

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 3052394
IN THE NAME OF MARIAGE FRÈRES SA**

**AND IN THE MATTER OF OPPOSITION No. 403135 THERETO
BY TWG TEA COMPANY PTE LTD**

**AND IN THE MATTER OF AN APPEAL TO THE APPOINTED PERSON
BY THE OPPONENT
AGAINST A DECISION OF MR M BRYANT
DATED 6 SEPTEMBER 2018**

DECISION

Introduction

1. This is an appeal against a decision of Mr Mark Bryant, for the Registrar, dated 6 September 2018, BL O/556/18, in which he dismissed in large part an opposition brought by TWG Tea Company Pte Ltd, Singapore (“the Opponent”) against Application number 3052394 standing in the name of Mariage Frères, SA, France (“the Applicant”).
2. Application 3052394 was filed on 22 April 2014, claimed French priority from 23 October 2013 and sought registration of the designation SAKURA SAKURA! for use as a trade mark in the UK in relation to the following goods (amended 25 September 2018):

Class 29

Jellies ; jams ; compotes ; preserved, dried and cooked fruits

Class 30

Tea and tea-based beverages; non medicinal infusions; dried plants and flavourings, other than essential oils, and mixtures of the aforesaid goods (including with seeds), for preparing non-medicinal beverages; all being made or flavoured with, or containing cherry blossom; cocoa; chocolate; pastry, biscuits and confectionery; edible ices; salt, mustard; spices; seasonings, condiments; seeds other than essential oils, and mixtures of the aforesaid goods, for preparing non-medicinal beverages

3. Application number 3052394 was published in the Trade Marks Journal on 25 July 2014. On 27 October 2014, the Opponent filed Notice of opposition and statement of grounds against the Application.

4. The grounds of opposition were under Section 3(1)(b), (c) and (d) (mark non-distinctive, descriptive, generic), Section 3(3)(b) (mark deceptive), Section 3(6) (mark applied for in bad faith) and Section 5(4)(a) (use of mark liable to be prevented by the law of passing off) of the Trade Marks Act 1994.
5. The Applicant took issue with the grounds of opposition in a Notice of defence and counterstatement filed on 23 December 2014. Both sides filed evidence and the opposition came to be heard by Mr Bryant on 11 July 2018. At that hearing, the Opponent was represented by Mr Ian Bartlett of Beck Greener. The Applicant was represented by Mr Thomas St Quintin of Counsel instructed by Potter Clarkson LLP. The same representation was continued on appeal.

Section 3(1)(b), (c) and (d) and Section 3(3)(b)

6. There was no appeal against the Hearing Officer's dismissal of the grounds of opposition under Section 3(6) and Section 5(4)(a).
7. Instead, the Opponent's appeal was directed at the Hearing Officer's determination of its grounds of opposition under Section 3(1)(b), (c) and (d) and Section 3(3)(b).
8. It is convenient at this stage to set out the provisions of Section 3 insofar as they remain relevant:

“3. - (1) The following shall not be registered -

[-]

(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) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade ...

[-]

(3) A trade mark shall not be registered if it is-

[-]

(b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service) ...”

9. The Hearing Officer recorded in his decision the evidence that he considered pertinent to his assessments of these grounds (without footnotes):

“13) The opponent supports its claim by producing the following evidence:

- Mr Bouqdib entered the tea business in 1993 and he has always understood the term “sakura tea” to mean cherry blossom tea;
- Many tea companies, including the applicant, sell sakura teas and the applicant’s own staff use it “as a reference to the cherry blossoms which the teas contained and with which they were flavoured”;
- Mr Bartlett visited the applicant’s concession in Selfridges on 27 February 2015. He enquired about the availability of “sakura tea” and was told that only one was currently in stock. Without prompting, the sales assistant explained that the product was blended with Chinese tea and sakura from Japan;
- During his time working for the applicant, Mr Bouqdib asserts that it never used the word “sakura” for tea that did not contain cherry blossom and recent examples of tea originating from the applicant, where “sakura” appears in the name, are all flavoured with cherry blossom;
- Fifteen different third parties offering teas on the internet described by reference to the word “sakura” and priced in pounds sterling are provided. Most refer to the teas including cherry blossom, one referring merely to a cherry flavour and one makes no reference to cherries or cherry blossom. Many are not dated but all were printed within a year of the relevant date. Examples of these include:
 - o “No 43 Sencha Sakura Cherry Tea” available from the website www.charwallatea.co.uk.
 - o “Nepalese Sakura Tea” available through the website www.greysteas.co.uk. The extract is undated, but included customer reviews from September 2013 to August 2014;
 - o “Sencha Sakura (Cherry Blossom) tea available through the website www.waterlootea.com”. The extract is undated but printed on 25 February 2014;
 - o The website www.theteahouseltd.com selling a tea called “Sakura Sencha Wild Cherry”.
 - o The website www.thegildedteapot.com selling “Sencha Sakura” green tea “scented with cherry and rose petals”;
 - o www.charteas.com also selling Sencha Sakura tea; o “Sencha Sakura Cherry” tea sold on www.discountbrew.co.uk. The website carries a copyright notice with a 2014 date;

