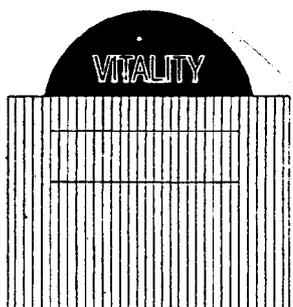


TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2114173
BY GENERAL NUTRITION INVESTMENT COMPANY
TO REGISTER A TRADE MARK IN CLASS 5

AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 46959
BY THE SUNRIDER CORPORATION T/A SUNRIDER INTERNATIONAL

BACKGROUND

1) On 28 October 1996, general Nutrition Investment Company of 103 Springer Building, 3411 Silverside Road, Wilmington, Delaware 19810, United States of America applied under the Trade Marks Act 1994 for registration of the following mark:



2) In respect of the following goods in Class 5:

“Dietary supplements; nutritional supplements; vitamins and minerals; vitamin and mineral supplements; fibre supplements; herb supplements and herb teas; meal replacement shakes; nutritional supplements and vitamins in tablet form and capsule formulations.”

3) On the 5 June 1997 The Sunrider Corporation t/a Sunrider International of 3111 Lomita Boulevard, Torrance, California 90505, United States of America, filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following UK trade mark registrations

Trade Mark	Number	Filing Date	Specification
VITALITE	1546615	3/9/93	Dietetic substances; herbal beverages; preparations made from herbs all being for health purposes; nutritional supplements; herbal food tablets; mouth drops and lozenges; nutritional syrup; all included in Class 5; but not including oils or fats.
VITALITE	1546616	3/9/93	Food and food products, all containing herbs; herbal food concentrates; snack bars containing herbs; preserved, dried and cooked fruit and vegetables; preserves; all included in Class 29; but not including oils or fats or goods of the same description as oils or fats
VITALITE	1546617	3/9/93	Fruit drinks and fruit juices; syrups, preparations for making beverages; nutritional syrup; herbal drinks; mineral and aerated waters; non-alcoholic drinks; all included in Class 32.

b) The opponent's mark Vitalite is a well known trade mark within the meaning of Section 56 of the Trade Marks Act 1994.

c) The opponent's trade mark Vitalite is an earlier trade mark and has been used in the UK in relation to the goods specified. The significant use has gained a substantial goodwill and reputation in the mark.

d) Because of the similarity of the goods and marks the application would offend against Sections 5(2), 5(3) and 5(4) of the Trade Marks Act 1994.

e) The mark in suit offends against Section 3(3)(b) as it is of such a nature as to deceive the public who would associate the mark with the opponent.

f) The mark should be refused under the provisions of Section 3(6) in that it has been applied for in bad faith.

4) The opponent further requested that the Registrar refuse application number 2114173 in the exercise of her discretion. However, under the Trade Marks Act 1994 the Registrar does not have a discretion to refuse an application as she did under the old law. An application can only be refused if it fails to comply with the requirements of the Act and Rules in one or more respects.

5) The applicants subsequently filed a counterstatement denying all of the grounds of opposition. Both sides ask for an award of costs.

6) Both sides filed evidence in these proceedings and the matter came to be heard on 23 February 2001 when the applicant was represented by Mr Hinchliffe of Counsel instructed by Messrs Eversheds, and the opponent by Ms Clark of Counsel instructed by Messrs Ladas & Parry.

OPPONENT'S EVIDENCE

7) The opponent filed two declarations. The first, dated 12 March 1998, is by Oi-Lin Chen the Company Secretary of The Sunrider Corporation. She states that her company has used the trade mark VITALITE throughout the world on an extensive scale in regard to health foods and food products. Goods bearing the mark VITALITE were first sold in the UK on 23 September 1991. At exhibit OLC1 are copies of brochures and pages from the company product catalogue. Mrs Chen claims that:

“It is to be noted that the Vitalite mark appears on several different products, such as Action Caps, Fibertone, Fortune Delight, Suntrim, Vitalite Bars, Vitadophilus and Vitataste.”

8) However, the copies provided at OLC1 show that the mark appears on a VITALITE pack of beverages and herbal supplements, a herb food bar, and two products which also have secondary marks “Action Caps”, “Fibertone” and “Vita Taste”. The mark was not visible on the items marked “Fortune delight” or “Vita Dolphilus”. There appeared to be no photograph of “Suntrim” packaging.

9) At exhibit OLC2 Mrs Chen provides copies of trade mark registrations for the mark VITALITE from a variety of countries. At exhibit OLC4 are sales figures for various regions of the world. Unfortunately it is not possible to provide separate figures for the UK, instead these figures are included in the total for Western Europe. These detailed figures were subject to a confidentiality

order. However, a less detailed breakdown was provided in a later declaration (see paragraph 10 below).

