

O-289-04

TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2039840
BY MARS U.K. LIMITED
TO REGISTER A TRADE MARK
IN CLASS 30
AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 90585
BY ASDA STORES LIMITED.

BACKGROUND

1) On 4 October 1995, Mars U.K. Limited of 3D Dundee Road, Slough, Berkshire SL1 4LG applied under the Trade Marks Act 1994 for registration of the following trade mark:



The mark consists of the shape of a confectionery bar, in particular the rounded ends and the wave pattern across the top.

2) The mark was in respect of the following goods in Class 30: “Chocolate covered coconut or coconut flavoured confectionery bars; coconut or coconut flavoured ice-cream bars, ices and frozen confections”.

3) The mark was allowed to proceed because of distinctiveness acquired through use and survey evidence.

4) On 20 May 2002 Asda Stores Limited (hereafter called Asda) of Asda House, Southbank, Great Wilson Street, Leeds, LS11 5AD filed notice of opposition to the application. The grounds of opposition are in summary:

- a) The decision to permit amendment of the application was ultra vires in that it was in breach of Section 39 of the Trade Marks Act 1994. In particular the amendment of the representation of the mark did not fall within any of the categories of amendment permitted under Section 39(2) and in any event was excluded by the proviso in that it substantially affected the identity of the trade mark.
- b) The amendment of the list of goods was not a restriction within Section 39(1), it extended the goods covered by the application, contrary to Section 39(2). In particular the application as amended covers “ices and frozen confections” which includes goods which are neither “chocolate confectionery” nor “ice cream”.
- c) The application fails to comply with Section 32(2)(d) of the Trade Marks Act 1994 in that the shape of the product which is sought to be registered is not represented with sufficient precision or completeness. In particular the photograph filed as the representation of the mark shows only some and not all of the shape and appearance of the three dimensional product sought to be registered, such that the public cannot determine precisely what the sign is that is the subject of the registration.

- d) The mark is not capable of distinguishing the goods of one undertaking from another. Neither the shape nor the slight decorative moulding nor the combination of the two have any trade mark significance when applied to any article within the specification. It therefore offends against Section 3(1)(a) of the Trade Marks Act 1994.
 - e) The mark offends against Section 3(1)(b) of the Trade Marks Act 1994 as it is devoid of distinctive character. It is not unusual for confectionery items to be produced or manufactured in similar shapes.
 - f) The mark consists exclusively of an indication, which may serve, in trade, to designate the kind of goods to which it has been applied i.e. chocolate confectionery of the shape and appearance shown. The mark therefore offends against Section 3(1)(c) of the Trade Marks Act 1994.
 - g) The mark in suit consists of signs or indications which have become customary in the bona fide and established practices of the trade, and has been legitimately used by other traders. The mark in suit therefore offends against Section 3(1)(d) of the Trade Marks Act 1994.
 - h) Lastly, the opponent contends that the mark consists exclusively of a shape which results from the nature of the goods and hence offends against Section 3(2)(c) of the Trade Marks Act 1994.
- 5) The applicant subsequently filed a counterstatement denying the opponent's claims.
- 6) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 25 March 2004 when the applicant was represented by Mr Purvis of Counsel instructed by Messrs Clifford Chance, and the opponent by Mr Bloch of Queens Counsel instructed by Messrs Appleyard Lees.

OPPONENT'S EVIDENCE

- 7) The opponent filed a statutory declaration, dated 13 December 2002, by Ian James a Director of Fairway GB Limited which provides management services for Ludwig Chocolate Ltd (Ludwig UK) a wholly owned subsidiary of Ludwig Schokolade GmbH & Co KG. Mr James is the Director of sales of Ludwig UK and is involved in its day to day running and has access to its records and those of Fairway GB Limited.
- 8) Mr James states that his company sells and distributes in the UK confectionery products of Ludwig Schokolade GmbH & Co KG. Amongst these products is a bar of desiccated coconut encased in chocolate, the bar having rounded ends and a top surface decoration in the form of a three point ripple which is called the Ludwig bar. Mr James states that this bar is sold to UK customers such as Aldi, Iceland, Asda, Booker and Waitrose.
- 9) Mr James refers to conversations with certain of the opponent's clients and refers to threats said to have been made to these clients by the applicant. However, he does

not name the individuals spoken to, the statement was made some time after the alleged conversations, and I can see no reason why the individuals concerned could not have provided first hand evidence by way of witness statements. Therefore, whilst admissible I attach little weight to this evidence.