14) In addition to the opponent’s evidence, I also note that the word “sakura” appears in the online Oxford Dictionaries website where it is defined as;

“1 (especially in Japan) a flowering cherry tree. ‘many schools plant sakura on their grounds’ [as modifier] ‘sakura trees are blossoming all over the country’

1.1 [mass noun] Cherry blossom. ‘when the sakura is at its peak, businesses vary their trading hours to give staff the time to enjoy hanami’ ...”

10. The Hearing Officer further noted that it appeared that both parties used the word “Sakura” only in respect of tea made or flavoured with cherry blossom (para. 15).
11. I did not understand the parties to challenge the Hearing Officer’s description of the evidence relevant to these grounds although the Opponent complained that the Hearing Officer failed to take into account the Opponent’s evidence concerning the use or appropriateness for use by other traders of the word “sakura” for the goods applied for other than tea.
12. That other “evidence” was claimed to comprise the availability for sale in the UK of: (1) accessories for the drinking of sakura tea (Witness Statement of Taha Bouqdib, Director and CEO of the Opponent, dated 30 March 2015, para. 35 and Exhibit TB 15); and (2) other sakura products (Bouqdib I, para. 36 and Exhibit TB 16, Second Witness Statement of Taha Bouqdib, dated 4 January 2015, TB 22). Tea accessories (crocery) and several other products shown like soap, perfume air freshener and wall art fell outside the disputed specifications in Classes 29 and 30 and/or displayed goods being offered in Japan. There was evidence of, for example, Japanese sakura cherry blossom flavoured KIT KAT bars being advertised for sale in GBP on amazon, but these were clearly Japan products.
13. The Opponent also directed me to the background evidence it had provided as to the UK public’s general understanding of the term “sakura”. This included write ups in Wikipedia and in some UK newspapers and journals before and around the relevant date. However, I agree with Mr St Quintin that these related to celebration of the start of the cherry blossom or “sakura” season in Japan rather than the understanding of the UK public in relation to the goods applied for.
14. The Hearing Officer stated at the beginning of his decision that he had taken into account all the evidence submitted by the parties and I do not think he can be criticised for not having made express reference to part(s) of it when determining the grounds of opposition under Section 3(1) and (3).

The Hearing Officer’s decision

15. The Hearing Officer’s findings insofar as relevant to this appeal were as set out below.

Section 3(1)(c)

16. The law was as summarised by Arnold J in *Starbucks (HK) Ltd v. British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch) at paragraphs 91 - 92. Arnold J’s summary is reproduced at Annex 1 to this decision. Neither party took issue with it (Decision, para. 12).
17. The average consumer of the goods applied for was the general public (Decision, para. 15).
18. The evidence showed that the word “sakura” was in use in the trade and was apt to describe a characteristic of tea and tea products:

“15) ... Contrary to the applicant’s assertions, there is little doubt in my mind that the word “Sakura” has the meaning claimed by the applicant [sic. opponent], as demonstrated by the dictionary reference and the number of third parties using it to mean the same. I note there is some misuse of the word, but this does not detract from its obvious meaning. I also note that it may not be widely known by the average consumer of teas, but a more knowledgeable sub-set of this group are likely to be aware of the word and its meaning. Further, it is an apt word to describe tea and tea products flavoured or containing cherry blossom and it would be appropriate that such a term is kept free for other traders who may wish to use it to designate a characteristic of their goods. Further, despite the applicant’s submission that the word has no meaning, it appears that both parties use the word “Sakura” only in respect of tea made with or flavoured with cherry blossom. Taking all off this into account, I dismiss the submissions on behalf of the applicant that the word “Sakura” has no meaning.

16) In light of the above, I acknowledge that the word “sakura” is a word meaning cherry blossom ...”

19. Nevertheless, the “tautology” and exclamation present in SAKURA SAKURA! added: “at least a spark of distinctive character over and above merely being a phrase or word that designates a characteristic of the goods” (Decision, paras. 16 – 17).
20. The mark was, therefore, not excluded from registration under Section 3(1)(c) and this ground of opposition failed (Decision, para. 17).