10) The second declaration, dated 19 October 1998, is by Graham Farrington the trade marks manager of Ladas & Parry, the trade mark agents for the opponent. This declaration provides an amalgamation of the detailed breakdown previously provided by Mr Chen, and so comes from the books and records of the opponent. The opponent claims that during the period 1993-96 global sales averaged US\$ 47 million (I have converted this to UK sterling at approximately £26 million per annum). The figures for Western Europe for the same period show an average of US\$1.1 million (approximately £600,000) per annum. However, these figures included products under the name “Fortune Delight”, “Vitadolphius” and “Slim Pack” which do not appear to have the mark in suit upon them.

APPLICANT’S EVIDENCE

11) The applicant has filed a declaration, dated 19 April 1999, by Gerald Cook, the Assistant Secretary of General Nutrition Investment Corporation, a position he has held for sixteen years.

12) Mr Cook asserts that his company is now the largest company in the US solely devoted to vitamins and supplements. He claims that products have been sold under the mark in suit in the USA since 1989. Figures for sales in the USA are only available from 1992 and are provided at exhibit GC2. This shows an average of approximately US\$320,000 per annum in the years 1992-1995 inclusive. I calculate that this equates to approximately £177,000 per annum. Mr Cook states that his company has been selling products under the mark in suit in the UK since November 1996. At GC3 he provides sales figures as follows:

	Units sold	Retail sales £
Prior to June 1997	377	2,330
From 1 June 1997 to date	4740	42,944

13) Examples of the labels from the range of products sold under the mark in suit are provided at exhibit GC4. All the labels show the mark in suit with the name of the product appearing between the “bars” underneath the word Vitality in the mark. Mr Cook states that his company has its own stores in the UK and its products are sold through these stores and “Health and Diet Centres”. A list of these outlets is provided at exhibit GC5 and shows that the stores cover England South of Birmingham. He contrasts this with the opponent’s method of selling which is said to be via a network of distributors selling door to door usually to friends.

14) Mr Cook then comments on the evidence of the opponent. He states that the figures produced show sales beginning in 1993 not 1991 as claimed by Mrs Chen. He also claims that not all of the products included in sales figures for “Vitalite” products actually carry the mark, in particular he instances “Fortune Delight” products. Mr Cook states that although the opponent claims not to be able to provide figures for sales in the UK their agents have to hit personal targets to obtain discounts. Therefore he questions why the opponent cannot provide figures for the UK. He attempts to estimate the UK sales figures but this is of no assistance to me.

15) Finally he states that “On no occasion has there ever been any confusion between our application for VITALITY and Sunrider’s application for VITALITE during the twenty years that

VITALITY has been sold in the UK”.

OPPONENT’S EVIDENCE IN REPLY

16) The opponent filed another declaration by Mrs Chen, dated 11 January 2000. Mrs Chen refers to the claims made by the applicant regarding the different methods of selling currently used and points out that it is possible that her company may amend their methods and that even under the current arrangements it is possible for a distributor to sell to the general public.

17) At OLC6 she provides examples of packaging which show the use of the VITALITE mark. On products such as “Action Caps”, “Slim Caps” and “Herb Food Bars” the mark Vitalite is on the front of the packaging above the name of the product. On others such as “Suntrim”, “Fortune Delight”, “Vita Dolphilus”, “Fibertone” and “Vita Taste” the VITALITE mark is on the rear of the box under the name and logo of SUNRIDER.

18) Finally, Mrs Chen refers to the absence of confusion by stating that, as confirmed by Mr Cook, sales of the applicant’s products did not take place until after the application was filed, therefore there was no possibility of confusion with the opponent’s products.

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

DECISION

20) Prior to the hearing the opponent withdrew the grounds of opposition under Sections 3(3)(b), 3(6), 5(3) and 56. The opponent’s three registered trade marks had also been merged under registration number 1546617. References to the opponent’s prior rights will now be made in the singular and relate to registration 1546617.

21) I turn first to the ground of opposition under Section 5(2)(b) which reads as follows:

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

(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 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.”

22) An earlier right is defined in Section 6, the relevant parts of which state

6.- (1) In this Act an ‘earlier trade mark’ means -

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

23) I have to determine whether the marks are so similar that there exists a likelihood of confusion

on the part of the relevant public. In deciding this issue I rely on the guidance of the European Court of Justice in *Sabel Bv v Puma AG [1998 RPC 199 at 224]*, *Canon v MGM [1999 ETMR 1]* and *Lloyd Schfabrik Meyer & Co. GmbH v Klijsen Handel BV [1999 ETMR 690 at 698]*. It is clear from these cases that: -

- (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 / 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;
- (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 therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2);
- (h) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section.