10) The opponent filed an affidavit, dated 18 December 2002, by Udo Walter the Director of Sales for Ludwig Schokolade GmbH & Co KG. He has been employed by this company since 1965 and claims to have a competent knowledge of English. He states that previously the company was named “Monheim” and had a branch called “van Houten”.

11) Herr Walter states that his company produces a bar of desiccated coconut encased in chocolate, the bar having rounded ends and a top surface in the form of a three pointed ripple. The bars have been produced in this form since 1971. At exhibit 1 he provides a copy of pages from catalogues dated 1974 & 1976 which show pictures of a chocolate bar in the shape described and branded “Mounds”. The illustration on the packaging shows the inside of the bar which is white and appears to consist of a coconut confection.

12) Herr Walter states that in 1990 his company began delivery of these bars to the UK market, initially to Aldi and then to other customers such as Lidl, Iceland, Asda and Booker. He states that the UK customers sell under their own brands, Aldi sells the bar under the name ROMEO, Iceland as OASIS and Lidl as Mr Choc. Herr Walter states that in all cases the bar is the same product as depicted in the catalogue pictures. At exhibit 2 he provides a list of the deliveries of these bars to three of its UK customers, Aldi, Iceland and Lidl. Between 1990 and 1998 these customers were supplied with 2122.5 tons which he states represents approximately 85 million bars. Prior to 4 October 1995 Herr Walter states that approximately 22 million bars were supplied to Aldi UK.

13) At exhibit 3 Herr Walter provides a list of deliveries of the bars made to UK customers between January 2000-November 2002. Whilst at exhibit 4 he provides copies of specimen invoices from 1994 – 1999.

14) The opponent also filed a witness statement by Erica Rose Town a marketing consultant who worked for Nestle from 1989–2002. She was employed as a Senior Marketing Manager between 1989 to 1992 and from 1994 to May 2002 was responsible for the export of all Nestle Rowntree confectionery products to Europe. As part of her role she kept herself aware of the UK confectionery market. Ms Town states that there have always been chocolates with rounded ends and of a lozenge shape available in the market. She states that similarly the wave or ripple decoration on the mark is not very original. At exhibits ERT1 and ERT2 she provides a list and photographs of chocolates which have a rounded end, a decorative motif or both.

15) Ms Town states that it is almost a universal practice in the chocolate industry to sell chocolates in some kind of packaging which disguises the appearance of the chocolate at the point of sale. She states that “The public are therefore not in the habit of relying on the shape or appearance of chocolate bars to identify them. They rely on the name on the packaging or the get up of the packaging.” Lastly, she contends that “although regular consumers of Bounty bars might be able to recognize the shape as

being that of a Bounty bar, they would not (I believe) consider for a moment that the shape could be relied upon as proof that the bar was a Bounty. Thus, if a similarly shaped product was sold under a different name or in different packaging, the public would not think that it was a Bounty.”

APPLICANT’S EVIDENCE

16) The applicant filed a witness statement, dated 12 June 2003, by Catherine Burge the Regional Marketing Property Manager for the Mars Group of Companies. She states that the applicant has manufactured the product known as the Bounty Bar since 1951. She describes this as being “a chocolate bar filled with coconut” and having “rounded ends and a distinctive wave feature on the top surface of the bar”. She states that none of the features of this bar are dictated by manufacturing considerations. Ms Burge adopts, at exhibit CB1, the evidence filed in support of the application. I will detail this later. Ms Burge claims that the evidence shows that the applicant has “educated our customers to see the BOUNTY shape as being our product and no-one else’s”. She states that if a third party were to sell a product having the same appearance there is likely to be confusion.

17) Ms Burge states that the Ludwig bar was copied from the Bounty Bar. She also disputes whether all the Ludwig bars are similar in appearance. At exhibit CB3 she provides a photograph of the Asda product which has a different surface pattern to the “Mounds” bar shown in the opponent’s evidence. Ms Burge states that there are a wide range of shapes that can be used for this type of product and at exhibit CB4 she provides photographs of a coconut bar which is rectangular with no discernable surface pattern and what appears to be two different types of small sweets which also contain coconut.

18) Ms Burge questions the evidence of Ms Town stating that it is not clear that all of the goods identified by Ms Town in her evidence were available at the relevant date. She questions whether Ms Town is familiar with the advertising that has taken place over the years for the Bounty product.