Section 3(1)(b)

21. The relevant law was summarised by the Court of Justice of the European Union (“CJEU”) in Case C-265/09 P, *OHIM v. BORCO-Marken-Import Matthiesen GmbH & Co. KG*. [2010] ECR I-8265, paragraphs 29 – 33. Again the summary was accepted. It is set out in Annex II to this decision (Decision, para. 19).
22. The perceived arguments of the Opponent under this head were that: (1) the mark was non-distinctive because it designated a characteristic of the goods; and (2) “Sakura” solus was already in use in the trade at the relevant date. The first argument had already been rejected by the Hearing Officer. The second argument would be dismissed because of the “tautology” previously found by the Hearing Officer to create a “spark of distinctive character” in the contested mark SAKURA SAKURA! as opposed to the word “Sakura” solus (Decision, paras. 20 – 21).
23. The opposition based on Section 3(1)(b) failed (Decision, para. 21).

Section 3(1)(d)

24. The relevant law was summarised by the General Court of the CJEU in Case T-322/03, *Telefon & Buch Verlagsgesellschaft mbH v. OHIM* [2006] ECR II-0835, which was uncontroversial. The summary is reproduced at Annex III to this decision (Decision, para. 23).
25. The evidence did not show that the contested mark SAKURA SAKURA! was customary in the current language or in the bona fide and established practices of the

trade to designate the goods applied for within the meaning of Section 3(1)(d), and the opposition on this ground failed (Decision. para. 24).

Section 3(3)(b)

26. Two conditions needed to be satisfied for the application of this ground for refusal. First there must be actual deceit or a sufficiently serious risk that the relevant consumer would be deceived; second, the deception must be attributable to the nature of the mark itself (as opposed to the way in which it is used) (Case C-259/04, *Elizabeth Florence Emanuel v. Continental Shelf 128 Ltd* [2006] ECR I-3089, paras. 46 – 50, Case C-87/97, *Consorzio per la tutela del formaggio Gorgonzola v. Käserei Champignon Hofmeister GmbH & Co. KG and Eduard Bracharz GmbH* [1999] ECR I-1301, para. 41) (Decision paras. 26 – 27).
27. The evidence showed that there was a sufficiently serious risk that the public, because of a legitimate expectation that the goods were flavoured with and/or contained cherry blossom, would be deceived were SAKURA SAKURA! to be registered and used in relation to: *Tea and tea-based beverages; non medicinal infusions; dried plants and flavourings, other than essential oils, and mixtures of the aforesaid goods (including with seeds), for preparing non-medicinal beverages:*
- “28) There is no evidence of actual deceit and I must, therefore, consider if there is a sufficiently serious risk that the relevant consumer will be deceived. The word “Sakura” is a word that has a dictionary meaning that some knowledgeable consumers will be familiar with. Further, as a descriptive dictionary word, “Sakura” has the capacity to impart a clear message about the goods that its use relates to. The tautology present in the mark and the presence of an exclamation mark will not change this. The mark, as a whole, creates an expectation in the minds of the consumer that the goods to which the mark relates are flavoured with, or contain cherry blossom. With this in mind, I find that there is a sufficiently serious risk that the average consumer will be deceived if the mark is used in respect of goods that are not flavoured or made with cherry blossom.”
28. There was nothing in the evidence beyond mere assertion on the part of the Opponent to suggest that such serious risk existed in relation to the other goods applied for in Classes 29 and 30.
29. The Section 3(3)(b) ground could be overcome by inserting the highlighted limitation in Class 30: *“Tea and tea-based beverages; non medicinal infusions; dried plants and flavourings, other than essential oils, and mixtures of the aforesaid goods (including with seeds), for preparing non-medicinal beverages; all being made or flavoured with, or containing cherry blossom ...”* ((Decision, para. 30).
30. In accordance with the Hearing Officer’s instructions, this amendment was made to the Application by the Applicant on 25 September 2018.

Costs

31. The Applicant had been largely successful in defending the opposition. The Opponent would be ordered to pay the sum of £2,000 towards the Applicant’s costs of the opposition (Decision, paras. 58 – 59).

The appeal

32. On 17 October 2018, the Opponent filed Notice of appeal to the Appointed Person under Section 76 of the Act against the Hearing Officer's findings under Section 3(1)(b), (c) and (d) and (3)(b). The Opponent also appealed against the Hearing Officer's costs order. There was no cross appeal but on 14 November 2018, the Applicant filed a Respondent's notice. This confirmed that the Hearing Officer's decision should be upheld, but also on the ground that the word "sakura" solus was not descriptive or non-distinctive in relation to the goods.

