

O-215-06

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2334882
BY CANTRELL & COCHRANE (BELFAST) LTD
TO REGISTER THE TRADE MARK
CLUB ENERGISE
IN CLASS 32**

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 92491
BY SCHWEPPES INTERNATIONAL LTD**

BACKGROUND

1) On 13 June 2003, Cantrell & Cochrane (Belfast) Ltd of Kylemore Park West, Dublin 10, Ireland applied under the Trade Marks Act 1994 for registration of the trade mark CLUB ENERGISE in respect of “Mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages” in Class 32.

2) On 13 May 2004 Schweppes International Limited of 25 Berkeley Square, London, W1X 6HT filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is the proprietor of trade mark No. 2320196 INERGIZE which is registered for goods in Classes 30 and 32. The opponent claims that the goods are identical and/or similar and that the marks are confusingly similar. The mark therefore offends against Section 5(2)(b) of the Trade Marks Act 1994.

3) The applicant subsequently filed a counterstatement accepting that the goods of each party in Class 32 are identical but denying all of the opponent’s other claims.

4) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 18 July 2006 when the opponent was represented by Mr Hill of Messrs Wilson Gunn. The applicant was represented by Mr Brandreth of Counsel instructed by Messrs Saunders & Dolleymore.

OPPONENT’S EVIDENCE

5) The opponent filed a witness statement, dated 11 February 2005, by Mark Jonathan Hodgkin the opponent’s Intellectual Property Counsel. He states that the applicant’s use of the word CLUB in earlier marks was “highly stylised”. He also points out that the applicant’s claim that the word “CLUB” is distinctive with regard to non alcoholic beverages is a matter for the applicant to prove. He states that all the use of the word CLUB on the applicant’s website shows the word in a highly stylised form. He provides print-outs at Annex 1 to his statement. The examples of use provided are, in my opinion, only slightly stylised. He also points out that one of the other marks, GOLA ENERGISE/ GOLA ENERGIZE, referred to by the applicant’s in their counterstatement has not been used. At annex 2 he provides confirmation of this.

APPLICANT’S EVIDENCE

6) The applicants filed three witness statements. The first, dated 15 July 2005, is by Janice Margaret Trebble the applicant’s Trade Mark Attorney. She claims that the mark in suit is part of a family of “Club” marks owned by the applicant. At exhibit JMT1 she provides details of the other eight marks registered by the applicant, all for goods in Class 32. Ms Trebble states that she visited three shops in Watford and made purchases of goods which referred to their “energy” or “energizing” properties. At exhibit JMT2 she provides photographs of these items. Apart from the obvious drinks, energy bars and tablets, shampoos and soaps were also described as “energizing”.

7) Ms Trebble states that the word “energise” has a definition of “to stimulate” or “to raise to a higher energy level”. At exhibit JMT4 she provides various examples of use of the word ENERGISE from the Internet. I do not intend to describe these as they do not assist my decision. She states that the opponent’s product is one which provides energy or energises and as such it is descriptive and not distinctive.

8) The second and third witness statements, dated 10 and 22 November 2005 , are by Noreen O’Kelly the Company Secretary of the applicant company. She states that the applicant has been using the mark CLUB in the UK since 1957. She states that the mark in suit was first used in August 2003. So far its use has been restricted to Northern Ireland but has achieved sales of £4 million between August 2003 and February 2005. During this time £2.7 million has been spent on advertising and promotion.

9) She also provides sales figures for sales in the UK of beverages bearing the mark CLUB which are as follows:

Year ending	£million
31.08.01	32.4
31.08.02	30.5
28.02.03	28.5

10) Ms O’Kelly states that in the UK an average of approximately €1.4million per annum is spent on advertising and promoting the mark CLUB. She also states that goods bearing the CLUB mark are sold throughout the UK via retail outlets such as Tesco and by pubs and clubs throughout the UK.

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

DECISION

12) The only ground of opposition is under section 5(2)(b) which reads:

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

(a)....

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

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

13) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“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.”

14) The opponent is relying upon its UK Trade Mark No. 2320196 which has an effective date of 9 January 2003 and is clearly an earlier trade mark.