19) I will now detail exhibit CB1. This consists of six statutory declarations. The first declaration, dated 20 August 1999, is by Claire Christina Hutchinson, the applicant’s Trade Mark Attorney. She states that she commissioned a survey which was conducted between 2-6 July 1999 by Taylor Nelson Sofres plc. At exhibit CCH1 she provides an extract from the survey showing the methodology. Ms Hutchinson states that: “The survey encompassed approximately 2000 interviews weighted to match the demographic make-up of the population for all adults age 15 or over.” She explains that the interviews were conducted face to face. The individual was shown a photograph of a chocolate bar (exhibit CCH2) and asked to name the product. She states that 70% of those interviewed identified the product as Bounty, 14% named other brands, whilst 16% were recorded as “don’t know”. At exhibit CCH3 Ms Hutchinson provides a copy of the table detailing the results of the survey. Exhibit CCH2 shows a chocolate bar with two rounded ends and a wave/ripple pattern on the top. This is identical to the mark in suit. Those who were deemed to have answered “bounty” were recorded by number only, no record of their exact answer was recorded, nor were notes kept of their responses. Records were made of the responses of those recorded as “other”.

20) The applicant filed two almost identical declarations. One, dated 17 February 1998, by John Easter Newman a Director of the Biscuit, Cake, Chocolate & Confectionery Alliance, a position he has held for twenty years. The second, dated 16 February 1998, by Trevor Michael Joseph Dixon the Chief Executive of the Association of Convenience Stores. Mr Dixon states that he has worked in the grocery trade for thirty years and that he has a thorough knowledge of the grocery trade which includes the confectionery trade.

21) Both men state that they received a questionnaire from the applicant's Trade Mark Attorney which included an unwrapped chocolate bar and a colour photograph. Having completed and sent back the first questionnaire they received a second which they also completed and returned. The completed questionnaires and the colour photograph are attached to the declarations as exhibits. The first questionnaire asked the recipient to identify the name and producer of the product shown in the photograph. The second asked whether the individual would be prepared to sign a declaration prepared by the applicant's Trade Mark Attorney formally submitting the reply as evidence. In both cases the photograph was identified as a Bounty Bar and the manufacturer as the applicant company.

22) The fourth declaration, dated 23 June 1999, is by Evie Kyriakides, the Marketing Property Manager responsible for trade marks within the applicant company. She states that the applicant has used the subject trade mark in relation to confectionary continuously since 1951. At exhibit EK1 she provides photocopies of packaging on which she states representations of the product have occurred. Only five of the exhibits are dated, these cover the period 1953 -1956. Whilst whole or "broken" Bounty bars are pictured or depicted, none are identical with the mark in suit, although the differences in a few cases are slight.

23) Ms Kyriakides provides figures for units sold (individual pack of ice cream or chocolate), turnover and advertising in the UK as follows:

Year	Units sold (millions)	Turnover £ Millions	Advertising £ Millions
1990	178	41	3
1991	198	48	2.9
1992	192	50	2.9
1993	172	47	3.4
1994	167	48	3.3
1995	152	45	3

24) Ms Kyriakides states that the applicant sells its confectionery and ice cream products under the mark in suit throughout the UK. She provides a schedule of television commercials at exhibit EK2 and also a video of commercials for the period 1958-1995. In none of the fifty one commercials, lasting 27 minutes, was the mark applied for actually shown. There were glimpses of whole and broken bars but none which were identical to the mark in suit. In the earlier advertisements from the 1950s & 1960s the image of a whole Bounty bar was shown. In the later advertisements there were fleeting glimpses of chocolate bars but it was not possible to discern whether they had rounded ends or a wave pattern on the top.

25) The last two declarations, dated 30 June 2000 and 14 June 2001, are by Alan John Wicken who describes himself as “a research consultant specialising in surveys for legal purposes”. He states that he has provided the declarations in order to explain a further survey that was undertaken under his direction the purpose of which was to illustrate what it is about the shape of the mark applied for, which makes the bar distinctive of Bounty. He states that the survey produced a result consistent with the earlier survey which showed that the mark in suit is distinctive for two thirds of the adult general public with Bounty.

26) Mr Wicken explains that four shapes were devised, all of which were whole (their contents could not be seen) bars covered in chocolate:

- Bar A: the wave/ripple pattern retained but the corners squared;
- Bar B: both the wave/ripple pattern replaced by three longitudinal lines and the corners squared;
- Bar C: the wave/ripple pattern with two rounded ends;
- Bar D: the wave/ripple pattern replaced by three ridges on the top surface parallel with the long side.