24) I also take into account the recent case of *Marca Mode CV v Adidas AG and Adidas Benelux BV [2000] ETMR 723*. The European Court of Justice said of Article 4(1)(b) (transposed into UK law in Section 5(2)(b):

“The reputation of a mark, where it is demonstrated, is thus an element which, amongst others, may have a certain importance. To this end, it may be observed that marks with a highly distinctive character, in particular because of their reputation, enjoy broader protection than marks with a less distinctive character.....Nevertheless, the reputation of a mark does not give grounds for presuming the existence of a likelihood of confusion simply because of the existence of a likelihood of association in the strict sense.”

25) The Court felt that the concept of association of marks in the global assessment of the likelihood of confusion was over emphasised. It is not sufficient for the average consumer to merely associate marks in the sense that if prompted a consumer will call to mind another mark. Thus a mere possibility of confusion, even in situations where a mark clearly has a strong reputation, is not a valid ground for opposition to a trade mark.

26) At the hearing it was common ground that goods of both parties were identical or closely similar. It is clear from the above cases that in the overall assessment of a likelihood of confusion, the similarity of goods is but one aspect. Due regard should be given to the closeness of the respective marks, the reputation the earlier mark enjoys in respect of the goods or services for which it is registered, and any other relevant factors.

27) I must also consider whether the opponent's mark has a particularly distinctive character either arising from the inherent characteristics of the mark or because of the use made of it. The evidence of use of the mark filed shows sales figures for Western Europe with no separate breakdown for the UK. Ms Clarke acknowledged that I should "assume that this mark has had an average amount of use".

28) The mark applied for consists of the word VITALITY together with a device element. The format of the mark is that of a label complete with a space for the description of the product, a view that was not disputed by the applicant, although more fanciful descriptions of the mark were also provided by Mr Hinchliffe such as a handbag, an open envelope or even a penny dropping in a slot.

29) I do not accept this contention as it is common to have such graphics on labels and the general public would not, in my view, attribute much importance to such devices. In my view the word VITALITY would be taken to be the dominant component of the mark. However, "Vitality" describes the intended purpose of a nutritional supplement and is in common use in the health foods field. The distinctive character in the applicant's mark is in the combination of the word with the, fairly ordinary, label device. The applicant's mark therefore has a relatively weak distinctive character.

30) When comparing the mark in suit, VITALITY, to the opponent's mark, VITALITE, visually the respective marks have the first seven letters in common. They are equal in overall length and although the applicant has a graphic element I have already stated that I do not believe that the average consumer would attach a great deal of importance to the device.

31) Aurally, there was no argument over the pronunciation with the applicant's mark being a dictionary word it is clearly a four-syllable word Vi-tal-it-ee, whilst the opponent's mark it was agreed would be pronounced Vite-a-lite. The words are quite different and unlikely to be confused even allowing for the tendency of slurring words and swallowing word endings.

32) The applicant's mark as a known dictionary word would conjure up an image of energy, exuberance and vigour. Whilst the opponent's mark would suggest a light (lite) or diet form of a product essential for health.

33) It has also been suggested that confusion will arise from the proximity of the good of each party on shelves in retail outlets, and also that when placed on said shelves the labels will be partly obscured if the products are in bottles or other curved surfaced containers. The reasoning behind this was that the final part of the marks would be hidden and only the identical first parts of the word aspects would be visible.

34) Whilst the goods may be in close proximity I do not agree with the contention that the labels would be obscured and so confuse customers. Health care products are not, I would suggest, chosen without some consideration. An individual who cares enough about their body to seek out such products would, in my opinion, exercise some care in the selection. Even allowing for the notion of imperfect recollection, the average consumer is not likely to be confused.

35) With all of this in mind I come to the conclusion that while there are superficial similarities, they are more than counterbalanced by the differences, and when all factors are considered, that there was no realistic likelihood of confusion at 28 October 1996. Consequently, the opposition under Section 5(2)(b) fails.

36) Lastly, I consider the other ground of opposition under Section 5(4)(a) which states:

(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*

(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.

(5) *Nothing in this section prevents the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration.*

37) I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the WILD CHILD case (1998 14 RPC 455). In that decision Mr Hobbs stated that:

“The question raised by the Grounds of Opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the Applicant from those of other undertakings (see Section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Art.4(4)(b) of the Directive and Section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the Applicant in accordance with the law of passing off”.