Standard of review

33. The correct approach to be followed by this appellate tribunal was summarised by Arnold J in *Apple Inc. v. Arcadia Trading Limited* [2017] EWHC 440 (Ch) at paragraph 11:

"11. The principles applicable on an appeal from the Registrar of Trade Mark were recently considered in detail by Daniel Alexander QC sitting as the Appointed Person in *TT Education Ltd v Pie Corbett Consultancy Ltd* (O/017/17) at [14]-[52]. Neither party took issue with his summary at [52], which is equally applicable in this jurisdiction:

"(i) Appeals to the Appointed Person are limited to a review of the decision of Registrar (CPR 52.11). The Appointed Person will overturn a decision of the Registrar if, but only if, it is wrong (Patents Act 1977, CPR 52.11).

(ii) The approach required depends on the nature of decision in question (*REEF*). There is spectrum of appropriate respect for the Registrar's determination depending on the nature of the decision. At one end of the spectrum are decisions of primary fact reached after an evaluation of oral evidence where credibility is in issue and purely discretionary decisions. Further along the spectrum are multi-factorial decisions often dependent on inferences and an analysis of documentary material (*REEF, DuPont*).

(iii) In the case of conclusions on primary facts it is only in a rare case, such as where that conclusion was one for which there was no evidence in support, which was based on a misunderstanding of the evidence, or which no reasonable judge could have reached, that the Appointed Person should interfere with it (*Re: B* and others).

(iv) In the case of a multifactorial assessment or evaluation, the Appointed Person should show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. Special caution is required before overturning such decisions. In particular, where an Appointed Person has doubts as to whether the Registrar was right, he or she should consider with particular care whether the decision really was wrong or whether it is just not one which the appellate court would have made in

a situation where reasonable people may differ as to the outcome of such a multifactorial evaluation (*REEF, BUD, Fine & Country* and others).

(v) Situations where the Registrar's decision will be treated as wrong encompass those in which a decision is (a) unsupportable, (b) simply wrong (c) where the view expressed by the Registrar is one about which the Appointed Person is doubtful but, on balance, concludes was wrong. It is not necessary for the degree of error to be 'clearly' or 'plainly' wrong to warrant appellate interference but mere doubt about the decision will not suffice. However, in the case of a doubtful decision, if and only if, after anxious consideration, the Appointed Person adheres to his or her view that the Registrar's decision was wrong, should the appeal be allowed (*Re: B*).

(vi) The Appointed Person should not treat a decision as containing an error of principle simply because of a belief that the decision could have been better expressed. Appellate courts should not rush to find misdirections warranting reversal simply because they might have reached a different conclusion on the facts or expressed themselves differently. Moreover, in evaluating the evidence the Appointed Person is entitled to assume, absent good reason to the contrary, that the Registrar has taken all of the evidence into account. (*REEF, Henderson* and others)."

34. The Opponent claimed that the challenged parts of the decision should be reversed in particular given the guidance at sub-paragraphs (iv), (v) and (vi) above.
35. The Applicant, whilst likewise emphasising sub-paragraphs (iv), (v) and (vi)¹, additionally drew my attention to the following statement by Mr Daniel Alexander QC sitting as a Deputy High Court Judge in *Abanka DD v. Abanca Corporación Bancaria SA* [2017] EWHC 2428 (Ch) at paragraph 24:

“... the real question, as all the cases say, is whether the decision in question was wrong in principle or was outside the range of views which could reasonably be taken on the facts ...”

Appeal grounds

36. The grounds of appeal as I understood them were, in brief:
- (1) in view of his rightful finding that “sakura” was descriptive in relation to tea and tea infusions, the Hearing Officer was wrong to go on to decide that the mere repetition of “sakura” and the addition of an exclamation mark were sufficient to take the mark outside the objection under Section 3(1)(c). In so doing, the Hearing Officer failed to take into account the reasoning of the EUIPO Fourth Board of Appeal in Case R 0746/2005-4, *TIKKA TIKKA*

¹ Mr. St Quintin said that he also relied on sub-paras. (i) – (iii) since the Opponent had appeared at the hearing to be challenge findings of fact in relation to the evidence on the part of the Hearing Officer.