27) The survey involved the use of four equivalent samples of the general public, each group involving approximately 1,000 persons, with each group asked to name the product shown in one of the four pictures. The survey took place during two consecutive weeks 29 March – 2 April and 5-9 April 2000. Each respondent was asked “Can you tell me the name of the product in this picture?”. Although the responses were marked in three categories, the full breakdown for Bar B was not included in the exhibits. However, Mr Wicken had provided a figure for those who either named/did not name Bounty for each of the four bars. The figure for Bar B is this amalgamation of the two rows “Other” and “don’t know”. The results were as follows:

% who:	Bar A Square/Waves	Bar B Square/lines	Bar C Round/wave	Bar D Round/lines
Named Bounty	5	4	66	24
Other	72	96*	17	36
Don’t Know	23		17	41

*amalgamated figure.

28) Mr Wicken states that there were three pre-coded answers, “Bounty”, “Other” and “don’t know”. Each respondent was included in only one category. He states:

“I believe it is unlikely that an interviewer who realised that a respondent did not actually recognise the product, and was simply guessing at a number of different brands of chocolate bar, will have recorded that respondent as having given the answer BOUNTY even if BOUNTY was one of the brands guessed at by the respondent”.

29) Mr Wicken states that he discussed this point with the Senior Research Executive at Taylor Nelson Sofres who carried out the research and was informed that any interviewees giving more than one answer would have been recorded in the “other” category. Mr Wicken provides copies of the “other” answers provided in the survey

and these show on a few occasions that Bounty was named along with other products. He also states that “verbatim responses were not recorded in respect of respondents who gave the answer “BOUNTY”; in such cases, respondents were simply recorded as having given that pre-coded answer”. Mr Wicken states that the results show it is the combination of rounded corners and the wave/ripple pattern which are essential to the distinctiveness of the shape of the Bounty Bar.

OPPONENT’S EVIDENCE IN REPLY

30) The opponent filed three witness statements and an affidavit. The first witness statement, dated 19 September 2003, is by Ian James who provided an earlier declaration. At exhibit IJ1 he provides a photograph of a wrapper in which Iceland sold their “Ludwig” bars under the name of OASIS in the UK between March 1995 and February 2002. He states that during this period approximately 5 million “6-packs” were sold by Iceland. The wrapper has an illustration of the Ludwig bar showing it as having rounded ends and the wave pattern on the top surface.

31) The affidavit, dated 15 September 2003, is by Udo Walter who filed an earlier affidavit. Herr Walter refutes the claim made by Ms Burge that the Ludwig bars sold by Asda differed from those sold by other UK customers. Herr Walter states that initially Asda were supplied with the normal Ludwig bar with the surface wave/ripple. Shortly after, Asda requested that their Ludwig bars have a different surface decoration. For approximately two months Asda were supplied with the Ludwig bar with the surface decoration as described by Ms Burge. However, as this different surface decoration was causing difficulties to Herr Walter’s company Asda agreed to accept the standard Ludwig bar with the surface ripple. No other customer has asked or been supplied with anything other than the standard Ludwig bar.

32) The second witness statement, dated 12 September 2003, is by Brian Christopher Houlihan who was, during the period 1993 – June 2002, the Buying Director of Aldi Stores Ltd in the UK. He confirms that Aldi UK has sold the Ludwig bar under the trade mark ROMEO since mid 1990. In exhibits BCH1-BCH7 he provides copies of orders and invoices between his company and the opponent. He states that Aldi has sold “vast quantities” of these bars throughout the UK during this period.

33) The third witness statement is by Erica Rose Town who has previously provided evidence in this case. She states that all of the products shown in exhibit ERT2 of her earlier statement are available on the UK market and were all purchased in December 2002. She also states that she was aware of the advertising of the Bounty product over the years and took this into account when making her earlier statement.

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

DECISION

35) I shall first consider the ground of opposition under Section 32(2)(d) which reads:

- “32. (2) The application shall contain-
- (a)...
- (b)...

- (c)...
- (d) a representation of the trade mark.”

36) In considering this matter I take into account the comments of the Appointed Person, Geoffrey Hobbs Q.C., in the case of *Ty Nant Spring Water Ltd 's Trade Mark Application* [2002] RPC 55 where he said:

“The degree of precision with which the sign is represented must be sufficient to permit full and effective implementation of the provisions of the Act relating to absolute unregistrability (Section 3), relative unregistrability (Section 5), infringement (Section 10) and public inspection of the Register (Section 63). These provisions call for a fixed point of reference: a graphic representation in which the identity of the relevant sign is clearly and unambiguously recorded.”