A helpful summary of the elements of an action for passing off can be found in Halsbury’s Laws of England 4th Edition Vol. 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in Reckitt & Colman Products Ltd - v - Borden Inc [1990] RPC 341 and Even Warnik BV - v - J. Townend & Sons (Hull) Ltd [1979] AC 731 is (with footnotes omitted) as follows:

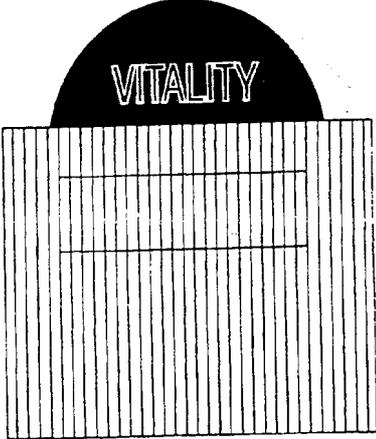
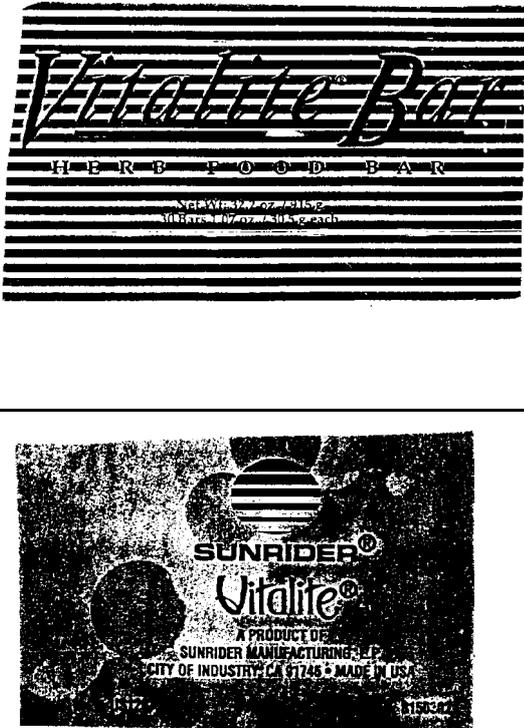
‘The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

38) The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. This provision is clearly intended to implement Article 4(4)(b) of Directive 89/104/EEC. It is now well settled that it is appropriate to look to the wording of the Directive in order to settle matters of doubt arising from the wording of equivalent provisions of the Act. It is clear from Article 4(4)(b) that the earlier right had to have been “acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed...”. The relevant date is therefore 28 October 1996, the date of the application.

39) Earlier in this decision I ruled that the opponent does have goodwill in the UK. The applicant has accepted that the opponent has sold its products in the UK. Despite the considerable efforts of both sides in analysing the figures provided by the opponent as to sales the extent of sales in the UK is not clear.

40) In addition to the points raised under Section 5(2) Ms Clarke referred me to the actual use of the opponent’s mark with a device element. It is used with a background of horizontal stripes and also with the name of the company, Sunrider, and a logo device. It is clear from the dates on the packaging that they are prior to the relevant date. I must therefore consider whether the mark in suit and the opponent’s marks as used in the market place are confusable. To assist in this the marks in question are reproduced below:

Applicant’s mark	Opponent’s marks as used
	

41) Ms Clarke contended that the fine horizontal stripes on the “Vitalite Bar” and the device of a rising sun or moon with horizontal lines graduated from the top to the bottom add to the risk of confusion.

42) Earlier in this decision I found that the words VITALITY and VITALITE solus were not confusable, and that the applicant’s mark in total was not confusable with the opponent’s registered mark VITALITE. Comparing how the mark has been used with horizontal bars and the logo of the sun rising, I do not accept that there is a likelihood of confusion in the mind of the average consumer between the marks of the parties. Nor, in my opinion, would they believe that there was a trade connection between the users of the two marks. The opponent has filed no evidence that the trade or consumers would expect the mark VITALITY to be economically linked to VITALITE, with or without the device elements, and the onus under Section 5(4)(a) is on the opponent.

43) In my opinion use of the applicant’s trade mark would not amount to a misrepresentation resulting in the passing off of its products as those of the opponent. On this footing the opposition under Section 5(4)(a) of the Act must fail.

44) The opposition having failed the applicant is entitled to a contribution towards costs. I order the opponent to pay the applicant the sum of £1635. This sum to be 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 12TH day of April 2001

George W Salthouse
For the Registrar
The Comptroller General