[2007] ETMR 3, and failed to apply the jurisprudence of the CJEU in Case C-363/99, *Koninklijke KPN Nederland NV v. Benelux-Merkenbureau (POSTKANTOOR)* [2004] ECR I-1619, Case C-191/01 P, *OHIM v. Wm. Wrigley Jr. Company (DOUBLEMINT)* [2003] ECR I-12447 and Case C-265/00, *Campina Melkunie BV v. Benelux-Merkenbureau (BIOMILD)* [2004] I-1699 to the effect that:

- (a) the combination (or in this case repetition) of 2 descriptive elements is also descriptive for the purposes of Section 3(1)(c) unless the combination creates a perceptible difference over the elements taken individually; and
 - (b) to escape the prohibition under Section 3(1)(c) the combination must be considered both visually and aurally; and
 - (c) the important policy consideration behind Section 3(1)(c) is that other traders must be free to use descriptive terms;
- (2) the Hearing Officer failed to give adequate consideration to the independent ground for refusal under Section 3(1)(b). In particular, he mischaracterised the Opponent's arguments and failed properly to consider whether the public would understand the mark as performing an origin function in relation to the goods;
- (3) the Hearing Officer gave pre-emptory consideration to whether the mark had become customary in the current language or in the bona fide and established practices of the trade to designate the goods in respect of which registration was sought within the meaning of Section 3(1)(d) on the basis that there was no evidence of other traders using SAKURA SAKURA!;
- (4) the Hearing Officer correctly held that registration and use of the mark would be deceptive for tea and tea infusions for the purposes of Section 3(3)(b). However, he failed to take into account the Opponent's evidence concerning use of the term "sakura" in respect of the other goods applied for, so bringing those goods within the objection;
- (5) the Hearing Officer failed to assess the costs awarded to the Applicant holistically. In particular, he failed to take into account that the Applicant maintained throughout that the word "sakura" was meaningless to the UK consumer, and on its own was non-descriptive and distinctive for the Applicant's goods. The majority of the Opponent's evidence was directed at in the event successfully disproving this.

Discussion

Section 3(1)(c)

37. I have some sympathy with the Opponent's complaints under Section 3(1)(c).
38. Having found that the word "sakura" was apt and in use in the trade to describe a particular characteristic of tea and tea infusions, and therefore contained a specific

and direct reference to those goods, I find it odd that the Hearing Officer then went on to determine that what in my view amounts essentially to repetition of the word was sufficient to take the mark outside Section 3(1)(c).

39. The Hearing Officer considered that the mark was tautologous (presumably as opposed to repetitive) but my understanding of tautology is the practice of saying the same thing differently as in the example: “*they arrived one after another in succession*” – The Oxford English Reference Dictionary.
 40. To be fair the Hearing Officer might have thought that the second use of the word was different because of the addition of the exclamation mark, but I accept Mr Bartlett’s point that a mark must be assessed overall both in visual and aural use (when the exclamation might be lost) (*BIOMILD*, para. 41).
 41. Had I been in the shoes of the Hearing Officer, I would therefore have determined that the mark was descriptive within the meaning of Section 3(1)(c).
 42. However, should I be wrong in this and the contrary was within the entitlement of the Hearing Officer to find, it seems to me that the more serious material error made by the Hearing Officer was in his apparent failure to give proper consideration to the ground of objection under Section 3(1)(b).
- Section 3(1)(b)**
43. It is well established that Section 3(1)(b) must be assessed separately and comprises a wider ground of objection to Section 3(1)(c) (or Section 3(1)(d)). It can apply irrespective of whether a mark is also found to be descriptive of a characteristic of the goods within the meaning of Section 3(1)(c) (*POSTKANTOOR*, paras. 67 – 74). Further there is no obligation to decide on any dividing line between Section 3(1)(b) and 3(1)(c) (Case C-104/00 P, *DKV Deutsche Krankenversicherung AG v. OHIM (COMPANYLINE)* [2002] I-7561, paras. 20 and 34).
 44. The law on Section 3(1)(b) was recently reviewed by Mr James Mellor QC sitting as the Appointed Person in *BED BATH ‘N’ TABLE Trade Mark*, BL O/262/18, where he concluded that it remained appropriate to ask the question whether the mark would be understood by the relevant public as origin neutral or origin specific in relation to the products concerned (para. 22).
 45. It seems clear to me from the decision that the Hearing Officer did not ask himself this question, rejecting the Opponent’s objection under Section 3(1)(b) on what he perceived to be continuations of the Opponent’s arguments under Section 3(1)(c) - (d).
 46. Subject at this stage to Mr St Quintin’s point below raised in the Respondent’s notice I believe therefore that in view of his findings on the evidence, the Hearing Officer should have held that since SAKURA SAKURA! would be perceived by the average consumer in relation to tea and tea infusions as emphasising the word “sakura” in a non-origin specific manner (i.e., only providing information as to their nature and not as an indication of origin) the mark was objectionable for those products under Section 3(1)(b) absent proof of acquired distinctiveness through use.