37) For ease of reference the mark applied for is shown below:



38) The mark was described as “The mark consists of the shape of a confectionery bar, in particular the rounded ends and the wave pattern across the top”. On the application form the applicant indicated that the mark was a 3D mark. The opponent has objected to the mark on the grounds that whilst the applicant’s claim that the mark is a 3D mark the bottom and one side cannot be viewed. I do not accept that this is a valid contention as it is clear from the depiction that the mark is three dimensional and clearly any feature on sides which cannot be seen are not protected. However, I believe that there is a fundamental problem in that the description refers to “the shape of a confectionery bar”. To my mind this does not provide a “fixed point of reference” as it is accepted that confectionery bars come in all shapes and sizes. The description does not refer to the depiction of the bar provided although this may be inferred and indeed did form part of the original description. To my mind the applicant in amending the description has ended up by failing to file a graphic representation in which the identity of the sign it purported to represent was clearly and unambiguously recorded. It would seem to me that the applicant should not be in a worse position than that which he originally enjoyed. Therefore, the applicant has one month from the date of this decision to amend the description to include a specific reference to the depiction provided instead of a nebulous reference to “a” confectionery bar. If such an amendment is filed then the ground of opposition under Section 32(2)(d) will fail. If a satisfactory amendment it is not filed within this time limit then the opposition will be deemed to have succeeded.

39) In reaching this view I have taken into account the comments expressed by Mr Justice Lloyd in the case of *Mars UK Limited v Societe Des Produits Nestle SA* [2003] EWHC 3052, otherwise known as the POLO case. I do not consider the instant case to be on all fours with the POLO case as I am not seeking to amend the mark applied for but merely returning to the description originally applied for.

40) I now turn to the grounds of opposition under Sections 1 & 3 which read:

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

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

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

- (a) signs which do not satisfy the requirements of section 1(1),
- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d) 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:

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

41) The opponent has offered no evidence as to why the mark cannot function as a trade mark, other than their own view that members of the public would not view the shape as a trade mark. I do not think that the shape mark is such that I can say now that the applicant will never be able to educate the public to regard the shape as a trade mark denoting only their goods or services. The opposition under Section 3(1)(a) therefore fails.

42) It is clear from the views expressed by the European Court of Justice in *COMPANYLINE* [2003] E.T.M.R. 20 and the High Court in *Have a Break* [2002] EWHC 2533 (Ch) that Section 3(1)(b) has separate and independent scope from Section 3(1)(c). Therefore, I have to consider each section separately.

43) I therefore move to consider the ground of opposition under Section 3(1)(b). When considering the opposition under this section I adopt the approach taken by the European Court of Justice in its judgment in Joined Cases C-53/01 to C-55/01 *Linde AG, Windward Industries Inc. and Radio Uhren AG* (8 April 2003) which state:

“37. It must first of all be observed that Article 2 of the Directive provides that any sign may constitute a trade mark provided that it is, first, capable of being represented graphically and, second, capable of distinguishing the goods and services of one undertaking from those of other undertakings.

.....

39. Next, pursuant to the rule 1 Article 3(1)(b) of the Directive, trade marks which are devoid of distinctive character are not to be registered or if registered are liable to be declared invalid.

40. For a mark to possess distinctive character within the meaning 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 products of other undertakings (see *Philips* [2002] ECR I-5475, paragraph 35).

41. In addition, a trade mark’s distinctiveness must be assessed by reference to, first, the goods or services in respect of which registration is sought and, second, the perception of the relevant persons, namely the consumers of the goods or services. According to the Court’s case-law, that means the presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well informed and reasonably observant and circumspect (see Case C-210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, paragraph 31, and *Philips*, paragraph 63).

.....

47. As paragraph 40 of this judgment makes clear, distinctive character means, for all trade marks, that the mark must be capable of identifying the product as originating from a particular undertaking, and thus distinguishing it from those of other undertakings.”

44) It is clear from the above that I must assess the mark’s distinctiveness in relation to the goods for which the applicant seeks registration. Broadly the specification is for confectionery. I must also take into account the perception of the relevant consumer of the goods which, to my mind, means the general public.

