

O-234-06

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO. 2270971
IN THE NAME OF C. P. RETAILING AND MARKETING CO LTD**

AND

**AN APPLICATION FOR A DECLARATION OF INVALIDITY UNDER NO.
81609 BY B. E. INTERNATIONAL FOODS LTD**

TRADE MARKS ACT 1994

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No. 2270971 in the name of
C. P. Retailing and Marketing Co. Ltd
and an application for a declaration of
Invalidity under No. 81609 by
B. E. International Foods Ltd**

Background

1. The following trade mark is registered under No. 2270971 with effect from 23 May 2001 and stands in the name of C. P. Retailing and Marketing Co. Ltd:



2. It is registered in respect of the following goods in class 30: *All kinds of dim sum and snack food.*

3. On 6 February 2004, B.E. International Foods Ltd filed an application to declare the registration invalid. The grounds of the application are, in summary:

- Under sections 47(2)(a) and 5(2)(b) based on the applicant's earlier community trade mark No. 62737
- Under sections 47(2)(b) and 5(4)(a) based on the law of passing off. The applicant claims to have used the earlier mark since at least 1996.

4. The registered proprietor filed a counter-statement essentially denying the applicant's claims. Both parties filed evidence. A hearing was arranged however both parties later indicated their wish for a decision to be taken from the papers. Both parties filed written submissions and both seek an award of costs. After a careful consideration of all the papers, I give this decision.

Applicant's evidence

5. This consists of two witness statements. The first is by Aubrey de Souza and is dated 13 April 2005.

Mr de Souza is the Company Secretary of the applicant company, a position he says he has held since December 2001. Mr de Souza states that the facts in his witness statement come either from his own knowledge or from the records of his company. I do not intend to summarise Mr de Souza's evidence insofar as it is a record of his opinion though I do take it into account.

6. Mr de Souza gives details of the earlier mark relied on by the applicant. He explains that the mark was acquired from another company in 1994 and has been used continuously by his company since that date. At ADS1 he exhibits copies of printouts from the UK Trade Marks Register showing other, now lapsed, registrations which, along with the goodwill, were also acquired at that time. He goes on to say that his company's trade mark appears on products in green.

7. Mr de Souza claims the earlier mark has acquired a significant reputation because of the use made of it. At ADS2 he exhibits photocopies of examples of his company's goods said to show the trade mark. He says the packaging shown is typical of that used since 1994. The copies show self raising, plain and corn flour as well as potato starch.

8. Mr de Souza gives details of sales made by his company under the trade mark as follows:

Year	Approx. turnover (£)
1997	3.2m
1998	3.5m
1999	3.5m
2000	3.9m

9. Figures are also given for 2001 but I cannot be certain how much of it relates to a period before the relevant date. Figures given for later years are all after the relevant date.

10. Mr de Souza says his company's goods bearing the trade mark are supplied and sold throughout the UK. At ADS3 he exhibits what he says is a list of his company's direct customers and stockists. The list is said to have been compiled from current records but built up over a considerable period of time. Mr de Souza says a substantial number of the customers appearing on the list are what he calls specialist ethnic supermarkets. Whilst the list is headed "Green Dragon customers" no customers are in fact listed- the exhibit has been redacted to such an extent that it merely shows a list of place names or localities (several duplicated) throughout the UK and Channel Islands along with a list of numbers. There is no explanation given of what the numbers mean, although the relevant column is headed "Net cases April 02 to April 05, a period extending to well after the relevant date.

11. The second witness statement is that of David Edward Powell and is dated 12 April 2005. Again, much of Mr Powell's statement is commentary and opinion which I do not intend to summarise although I do take it into account as appropriate.

12. Mr Powell is a trade mark attorney employed by the firm originally acting for the applicant in these proceedings. At DEP1 he exhibits an extract from Collins English

Dictionary (2001, ed.). The extract shows the word Jade to have a number of alternate meanings:

1. a semiprecious stone consisting of either jadeite or nephrite. It varies in colour from white to green and is used for making ornaments and jewellery
2. the green colour of jade
3. an old overworked horse, nag, hack
4. a woman considered to be ill-tempered or disreputable
5. to exhaust or make exhausted from work or use.

