

**BL O/314/20**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATION 3149320**

**BY**

**FRITO-LAY TRADING COMPANY GMBH**

**TO REGISTER THE FOLLOWING TRADE MARK IN CLASSES 29 & 30:**

**MONSTER MUNCH**

**AND**

**OPPOSITION THERETO (NO. 406834)**

**BY**

**MONSTER ENERGY COMPANY**

## **Background and pleadings**

1. Frito-Lay Trading Company GmbH (hereafter “the applicant”) applied to register the trade mark:

### **MONSTER MUNCH**

in the UK on 11 February 2016. It was accepted and published in the Trade Marks Journal on 18 March 2016, in respect of a wide range of goods in classes 29 and 30.

2. Monster Energy Company (hereafter “the opponent”) opposes the contested trade mark, on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (the Act). The opponent opposed only part of the goods within each of the classes applied for. Following a revision of the applicant’s specifications of goods, which removed some areas of conflict, the opposed goods that remain at issue are:

**Class 29:** Yoghurt; nut-based food bars.

**Class 30:** Cereal based food bars; cereal bars and energy bars; granola-based snack bars; snack bars containing a mixture of grains, nuts and dried fruit [confectionery].

3. The opposition is based on the following four earlier European Union Trade marks (EUTMs):

- a) **9492158**, for the mark **MONSTER**, filed on 03 November 2010 and registered on 19 April 2011. The goods relied upon are:

**Class 29:** Dairy-based beverages and milk-based beverages containing coffee in Class 29.

**Class 30:** Coffee based beverages and coffee-based beverages containing milk in Class 30.

**Class 32:** Non-alcoholic beverages, namely energy drinks and energy drinks flavoured with coffee, all enhanced with vitamins, minerals, nutrients, amino acids and/or herbs in Class 32.

b) **10860252**, for the mark **MONSTER DETOX**, filed on 04 May 2012 and registered on 13 September 2012. The goods relied upon are:

**Class 30:** Ready to drink tea, iced tea and tea-based beverages; ready to drink flavored tea, iced tea and tea based beverages.

c) **9500448**, for the mark **MONSTER ENERGY**, filed on 05 November 2010 and registered on 19 April 2011. The goods relied upon are:

**Class 29:** Dairy-based beverages and milk-based beverages containing coffee in Class 29.

**Class 30:** Coffee based beverages and coffee-based beverages containing milk in Class 30.

d) **11528271**, for the mark **COFFEE MONSTER**, filed on 29 January 2013 and registered on 11 June 2013. The goods relied upon are:

**Class 30:** Ready to drink coffee, iced coffee and coffee-based beverages; ready to drink flavoured coffee, iced coffee and coffee-based beverages.

4. The opponent's marks qualify as earlier marks in accordance with section 6 of the Act and are not subject to the proof of use provisions contained in section 6A of the Act, as they have all been registered for less than five years prior to the date of publication of the applicant's mark.
5. The opponent claims that the marks are visually, aurally and conceptually similar due to the shared word 'MONSTER' in all of the marks at issue. The opponent states that the goods at issue are similar or complementary. As a result, the opponent submits that there is a likelihood of confusion.
6. In its counterstatement, the applicant denies there is a likelihood of confusion under Section 5(2)(b). The applicant states that its mark has been in use in the UK since at least 1978. The applicant submits that the public would not think the goods at issue come from the same or an economically linked undertaking. The applicant also

claimed that its 'MONSTER MUNCH' mark has acquired a significant reputation and goodwill through significant continuous use, and therefore confusion will not occur.

7. The opponent requested a hearing, which came before me on 12 May 2020. The opponent was represented by Ms Hilary Atherton of Bird & Bird LLP. The applicant was represented by Mr Jeremy Pennant of D Young & Co LLP. Both parties filed skeleton arguments in advance of the hearing.
8. Throughout the proceedings the opponent has been represented by Bird & Bird LLP and the applicant by D Young & Co LLP.