45) The applicant draws attention to the rounded ends and the wave/ripple pattern across the top as being distinctive elements of the overall shape. In my view, the mark consists of a number of constituent parts, which in totality, fail to bestow upon the mark the minimum degree of distinctive character required to allow prima facie acceptance. It is well settled that the test for distinctiveness of a trade mark must be judged against the mark as a whole. The depiction of the goods is not strikingly novel or distinctive. In my view the average consumer would not see the mark as being origin specific and would not attach trade mark significance to the mark. Confectionery comes in all shapes and sizes with, in my experience, rounded ends being somewhat commonplace. Similarly, confectionery frequently has a form of decoration on the top, which sometimes acts as a code as to the type of filling. In addition confectionery tends to be wrapped and so shape and decoration are not

evident at the point of sale. Prima facie the mark is devoid of any distinctive character and the opposition under Section 3(1)(b) succeeds. However, the applicant seeks solace from the proviso, claiming that the mark has acquired distinctiveness through use.

46) In the *Windsurfing Chiemsee* case [1999] ETMR 585, the ECJ set out the test to be applied in order to determine whether a trade mark has acquired a distinctive character under Article 3(3) of the Directive (Section 3(1) proviso). It held that the national courts may take into account evidence from a variety of sources, but a finding that the mark has come to denote the goods as coming from a particular undertaking must necessarily mean that the provisions of Article 3(3) are met. The Court held that:

“In determining whether a mark has acquired distinctive character following the use made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from the goods of other undertakings” (paragraph 49).

“In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from Chambers of Commerce and industry or other trade and professional associations” (paragraph 51).

“If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify the goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances on which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general abstract data such as predetermined percentages” (paragraph 52).

47) The applicant provided evidence of the level of sales and also promotional activity. However, from the packaging provided it is clear that the mark applied for has not been used. Similarly, in my opinion, the promotional material provided does not show the mark in suit. The applicant accepted that the advertisements did not show the mark in suit although it was contended that they showed the “essential features” of the mark. In my view, the essential features are not apparent when watching the advertisements at normal speed. The applicant has provided “stills” from the adverts which show the chocolate bars in more detail but these would not be available to the general public. I do not consider either the level of sales or the promotional material to be of assistance to the applicant as it cannot be said to be evidence of use of the mark in suit.

48) The applicant filed evidence from two prominent members of the trade. Both were sent an unwrapped “Bounty” bar and asked if they could identify it and the

manufacturer. Both did identify the product and the manufacturer correctly and gave statements to that effect. However, the chocolate bars sent to them, photographs of them or their equivalent were not provided in evidence. I could not determine therefore whether there was anything embossed or printed onto the bars that would have assisted identification. Neither witness commented on whether they tasted the bar before identifying the product.

49) The applicant relies upon two surveys, both involved questioning approximately two thousand persons. Both surveys were carried out by a market research company Taylor Nelson Sofres. The first survey involved the interviewee being shown the mark in suit and being asked to name the product. If they named the product as Bounty, or if they responded “don’t know” the relevant box was ticked by the interviewer. Only if they responded with other brand names were their responses accurately recorded. The survey showed that 70% identified the product as Bounty, 16% named other brands whilst 14% responded “don’t know”.

50) The second survey was carried out in 2000 and involved the interviewees being split into four groups. Each was shown one out of four pictures of chocolate bars and asked to name the product. Of the four pictures one was the mark in suit, the others being specially devised either to reflect one or none of what the applicant describes as the distinctive characteristics of the mark in suit, the rounded ends and the wave pattern on the top. In this survey of those shown the image of a Bounty bar 66% identified it correctly. Only 4-5% of those shown a square bar with either lines or waves on the top identified the bar, incorrectly, as a Bounty ; whilst 24% of those shown a bar with rounded ends and straight lines on the top incorrectly identified the picture as a Bounty bar. Again, those responding “Bounty” or “don’t know” had a box ticked by the interviewer, only those responding with other brand names had their responses accurately recorded.

51) The applicant claims that any respondent naming two brands or who was clearly guessing would have been marked down in the “other” category. The responses for this group do show a few individuals who named Bounty amongst other brands. However, these surveys do not put the mentions of Bounty into context, anyone who guessed the answer but only mentioned the applicant’s brand would have been recorded as providing the “correct” answer.

52) Over the years there has been considerable judicial comment on the appropriate method of conducting a public survey. At the hearing I was referred to perhaps the best known case, *Imperial Group v Philip Morris* [1984] RPC 293 in which Whitford J. set out guidance on the conduct of surveys in order for the result to be given weight in legal proceedings. It is clear from his guidance that questions should not be leading and that the respondent should not be led into speculating about matters about which would not have concerned them in an ordinary commercial situation.

