one person, it retains its primary meaning, namely mesh that is welded. It does not have any feature which renders it capable of distinguishing one trader's welded mesh from other traders' welded mesh."

As stated above, it was Miss Himsworth's submission that the phrase COFFEE HOUSE AROMA is a descriptive phrase of a smell and characteristic of the product. Her argument was that it was entirely descriptive and, referring to the Trade Marks Registry's Work Manual, compared it to LEMON for lemon scented soap. However, applying the test identified above
5 by Aldous LJ, I do not accept this argument. Although each of the words is a standard word in the English language, in my view, the combination of words COFFEE HOUSE AROMA has enough of a "capricious alteration" to render it capable of distinguishing, it can function as a badge of origin and is a trade mark. Therefore, I dismiss the ground of invalidity under Section 3(1)(a).

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Of course the fact that I have found that the trade mark is capable of distinguishing does not mean that it is not devoid of distinctive character under Section 3(1)(b) or that it does not consist exclusively of signs specified in Section 3(1)(c).

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Whilst the proviso to section 3(1) can be taken into account when considering the grounds of objection under Section 3(1)(b) & (c) it was common ground between the parties that there was no use or very minimal use of the trade mark before the date of application. In addition, it was Ms McFarland's primary submission that use after the date of the application was not being relied upon by the registered proprietor. She invited me to address the questions under
20 Section 3(1)(b) & 3(1)(c) as at the date of application. I think that she was right to make that submission. It seems to me that the evidence of use submitted by the registered proprietor, including the evidence of the television advertisements shows use of the phrase COFFEE HOUSE AROMA in a descriptive way. Thus, in my view, the registered proprietor would not have been in any better position had they sought to rely on the proviso in Section 47(1).

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The applicants say that the mark is devoid of any distinctive character which is the language of sub-section (b) of Section 3(1). Again I refer to the judgment of Aldous LJ in the *Philips Case*, where he commented in relation to the application of Section 3(1)(b):

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"The scheme of the Directive and Act appears to require that signs which are not capable of distinguishing are excluded for registration at the initial stage. Those which are capable of distinguishing will be excluded unless they have or have acquired some distinctive character. An example is the trade mark WELDMESH to which I have referred. It is capable of distinguishing, but without use would retain its primary
35 meaning of, welded mesh. It would therefore be devoid of any character that was distinctive. However, use could provide a secondary meaning, namely that the welded mesh to which the trade mark was applied came from a particular trader. Upon that being established it would become registerable as it would pass the dual test laid down by Section (Article) 3(1)(a) and (b).

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The requirement under section (Article) 3(1)(b) is that the mark must have a distinctive character to be registerable. Thus, it must have a character which enables it to be distinctive of one trader's goods in the sense that it has a meaning denoting the origin
45 of the goods."

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Having considered the evidence filed it seems to me that the term COFFEE HOUSE AROMA is one which is apt for use to describe, for example, a type of coffee with a particularly rich

smell. It is in effect little more than a term which describes a characteristic of the goods. Indeed, although Ms McFarland was not relying upon her clients evidence, it seems to me that the registered proprietors were using the term in that precise way in their television advertisements and in some of their use of the term on their labels. Even though the terms
5 café, coffee bar may have taken over the descriptive name for places which sell coffee for consumption on the premises, the term Coffee House is not so archaic as to render it fanciful. Most people would see it and regard it as just another name, somewhat old fashioned, for a café. Thus, I have no hesitation in reaching the view that at the date of the application for registration the term COFFEE HOUSE AROMA was descriptive of a characteristic of all of
10 the goods covered by the specification namely that each of them were of a nature that they produced a rich smell that one might associate with a Coffee House. The applicants for the declaration of invalidity therefore succeed on this ground.

In the light of my finding under Section 3(1)(b) there is no need to go on to consider the
15 ground of objection under Section 3(1)(c). However, for all the reasons outlined above and in particular my finding that the trade mark is descriptive of a characteristic of the goods for which it is registered, it seems to me that the trade mark should be declared invalid under Section 3(1)(c). The trade mark consists exclusively of signs or indications which may serve in trade to designate the kind of goods and should be left free for all traders in this field to use.
20 The trade mark registration number 2025981 is therefore invalid and under the provisions of Section 47(6) the registration shall be deemed never to have been made.

As the applicants have been successful, they are entitled to a contribution towards their costs. I direct that the registered proprietors pay the applicants the sum of £850-00. This sum to be
25 paid within one month of the expiry of the appeal period or within one month of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 21 day of March 2000

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35 **M Knight**
for the Registrar
The Comptroller General