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

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

(b) the matter must be judged through the eyes of the average consumer, of the goods / services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*;

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

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

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

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

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

(h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas Benelux AG*;

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

16) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgements of the European Court of Justice mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, I must compare the applicant's mark and the mark relied upon by the opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods covered within the respective specifications.

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

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

18) I also have to consider whether the mark that the opponent is relying upon has a particularly distinctive character either arising from the inherent characteristics of the mark or because of the use made of it. The opponent's mark consists of the single word INERGIZE in capital letters. The opponent makes no comment on sales under the mark and therefore cannot benefit from any reputation. I also have to consider whether the opponent's mark is inherently distinctive. The mark is registered for goods in Classes 30 and 32 and a number of the products are clearly designed to boost energy levels. The opponent's mark is the word ENERGIZE which has had the initial letter changed from an “E” to an “I”. This retains the very clear meaning of the mark whilst giving the mark a degree of distinctiveness.

19) The applicant accepted, in its counterstatement, that the goods in Class 32 are identical.

20) I now turn to consider the marks of the two parties, which are CLUB ENERGISE and INERGIIZE. The opponent contends that the word “CLUB” in the applicant’s mark lacks distinctiveness and is simply a descriptive term. They also state that the word “ENERGISE” in the applicant’s mark is not descriptive of the goods as if the word were to be used in a descriptive form it would be spelt ENERGISES or ENERGISER. The opponent contends that the combination of the two words does nothing to add distinctiveness to the mark, as there is nothing unique in their combination.

21) At the hearing the opponent expanded on the reasons why the word “Club” in the mark in suit should be regarded as descriptive and lacks distinctiveness. Mr Hill contended that “We would say that they are associated goods. If you go into your local nightclub, you can pick up own-brand mineral water.” I do not accept this contention. The applicant’s have provided evidence that their products are sold via a number of retail outlets as well as pubs, restaurants and clubs. The opponent contended that the evidence of use had been challenged and pointed to the wording used in Mr Hodgins’s statement at paragraph 2 where he states:

“Cantrell also allege use of the word CLUB since at least 1957 on non alcoholic beverages and that the word is therefore distinctive in respect of these goods. This is a matter for Cantrell’s evidence to establish whether the facts alleged can be proven.”

22) Mr Hill sought to persuade me that this was a challenge to the evidence filed by the applicant. However, it refers only to the comments made by the applicant in their counterstatement and not the subsequent evidence which was filed after the opponent’s evidence. Therefore, the evidence filed in the statements of Ms Trebble and Ms O’Kelly has not been challenged.

23) Visually, the second part of the mark in suit and the opponent’s mark are similar, but I cannot overlook the initial part of the mark in suit particularly as, in my view, it is distinctive and not descriptive as the opponent contended. It is accepted that consumers consider marks as wholes. In my opinion the differences outweigh the similarities such that overall the marks are not visually similar.

24) The same arguments hold true with regard to aural similarity. Clearly, the ending of the mark in suit and the opponent’s mark share a degree of aural similarity. The mark in suit has an additional syllable at the start which is totally different to the opponent’s mark. Again, in my opinion, overall the marks are not similar.

25) Conceptually both convey a similar message that they provide energy.

26) Considering the marks as wholes I believe that the differences outweigh the similarities.

27) I must also consider the average consumer for the types of goods covered by the specifications of both parties which are, broadly, non-alcoholic beverages. In my

opinion, they would be the general public who are reasonably well informed and reasonably circumspect and observant. In my view, beverages are not purchased without some consideration, not least because of the amount of media attention devoted to food and drink and various scare stories such as the recent salmonella worries. The average consumer is nowadays far more discerning about what they consume. Although I must take into account the concept of imperfect recollection.

28) Taking account of all of the above when considering the marks globally, I believe that there is not a likelihood of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2)(b) therefore fails.

COSTS

29) As the opponent was unsuccessful the applicant is entitled to a contribution towards its costs. I order the opponent to pay the applicant the sum of £2,000. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 01st day of August 2006

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