53) I accept that almost any survey can be criticised, and the fact that a survey can be criticised should not automatically render the survey as without weight. However, to my mind, asking the respondent to name the product shown in the photograph held up by the interviewer is inviting the respondent to name the word brand associated with a shape whilst implying that there is only one such brand or make. Where the shape concerned is used in connection with a market leading product, as is the case here, the

approach used by the interviewers makes it difficult to determine between those who genuinely believed that the shape designated the Bounty bar and those who were not considering the shape but the type of product and guessing that the market leader was most likely to be the “correct” answer to the question.

54) The lack of verbatim answers from those who gave the “correct” answer makes it impossible to determine the extent of guesswork involved. Quite why it was decided to record in full only the “wrong” answers is unclear. However, despite these shortcomings the level of recognition revealed by the surveys clearly demonstrates that a significant proportion of the relevant public recognised the shape shown to them as being one used by the applicant.

55) I have to consider whether evidence of product recognition is sufficient to establish acquired distinctiveness as a trade mark. It is claimed that the design of the confectionery bar is unusual and that the product was easy to distinguish from the products of other manufacturers, prior to the copying of the shape by rivals. However, even if this was true at the date of application, it is clear from *Philips v Remington* [2001] RPC 38 paras 64 & 65 that the identification, by the relevant class of persons, of the product as originating from a given undertaking must be as a result of the use of the mark as a trade mark.

56) The essential function of a trade mark is to identify the commercial origin of a product so as to enable the consumer who purchased it to either make a subsequent purchase of the product if it proves satisfactory or to avoid the product in future if the experience is unsatisfactory. When sold the applicant’s product is within a wrapper so its shape and decoration cannot be seen. The packaging exhibited does not have printed upon it the mark in suit. There is no evidence of the role that the shape plays in the selection of these goods, and it would appear from the evidence, in particular the packaging, that they are selected by reference to the brand name BOUNTY rather than by reference to the shape of the product. Therefore, the shape mark cannot be said to assist the consumer in choosing the product or avoiding it.

57) To my mind the applicant’s evidence shows product recognition by a significant proportion of the relevant public, but not use by the applicant, with consequent reliance on the shape by consumers, as a trade mark. I do not consider that the evidence proves the mark applied for has acquired a distinctive character as a result of the use made of it and I conclude that the applicant has failed to satisfy the proviso of section 3(1) of the Act. The opposition under Section 3(1)(b) succeeds.

58) I next consider the position under Section 3(1)(c). In considering this ground I look to the guidance given by the European Court of Justice in relation to Article 7(1)(c) of Council Regulation 40/94 on the Community Trade Mark in *Baby-Dry* [2001] ETMR 75. Article 7(1)(c) is equivalent to Section 3(1)(c) of the Trade Marks Act 1994. The findings of the Court are set out in paragraph 35 et seq of the judgement. Paragraphs 37, 39 and 40 serve to illustrate the approach adopted by the Court.

“37. It is clear from those two provisions taken together that the purpose of the prohibition of registration of purely descriptive signs or indications as trade marks is, as both Proctor & Gamble and the OHIM acknowledge, to prevent

registration as trade marks signs or indications which, because they are no different from the usual way of designating the relevant goods or services or their characteristics, could not fulfil the function of identifying the undertaking that markets them and are thus devoid of the distinctive character needed for that function.

.....

39. The signs and indications referred to in Article 7(1)(c) of Regulation No 40/94 are thus only those which may serve in normal usage from a consumer's point of view to designate, either directly or by reference to one of their essential characteristics, goods or services such as those in respect of which registration is sought. Furthermore, a mark composed of signs or indications satisfying that definition should not be refused registration unless it comprises no other signs or indications and, in addition, the purely descriptive signs or indications of which it is composed are not presented or configured in a manner that distinguishes the resultant whole from the usual way of designating the goods or services concerned or their essential characteristics.

40. As regards marks composed of words, such as the mark at issue here, descriptiveness must be determined not only in relation to each word taken separately but also in relation to the whole which they form. Any perceptible difference between the combination of words submitted for registration and the terms used in the common parlance of the relevant class of consumers is apt to confer distinctive character on the word combination enabling it to be registered as a trade mark.”

59) I also take into account the comments of Advocate General Jacobs in the *Doublemint* case, dated 10 April 2003, where he said:

“91. That last consideration leads me to the question of the extent to which Article 7(1)(c) of the Trade Mark Regulation must be interpreted in the light of the aim referred to in the *Windsurfing Chiemsee* judgment, namely that descriptive signs and indications should be freely available to be used by all traders in relation to the relevant goods.