### **Evidence**

9. Both parties submitted evidence which can be summarised as follows:
10. The opponent's evidence comes from Mr Rodney Sacks, who is the Chairman and CEO of Monster Beverage Corporation and its subsidiaries, which includes the opponent, Monster Energy Company. Mr Sacks provides a witness statement together with 48 exhibits. His evidence is quite lengthy but can be summarised fairly briefly.
11. The opponent's business predominantly relates to the energy drinks market. Since the launch of the 'MONSTER ENERGY' drink in Europe in January 2008, the opponent's 'MONSTER' marks have been used extensively in the UK. The evidence clearly shows that the opponent is a leading player within this market. The opponent's branding predominantly features the word 'MONSTER', often as part of a figurative mark. Based on the sales figures and marketing expenditure set out in Mr Sacks' witness statement, I believe that the average UK consumer of energy drinks will be aware of the 'MONSTER' brand and that the word 'MONSTER' is the opponent's core brand name.
12. As an indication of its significance in the UK market, I note that the opponent's sales of energy drinks in the UK amounted to 41.3 million Euro in 2014; 36.8 million Euro in 2013 and 75.9 million Euro in 2012.
13. The opponent enjoyed 8.8% relevant market share in the UK in 2012; 10.4% in 2013 and 13.1% in 2015.

14. In 2015 the opponent spent in excess of 119.4 million Euro in the advertising, marketing and promotion of its energy drinks products across the EU.

15. Mr Sacks states that the opponent does not use traditional advertising methods. Instead, he submits, that it focuses on sponsorship and product placement. Many of the exhibits demonstrate this activity, with initiatives particularly focused on motor sports (including F1 racing) and forms of extreme sport. This ties in with what Mr Sacks says is the image of the opponent's 'MONSTER' brand<sup>1</sup>:

*“The image of the MONSTER energy drinks is ‘edgy and aggressive’. The athletes and events Monster sponsors tend to be edgy and aggressive, or extreme.”*

16. Having carefully considered the opponent's evidence I conclude that the opponent has shown substantial use of the word 'MONSTER' in respect of a part of the earlier goods at issue, across the UK. The level of sales and marketing expenditure in respect of those goods can be said to be highly persuasive when considering the claim for reputation and enhanced distinctiveness of the brand.

17. I conclude therefore that the opponent's 'MONSTER' core brand name is highly distinctive on account of the use made of it in respect of: *Non-alcoholic beverages, namely energy drinks, all enhanced with vitamins, minerals, nutrients, amino acids and/or herbs in Class 32.*

18. The opponent has not however, shown evidence that supports a claim that they also have a reputation in respect of: *Dairy-based beverages and milk-based beverages containing coffee in Class 29 or Coffee based beverages and coffee-based beverages containing milk in Class 30.*

19. The applicant's evidence is comprised of a witness statement of Mr Joseph J. Ferretti, the global trade mark Counsel of PepsiCo along with nine exhibits, MM1 – MM9. The applicant company is part of the PepsiCo group of companies. I will summarise this evidence very briefly:

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<sup>1</sup> Paragraph 25 of Mr Sack's witness statement

20. Mr Ferretti submits that the applicant is one of the world's leading manufacturers of snack food products. He states that the 'MONSTER MUNCH' brand was launched in the UK in 1977 and has been used continuously since then. Exhibit MM2 is confidential, however it contains sales figures year on year since 2006 and these figures can be said to be substantial. The applicant's 'MONSTER MUNCH' branded goods are sold widely across the UK, including through the retail outlets Tesco, Sainsbury and Lidl. The packaging format has been clear and consistent in its message, targeting children through the use of colour and 'monster' characters displayed on packaging and in advertising and promotional activities. Exhibit MM6 provides invoices that show sales of products in a variety of bag sizes and flavours.
21. The applicant contends that the evidence submitted demonstrates that consumers and the general public alike, throughout the UK, are highly aware of the 'MONSTER MUNCH' brand and products. As such, the applicant submits that the 'MONSTER MUNCH' mark has a significant reputation within the UK since 1977 because of the longstanding and extensive use of the mark, making it highly distinctive and synonymous with products originating from the applicant.
22. I have carefully assessed all of the evidence submitted by the applicant and come to the following conclusions:
23. The evidence from the applicant relates entirely to its range of corn-based snacks, branded as 'MONSTER MUNCH'. The applicant's goods at issue in this matter are: Yoghurt; nut-based food bars; cereal based food bars; cereal bars and energy bars; granola-based snack bars; snack bars containing a mixture of grains, nuts and dried fruit [confectionery].
24. Exhibit MM3 includes an article from The Grocer dated 23 August 2008 referring to a retro relaunch of Monster Munch, stating: "*...following research that suggested consumers preferred the old-style crisps and packets*". Within the same exhibit an article from crackunit.com also refers to the applicant's goods as crisps. It is clear from the evidence that the goods that the applicant might claim a reputation for are corn snacks and corn-based snacks provided in bags, and generally accepted by the consumer and the industry as a 'crisp' product.