Section 3(1)(d)

47. Section 3(1)(d) addresses the considerably more limited situation of a mark becoming customary in the current language or trade practices for the goods applied for. I discussed the law relating to Section 3(1)(d) in *STASH Trade Mark*, BL O/281/04. In my view, the evidence did not establish that SAKURA SAKURA! had become generic for tea/tea infusions flavoured with cherry blossom (or indeed that “sakura” solus was generic for tea/tea infusions or any other goods). I take Mr St Quintin’s point that neither the Grounds of appeal nor subsequent argument specified what error the Hearing Officer was alleged to have made under Section 3(1)(d).

Section 3(3)(b)

48. I now turn to the Opponent’s argument that these objections including that under Section 3(3)(b) applied to all the goods applied for and not only tea and tea infusions².
49. Mr Bartlett reminded me that the Applicant had not cross-appealed the Hearing Officer’s findings under Section 3(3)(b) that:

“The mark, as a whole creates an expectation in the minds of consumers that the goods to which the mark relates are flavoured with, or contain cherry blossom. With this in mind, I find that there is a sufficiently serious risk that the average consumer will be deceived if the mark is used in respect of goods that are not flavoured or made with cherry blossom”.

50. Moreover, on the instruction of the Hearing Officer, the Applicant had already limited the goods in respect which the deceptiveness objection had been found to subsist – essentially tea/tea infusions – by insertion of the phrase: *“all being made or flavoured with, or containing cherry blossom”*.
51. The Opponent challenged the Hearing Officer’s further finding that there was nothing before him which indicated that it was normal for the contested goods in Classes 29 and/or 30 other than tea and tea infusions to be made with and/or flavoured with cherry blossom. The Opponent contended that the Hearing Officer overlooked or failed to consider the Opponent’s evidence, which was said to have established the use in trade of “sakura” or cherry blossom in connection with those other products.
52. I have carefully reviewed the evidence which the Opponent relied on to say that the mark SAKURA SAKURA! would be non-distinctive, descriptive, generic and/or misleading if registered and used in connection with the other goods applied for in Classes 29 and 30 (other than tea and tea infusions). As I indicated above that evidence concerned products falling outside the scope of the goods in question (e.g. perfume, wall hangings) and/or were Japanese products (e.g., Japanese KIT KAT bars) and/or comprised general geographic and/or travel information on cherry blossom trees and their significance to the people of Japan.

² The Grounds of appeal appeared to raise this challenge to the extent (in terms of goods) of the Hearing Officer’s decision in relation to Section 3(3)(b) only. However I understood Mr Bartlett to be arguing his criticism more widely at the appeal hearing as applying also to the Hearing Officer’s decision under Section 3(1)(b) – (d). I considered this ground of appeal on the latter basis.

53. In my judgment, the Hearing Officer was entitled on the evidence before him to find that the Section 3(3)(b) objection was made out solely in respect of tea and tea infusions and that the evidence did not raise a serious risk of the relevant public in the UK being deceived were SAKURA SAKURA! to be registered and used in relation to the Applicant's remaining goods in Classes 29 and/or 30. Further I do not find that a Section 3(1)(b) objection would be justified on the evidence in relation to those other goods (in contrast to as I have already found, tea and tea infusions) either.

Respondent's notice

54. The Respondent's notice confirmed the findings of the Hearing Officer but argued that in any event his decision should be upheld because the average consumer of teas did not include "a more knowledgeable sub-set of this group" (Decision, para. 15) merely those who were reasonably well informed, to whom the word "sakura" would be meaningless³.

55. The Applicant grounded that argument on the Hearing Officer's comment in relation to the word "sakura" solus (at para. 15):

"... I also note that it may not be widely known by the average consumer of teas, but a more knowledgeable sub-set of this group are likely to be aware of the word and its meaning ..."

56. In support of his contention that this "knowledgeable sub-group" did not form part of the average consumer for the Applicant's goods, Mr St Quintin relied on the following statement by Briggs J in *Schütz (UK) Ltd v. Delta Containers Ltd* [2011] EWHC 1712 (Ch) at paragraph 98, which said Mr St Quintin, was approved by the Court of Appeal in *London Taxi Corp Ltd v. Frazer-Nash Research Ltd* [2017] EWCA 1729 (paras. 20 – 35):

"... the test requires the court to identify the relevant perception of consumers within any relevant class who are neither deficient in the requisite characteristics of being well informed, observant and circumspect, nor top performers in the demonstration of those characteristics. That is in substance what "average" means."