92. In my opinion in *Baby-Dry*, (39) I took the approach that in the scheme of the Community Trade Mark Regulation a trade mark could include signs or indications designating product characteristics but could not consist exclusively of them. By virtue of Article 12(b), the trade mark cannot prevent other traders from using such signs for descriptive purposes. The aim of Article 7(1)(c) is to avoid the registration of descriptive brand names for which no protection could be available rather than to prevent any monopolising of ordinary descriptive terms. A very similar view was taken by the Court at paragraph 37 of its judgment.

93. In the present case, both the Office and the United Kingdom Government have expressed reservations about that approach, which has also been criticised in the literature. (40) It appears, they have pointed out, to represent a departure from the Courts statement in *Windsurfing Chiemsee* that Article

7(1)(c) of the Trade Marks Directive “pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the categories of goods or services in respect of which registration is applied for may be freely used by all and that Article 6(1)(b) (which corresponds to Article 12(b) of the Regulation) does not have a decisive bearing on that interpretation”.

94. It may be feared that the approach in question is liable to shift the balance of power in favour of a trade mark owner with monopolistic ambitions who may assert, or threaten to assert, his rights against an alleged “infringer who merely seeks to use descriptive terms descriptively and honestly”. In the real world, a defence under Article 12(b) might be worth rather less than its ostensible value in law.

95. That danger cannot be ignored. A trade mark owner wishing to monopolise not only his trade mark but the area around it may threaten unmeritorious proceedings against a competitor, who may capitulate rather than incur the costs of litigation as well as risk an adverse outcome.

96. However, for the reasons already given, I do not think that the *Baby-Dry* case, properly understood, does shift the balance in the way that has been suggested. And the danger mentioned will be obviated if the criterion of “perceptible difference” in paragraph 40 of the *Baby-Dry* judgment is applied as I have suggested above, so that a mark is accepted for registration only when it is apparent to both traders and consumers that as a whole it is not suitable, in the ordinary language of trade, as a designation of characteristics of the product in question.

97. In any event, it seems clear that there was no intention, in the *Baby-Dry* judgment, to depart from the view in *Windsurfing Chiemsee* that it is in the public interest that descriptive signs may be freely used by all. Very recently, in *Linde*, (42) the Court has expressly reaffirmed that position.”

60) This opinion was confirmed by the European Court of Justice in *Doublemint Case C191-01 (Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr [2003] WL101985)* which said:

“31. By prohibiting the registration as Community trade marks of such signs and indications, Article 7(1)(c) of Regulation No 40/94 pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the characteristics of goods or services in respect of which registration is sought may be freely used by all. That provision accordingly prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks.”

61) It is clear from the above that I must determine whether, assuming notional and fair use, the mark in suit, will be viewed by the average consumer to directly designate the essential characteristics, “kind” and “intended purpose”, of the goods for which registration is sought. Only if the mark is no different from the usual way of designating the relevant goods/services or their characteristics can it be debarred from registration.

62) The opponent's case here seems to be that whilst other manufacturers can and do use a wide range of different decorative motifs for chocolate confectionery and that there are a wide range of shapes that can be used with regard to the bars, the shape and motif of the mark in suit are commonplace. They also point out that the "Ludwig" bar, which is virtually identical to the mark in suit, has been sold for a number of years.

63) To my mind the mark in suit could not be said to be the normal way of describing the types of goods, or their characteristics, included in the specification. If the mark in suit had been used as a trade mark the public could have been educated to view the shape and motif as a trade mark and therefore have been able to distinguish them from those provided by other undertakings. The ground of opposition under Section 3(1)(c) fails.

64) I now turn to the ground of opposition under Section 3(1)(d). The opponent claims that the "Ludwig" bar has been sold in the UK since 1990 and that up to the relevant date 21 million bars had been sold. They claim that only two coconut filled chocolate bars exist in the marketplace, theirs and the applicant's. As both bars have rounded ends and the same wave pattern they claim that the design has become customary for such bars.

65) I think that I should be slow to adopt such reasoning. If a company has a monopoly position, as did the applicant's, and another company enters the marketplace and copies the design of the product this does not make the design "customary". The opposition under Section 3(1)(d) fails.

66) The above findings decide the matter, I do not need to consider the grounds of opposition under Sections 39(2) relating to the specification or 3(2)(c).

67) The opposition having been successful I order the applicant to pay the opponent the sum of £1750. 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 21st day of September 2004

George W Salthouse
For the Registrar,
the Comptroller-General