25. The applicant's evidence does not show any use at all of the contested mark on the goods that have been applied for under the application at issue. Whilst the applicant may wish to make a link between its corn snacks sold in bags and e.g. cereal bars or granola bars, the evidence does not show that the applicant has used the 'MONSTER MUNCH' mark on such goods. I find therefore, that the contested mark cannot be said to enjoy a high degree of distinctiveness because of the use made of it, in respect of the goods applied for under the application to hand, even if this line of argument were relevant.

### **The Hearing**

26. At the hearing, Ms Atherton began by considering the goods at issue. She submitted that the contested 'yoghurt' in class 29 is similar to the earlier 'Dairy-based beverages and milk-based beverages containing coffee' in class 29. She stated that these goods have the same nature and coincide in producer, relevant public and distribution channels, being placed on the same or nearby shelves of shops and supermarkets. She added that yoghurts are sometimes presented as a drink and as such these goods may also be in competition.

27. Ms Atherton submitted that the contested 'energy bars' in class 30 are similar to the earlier 'energy drinks' in class 32. She stated that they provide the same purpose, being to provide an energy boost and suggested that these goods are complementary and target the same public. She added that they may be purchased at the same time, after exercise or for use before or during exercise. As such, she claimed that these goods are often produced by the same undertakings who will often provide a large range of energy products under the same brand, something that the public is aware of.

28. Turning to the contested 'nut-based food bars' in class 29 and 'cereal based food bars; cereal bars; granola-based snack bars; snack bars containing a mixture of grains, nuts and dried fruit [confectionery]' in class 30; Ms Atherton told me that these goods are similar to the earlier 'energy drinks' in class 32 because they are intended to provide an energy boost to the consumer. She claimed that the contested goods are prepared foodstuffs sold in bar form for quick and easy consumption and the earlier energy drinks are beverages intended to be consumed quickly and easily to provide energy

in the form of calorific content, boosted in a number of ways, including the addition of e.g. fructose, sucrose fruits, vegetables, seeds and nuts. As such, she claimed that these goods are similar.

29. Ms Atherton submitted that the goods at issue are relatively low-cost and are purchased on a frequent (even daily) basis. As such, she stated that the average consumer would adopt a below average level of attention, something that has been confirmed, she said, in earlier IPO decisions, notably '*Plant Power*'<sup>2</sup>, dealing with foodstuffs and non-alcoholic beverages.
30. In her comparison of the marks, Ms Atherton told me that all of the marks at issue consist of, or contain, the word 'MONSTER'. She claimed that the word 'MUNCH' of the contested mark is allusive in relation to the goods at issue and stated that the 'MONSTER' element of the contested mark was therefore the most dominant and distinctive element in that mark. She also stated that in the earlier marks, the word 'MONSTER' is either the sole word or the first word in a two-word mark. It is well established, she submitted, that the beginning of a sign has a significant influence on the general impression made by the mark.
31. In conclusion, Ms Atherton told me that the marks at issue are visually, phonetically and conceptually highly similar.
32. In regard to the distinctiveness of the earlier marks, Ms Atherton referred me to the evidence of Mr Rodney Sacks and exhibits 1 – 48, which show that the earlier 'MONSTER' and 'MONSTER ENERGY' marks have been used extensively across the UK and therefore enjoy an enhanced scope of protection in relation to energy drinks.
33. Turning then to the global assessment of the marks, Ms Atherton submitted that the marks are highly similar; the goods are similar to at least a medium degree; the earlier marks have enhanced distinctiveness, and the level of attention paid by the average consumer will be below average. All of this, she suggested, leads to a likelihood of confusion which includes a likelihood of association.