13. At DEP2 Mr Powell exhibits a copy of the applicant's earlier mark which shows it to have been registered in the colour green.

Registered proprietor's evidence

14. This consists of a witness statement dated 25 May 2005 by Jennifer Hitchcock, an employee of Hallmark IP Ltd, the registered proprietor's trade mark attorney. Again much of Ms Hitchcock's statement is either opinion or commentary and I do not intend to summarise it in full but do take it into account as appropriate.

15. Ms Hitchcock comments on the differences between the respective marks. She refers to a number of trade marks on the UK and OAMI registers which consist of or contain a device of a dragon or the words DRAGON or GREEN and at JH1-3 exhibits a selection of these marks. She indicates that some of the marks show other "dragon" marks are combined with colours such as blue or gold and that consumers would therefore be used to seeing such words and devices and be able to distinguish them on the basis of even small differences. I take all of this to be "state of the register" evidence- whilst it might tell me what is on the various registers it does not tell me whether the trade marks are in use in the relevant market.

16. In respect of the evidence filed by the applicant, Ms Hitchcock disputes the applicant's claim to have shown a substantial reputation in its earlier mark. She contends there to be no need to keep the names of customers confidential.

17. Ms Hitchcock says that her client's products bearing the mark are served to customers on Thai Airways international flights. She goes on to say the registered proprietor is not aware of any instances of actual confusion between the respective marks but gives no indication that the registered proprietor has used its mark in the UK or even on flights to/from the UK.

Applicant's evidence in reply

18. This consists of a further witness statement by Mr Powell, dated 6 July 2005. He exhibits at DEP5 what he says are the results of a survey carried out by his firm and which is intended to show what, if anything, the word JADE signifies to people. There are any number of flaws with this survey. Other than saying the survey was carried out by employees of his company in a Bristol street, there is no explanation given of, for example, how the survey was put together or carried out, how the respondents were chosen or how many people were approached for interview. I also note that the

response sheets have been completed in type which makes it highly unlikely that those submitted were those actually prepared in the street.

19. Mr Powell goes on to comment on Ms Hitchcock's evidence of the UK and OAMI registers and exhibits at DEP6-8 results of searches he himself made. I make the same criticism of these as I do of those submitted by Ms Hitchcock.

20. In reply to Ms Hitchcock's claim that the registered proprietor is unaware of any instances of confusion between the respective marks, Mr Powell claims that the registered proprietor has not used its mark in the UK. He goes on to explain that the applicant instructed Cerberus Investigation Ltd to carry out an investigation into the registered proprietor's use of its mark. He says the investigation concluded that no such use had been made of it in the UK. The investigator's report is exhibited at DEP10. The report consists of a brief letter dated 4 July 2005.

21. That concludes my summary of the evidence.

Decision

22. The application for a declaration of invalidity is made under Section 47 of the Act. This reads:

“47.-(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground -

- (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
- (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(3) An application for a declaration of invalidity may be made by any person, and may be made either to the registrar or to the court, except that -

- (a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(4) In the case of bad faith in the registration of a trade mark, the registrar himself may apply to the court for a declaration of the invalidity of the registration.

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.”

23. Section 5 of the Act reads:

“5.- (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

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

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

(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.”

The term “earlier trade mark” is defined in section 6 of the Act as follows:

“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,”

24. The applicant's registration is an earlier trade mark within the definition of Section 6 of the Act.

25. In determining the question under Section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel v Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R 77 and *Marca Mode CV v Adidas 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*, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question: *Sabel BV v Puma AG*, paragraph 23, 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 he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen B. V.* paragraph 27;
- (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*, paragraph 23;
- (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*, paragraph 23;
- (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 v Metro-Goldwyn-Mayer Inc*, paragraph 17;
- (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*, paragraph 24;
- (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*, paragraph 26;
- (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 AG*, paragraph 41;
- (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*, paragraph 29.