57. Both *Schütz* and *London Taxi* were concerned in this regard with the issue of whether the average consumer under UK/EU trade marks law included not only the actual purchaser but also the end user of the goods in question; re-fillable bottle containers in *Schütz* (fillers/dispensers of the liquid), taxi-cabs in *London Taxi* (taxi-drivers/hirers).
58. The precursor to the statement relied on by the Applicant was Briggs J's rejection of the idea that the average consumer test required the court to find a notional consumer with perceptions somewhere between those of the fillers on the one hand and end users on the other hand. In *London Taxi*, Floyd LJ agreed with Briggs J that the test required the court to consider any relevant class of consumer, not to average them out

³ Mr Bartlett presciently pointed out that the Respondent had not cross appealed and had in fact actioned the Hearing Officer's decision under Section 3(3)(b). That in part depended on his finding that the meaning of "sakura" would be known to some knowledgeable tea drinkers.

(para. 31). The net result was that in *Schütz* and *London Taxi* the average consumer of the respective goods was thought to include the respective actual purchasers *and* end users. Thus, whatever the meaning of Briggs J's statement in that context I do not think that it assists Mr St Quintin.

59. Without deciding the point, it seemed to me that Mr St Quintin was in fact advocating a single meaning rule, which was rejected by the Court of Appeal in *Interflora Inc v. Marks and Spencer plc* [2014] Civ 1403, paragraphs 116 – 130.
60. In *London Taxi*, Floyd LJ made clear (para. 34) that the tribunal must consider those consumers to whom the so called indication of origin is directed, which as the evidence showed in the present case, would have included drinkers of sakura tea.
61. Further it is trite law that future use/foreseeable consumer perception must be taken into account. To my own knowledge as a consumer of tea, the tea market has expanded and normalised in recent years (particularly in relation to green teas of which sakura tea is one).
62. The specification of goods in Application number 3052394 was limited by the Applicant's own amendment to tea and tea infusions made, flavoured with or containing cherry blossom. The Applicant could not in my view subsequently about face and claim that the average consumer of its tea and tea infusions applied for did not include consumers of cherry blossom or sakura tea.
63. The Hearing Officer's reference to "a more knowledgeable sub-set" of tea drinkers was likely based on the evidence that the parties styled themselves as luxury tea providers and operated out of concessions in Harrods and Selfridges. That said, the Hearing Officer also recognised that other traders were selling sakura tea over the Internet, which would have suggested a wider appeal.
64. In sum, I do not accept the Respondent's contention that the Hearing Officer erred in his estimation of the average consumer and should have rejected the opposition on the further ground that the word "sakura" solus was meaningless to the average consumer in connection with the Applicant's tea.

Conclusion and costs

65. In the event the appeal has in part succeeded.
66. For the reasons stated above in my judgment the mark SAKURA SAKURA! is objectionable at least within the wider ambit of Section 3(1)(b) as being (in the absence of distinctiveness acquired through use) devoid of any distinctive character for tea and tea infusions. The mark must therefore be refused registration in respect of the following goods in the Application:

Class 30

Tea and tea-based beverages; non medicinal infusions; dried plants and flavourings, other than essential oils, and mixtures of the aforesaid goods (including with seeds), for preparing non-medicinal beverages; all being made or flavoured with, or containing cherry blossom

67. By contrast I have found that the Hearing Officer was justified in rejecting the opposition in relation to the other goods applied for in Classes 29 and 30. The mark can therefore proceed to registration in respect of:

Class 29

Jellies ; jams ; compotes ; preserved, dried and cooked fruits

Class 30

Cocoa; chocolate; pastry, biscuits and confectionery; edible ices; salt, mustard; spices; seasonings, condiments; seeds other than essential oils, and mixtures of the aforesaid goods, for preparing non-medicinal beverages

68. I take the Opponent's point that the costs of Trade Marks Registry proceedings must be assessed holistically. Nevertheless as Mr St Quintin observed they are intended in that forum to be contributory and not compensatory. Adopting a broad brush approach, it appears to me that in the light of my decision the parties have enjoyed an equal measure of success both at first instance and on appeal. I therefore make no order as to costs.

Professor Ruth Annand, 20 March 2019

Mr Ian Bartlett, Beck Greener appeared for the Opponent/Appellant

Mr Thomas St Quintin of Counsel instructed by Potter Clarkson LLP appeared for the Applicant/Respondent

ANNEX I

Starbucks, Arnold J at paras. 91 - 92:

“91. The principles to be applied under Article 7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in Case C-51/10P *Agencja Wydawnicza Technopol sp. z o.o. v OHIM* [2011] ECR I-0000, [2011] ETMR 34 as follows:

"33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of [Section 3(1)(c)] is ... devoid of any distinctive character as regards those goods or services, see, ... Case C-265/00 *Campina Melkunie* [2004] ECR I-1699, paragraph 19 ... Case C-191/01 P *OHIM v Wrigley* [2003] ECR I-12447, paragraph 30, and the order in Case C-150/02 P *Streamserve v OHIM* [2004] ECR I-1461, paragraph 24).