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<sup>2</sup> BL O/421/17

34. Ms Atherton then addressed the Applicant's evidence provided by Mr Joseph J Ferretti, regarding the extent of the profile of the Applicant's brand.

35. In this regard, Ms Atherton stated in her skeleton arguments that:

"It is well-established that the right to a registered trade mark begins on the date when the trade mark application is filed and not before, and it is from that date onwards that the mark applied for has to be examined with regard to opposition proceedings. Therefore, when considering whether or not the mark applied for falls under any of the relative grounds for refusal, events or facts that happened before the filing date of the opposed mark are irrelevant because the opponent's rights, insofar as they predate the opposed mark, are earlier than the applicant's."

36. Ms Atherton then noted that the applicant had applied to revoke the earlier 'MONSTER' and 'MONSTER ENERGY' marks at the European Union Intellectual Property Office (EUIPO) on 24 April 2017. She told me that the EUIPO had revoked both marks as of 25 April 2017. These decisions, she said, have been appealed to the EUIPO Board of Appeal however, regardless of the outcome of the appeals, these decisions have no effect on the opposition at hand, as the revocation dates of those earlier marks post-date the application, which was filed on 11 February 2016. The earlier marks were therefore valid earlier marks at the date of application.

37. Ms Atherton further noted that the applicant had also applied to revoke the earlier 'MONSTER DETOX' and 'COFFEE MONSTER' marks. She submitted that the EUIPO had revoked those marks as of 10 May 2019, however those marks also remained valid earlier rights at the date of application and qualify as earlier trade marks within the meaning of Section 6 (1)(a) of the Act.

38. On behalf of the Applicant, Mr Pennant told me that the specification of the contested application had been restricted from that originally filed, in an attempt to address the opponent's concerns.

39. Mr Pennant submitted that the opponent's evidence showed that there has been no use by the opponent of the word 'MONSTER' alone. There is use, he said, of 'Monster Energy' and 'M Monster Energy' as a composite mark.

40. Mr Pennant submitted that the applicant is in the food business and has used the 'MONSTER MUNCH' mark in the UK for 43 years continuously.
41. With regard to the average consumer, Mr Pennant referred me to the '*Monsta Pizza*', decision<sup>3</sup> where the Appointed Person (AP) had agreed with the IPO Hearing Officer's finding of a medium degree of attention being paid during the purchase of the kinds of goods at issue.
42. Turning to the comparison of the goods, Mr Pennant told me that the goods at issue are not similar at all. Referring again to the '*Monsta Pizza*' decision, he stated that the AP had agreed that pizza and energy drinks were different. Mr Pennant also referred to the *Monster Energy v OHIM* decision<sup>4</sup> and *Monster Energy Company vs Monclear*<sup>5</sup>, where the kinds of goods at issue in this matter were found to be dissimilar. Mr Pennant denied that energy drinks and energy bars are similar based on earlier EUIPO decisions which found those goods to be similar in purpose and complementary. He suggested that the law regarding complementarity had moved on and that many things could be found to be similar to energy drinks, e.g. a banana, but that this alone would not be sufficient to find similarity. Mr Pennant noted that Ms Atherton had referenced the earlier IPO decision *Hello Energy*<sup>6</sup> where that decision compared granola bars with preparations made from cereals. In that case, those goods were found to be identical, however, in this instance Mr Pennant pointed out that the goods concerned are drinks versus food products. The *Hello Energy* decision was therefore not persuasive in this matter, he suggested.
43. Mr Pennant stated that for a certain part of the relevant public, i.e. those suffering with allergies, the level of attention paid when purchasing e.g. a snack bar that may contain nuts, would be higher than normal.
44. When comparing the marks, Mr Pennant told me that an overall impression had to be considered. He suggested that the dominant element in the contested mark was not the word 'MONSTER'. He stated that the marks must be considered in their entirety and that when compared in that way, the marks at issue are visually different and are