26. In essence the test under Section 5(2) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. 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 and taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed.

27. For ease of reference I set out below the respective trade marks:

Registered proprietor's trade mark	Applicant's trade mark
	
<p>Class 30: All kinds of dim sum and snack food.</p>	<p>Class 29: Meat, fish, poultry and game; and foods produced therefrom; soups; meat preserves; preserved, dried, cooked and canned fruits and vegetables; jellies; jams; pickles; preserves; edible oils and fats; fruit sauces.</p> <p>Class 30: Rice; tapioca; sago; flour, and preparations made from cereals; bread, pastry and confectionery; poppadums; egg and rice noodles; vinegar; sauces; spices; curry powder; salt; mustard; pepper; fortune cookies; chutney; salad dressings.</p>

28. The specification of goods covered by the applicant's earlier mark include goods which would be described as dim sum and/or snack foods.

29. The evidence of use filed by the applicant has a number of deficiencies. Whilst approximate turnover figures are given, they are not said to relate to all goods covered by the specifications of goods as registered. In any event, no indication is given of how big a market share these figures might represent. There is no supporting evidence in the form of invoices etc to show to whom and when any goods may have been supplied. There is no evidence of any promotional or advertising activities having ever been carried out. On the basis of the evidence filed, I cannot say that the earlier trade mark has a reputation because of the use made of it. That said, it seems to me that the mark is of a relatively high inherent distinctive character.

30. The registered proprietor's mark consists of a circle within which at centre left appear the words JADE DRAGON, in slightly stylised font, with the first letters of each word appearing in upper case. Almost wrapping around these words is a device said to be of a dragon. The applicant's mark consists of what is again said to be a dragon. Below this device the word GREEN appears above the word DRAGON, all of which are in upper case. Though of roughly equal width, the words are approximately one quarter of the height of the device.

31. Both marks therefore contain a device of a dragon and the word DRAGON, the registered proprietor's preceded by the word JADE, the applicant's by the word GREEN. The registered proprietor's mark is contained within a circular border. The dragon appearing in the registered proprietor's mark has its head towards the top of the circle whereas in the applicant's mark it is towards the middle and facing the bottom of the mark. Both dragon devices are highly detailed with clear scaling, fangs, claws and other bodily features and with the body somewhat twisted. Whilst, if subjected to cryptozoological analysis, each dragon may have its own particular features, they are likely to be seen by the average consumer merely as dragons. And whilst there are some visual differences between the marks as wholes, there are also clear visual similarities.

32. Aurally similar considerations apply. It has long been held that in relation to aural comparisons, words speak louder than devices. The marks are likely to be referred to, as they were in the evidence, as "jade dragon" and "green dragon". Whilst the words "jade" and "green" are aurally distinct, the word dragon appears in both marks.

33. Both marks contain a device of a dragon along with the word dragon. The word Jade clearly has a number of meanings but one of them is the green colour associated with a semiprecious stone. I consider there to be a high degree of conceptual similarity particularly if both marks were presented in green.

34. Given that the respective goods are foodstuffs, they are likely to be bought with some care, though not necessarily the highest degree of care. They are everyday items and the evidence does not show the average consumer to be anyone other than the ordinary member of the general public. Certainly the respective specifications are not limited in any way. Taking all matters into account, particularly the fact that the average consumer rarely has the opportunity to compare marks side by side but has to rely on the imperfect picture he has of them, I consider there to be a likelihood of confusion. The application under section 47(2)(a) and section 5(2)(b) succeeds and I do not therefore intend to go on to consider the objection based on section 5(4)(a).

Costs

35. The application having succeeded, the applicant is entitled to an award of costs. The evidence was not extensive, and much of what was filed as evidence was, in fact, opinion and commentary or was material which could be accorded little weight. The decision has been reached without a hearing taking place. In all the circumstances, I order the registered proprietor to pay the applicant the sum of £1100 as a contribution towards its costs. This sum is 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 16th day of August 2006

**Ann Corbett
For the Registrar
The Comptroller-General**