36. ... due account must be taken of the objective pursued by [Section 3(1)(c)]. Each of the grounds for refusal listed in [Section 3(1)] must be interpreted in the light of the general interest underlying it (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 45, and Case C-48/09 P *Lego Juris v OHIM* [2010] ECR I-0000, paragraph 43).

37. The general interest underlying [Section 3(1)(c)] is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley*, paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of [Section 3(1)(c)], it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie*, paragraph 38; and the order of 5 February 2010 in Case C-80/09 P *Mergel and Others v OHIM*, paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 58). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (*Koninklijke KPN Nederland*, paragraph 57).

...

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of [Section 3(1)(b)]. Conversely, a sign may be devoid of distinctive character for the purposes of [Section 3(1)(b)] for reasons other than the fact that it may be descriptive (see, ... *Koninklijke KPN Nederland*, paragraph 86, and *Campina Melkunie*, paragraph 19).

47. There is therefore a measure of overlap between the scope of [Section 3(1)(b)] and the scope of [Section 3(1)(c)] (see, *Koninklijke KPN Nederland*, paragraph 67), [Section 3(1)(b)] being distinguished from [Section 3(1)(c)] in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

48. In those circumstances, it is important for the correct application of [Section 3(1)] to ensure that the ground for refusal set out in [Section 3(1)(c)] duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by [Section 3(1)(c)] are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in [Section 3(1)(c)], the terms 'the kind, quality,

quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word 'characteristic' highlights the fact that the signs referred to in [Section 3(1)(c)] are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of [Section 3(1)(c)] only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, ... *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56)."

92. In addition, a sign is caught by the exclusion from registration in [Section 3(1)(c)] if at least one of its possible meanings designates a characteristic of the goods or services concerned: see Case C-191/01 P *OHIM v Wm Wrigley Jr Co* [2003] ECR I-12447 at [32] and Case C-363/99 *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* [2004] ECR I-1619 at [97]."

ANNEX II

CJEU in *Borco*, paras. 29 – 33:

“29. ... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of [Section 3(1)(b)] in relation to a specific product or service (Joined Cases C-456/01 P and C - 45 7/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (*Henkel v OHIM*, paragraph 34; Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66; and Case C - 398/08 P *Audi v OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck v OHIM*, paragraph 25; *Henkel v OHIM*, paragraph 35; and *Eurohypo v OHIM*, paragraph 67). Furthermore, the Court has held, as OHIM points out in its appeal, that that method of assessment is also applicable to an analysis of the distinctive character of signs consisting solely of a colour per se, three-dimensional marks and slogans (see, to that effect, respectively, Case C-447/02 P *KWS Saat v OHIM* [2004] ECR I-10107, paragraph 78; *Storck v OHIM*, paragraph 26; and *Audi v OHIM*, paragraphs 35 and 36).

33. However, while the criteria for the assessment of distinctive character are the same for different categories of marks, it may be that, for the purposes of applying those criteria, the relevant public's perception is not necessarily the same in relation to each of those categories and it could therefore prove more difficult to establish distinctiveness in relation to marks of certain categories as compared with marks of other categories (see Joined Cases C-473/01 P and C - 474/01 P *Proctor & Gamble v OHIM* [2004] ECR I-5173, paragraph 36; Case C-64/02 P *OHIM v Erpo Möbelwerk* [2004] ECR I-10031, paragraph 34; *Henkel v OHIM*, paragraphs 36 and 38; and *Audi v OHIM*, paragraph 37).”

ANNEX III

GC in *Telefon & Buch*:

“49. [Section 3(1)(d)] must be interpreted as precluding registration of a trade mark only where the signs or indications of which the mark is exclusively composed have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services in respect of which registration of that mark is sought (see, ..., Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 31, and Case T-237/01 *Alcon v OHIM – Dr. Robert Winzer Pharma (BSS)* [2003] ECR II-411, paragraph 37). Accordingly, whether a mark is customary can only be assessed, firstly, by reference to the goods or services in respect of which registration is sought, even though the provision in question does not explicitly refer to those goods or services, and, secondly, on the basis of the target public’s perception of the mark (*BSS*, paragraph 37).”