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<sup>3</sup> BL O/061/19

<sup>4</sup> T 736/14

<sup>5</sup> EUIPO Opposition decision B2783242

<sup>6</sup> BL O/476/18

different lengths. Aurally, he suggested that the additional word 'MUNCH' in the contested mark clearly served to differentiate between the marks, and the use of the letter 'M' twice in the contested mark also helped this distinction by way of alliteration. From a conceptual point of view, Mr Pennant referred me again to *Monsta Pizza* and also to the *Monsta Cover* decision.<sup>7</sup> Mr Pennant suggested that the word 'MONSTER' may be seen to be descriptive in the sense that it could relate to a large portion or size, therefore that word could be said to be no more distinctive than the word 'MUNCH' in the contested mark.

45. Mr Pennant referred me to the recent IPO decision in '*JUST BE MONSTER*'<sup>8</sup>, where the goods in that case were found to be identical, leading to the possibility of a greater risk of indirect confusion. He submitted that the case at hand involved goods that could not be said to be identical, and therefore there was far less risk of indirect confusion, and no evidence that the public would ever associate the solid foodstuffs of the applicant with the opponent's beverages.

46. Mr Pennant also commented on the *Plant Power* decision, which had been referenced by Ms Atherton, regarding the level of attention paid by consumers of everyday consumable foods products. Mr Pennant submitted that the assessment of the Hearing Officer in that decision, was not emphatic and was not a complete analysis, partly due to the issue not having been raised by either party in that matter. As such, Mr Pennant stated that the *Plant Power* decision, in respect of its assessment of the average consumer and purchase process, should not be persuasive in the matter at hand.

47. Turning to the distinctive character of the earlier marks, Mr Pennant referred me to *EUIPO vs Mind Candy*<sup>9</sup>, where the EUIPO found that evidence provided by Mr Sacks, dated 23/02/2016, had not demonstrated that the earlier mark had acquired a high degree of distinctiveness through use, as the evidence did not show use of the word 'MONSTER'. Mr Pennant also referred to the *Monster vs Monster University*<sup>10</sup> decision where it was found that evidence from Mr Sacks did not show that the opponent had a reputation in 'MONSTER' *per se*.

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<sup>7</sup> BL O/543/17

<sup>8</sup> BL O/175/20

<sup>9</sup> EUIPO Opposition decision B2280405

<sup>10</sup> R 478-2015-2, paragraph 132

48. In respect of the cancellation actions that are ongoing at the EUIPO, Mr Pennant referred to the recent UK IPO decision in *Supermax*<sup>11</sup> where the IPO suspended that opposition action pending the outcome of an action against the application on which the opposition was based. I find however, that this matter is not on all fours with the *Supermax* case, as all of the earlier rights in this matter are registered and, even if the EUIPO confirms the cancellation actions against those four earlier EUTMs, the dates of revocation are later than the filing date of the contested mark, meaning that for the purposes of this matter, all four earlier rights were valid rights at the date of application, even if the revocation actions at the EUIPO are confirmed by the Boards of Appeal, and can therefore be relied upon in this opposition.
49. Mr Pennant told me that, taking all of his submissions into account, there was no likelihood of direct or indirect confusion between the marks at issue and therefore the opposition should be dismissed entirely.
50. Responding to the submissions of Mr Pennant, Ms Atherton submitted that in relation to the level of attention of the average consumer, Mr Pennant had referred extensively to the *Monsta Pizza* case, however, in that matter the goods and services at issue were pizza and pizza parlours. Ms Atherton submitted that pizza is not similar to the goods at issue in this matter, because pizza tends to be consumed as a meal rather than as a snack or convenience product consumed on the go. She added that the place and manner of purchase of pizzas and the goods at issue are completely different as pizzas, for the most part, are consumed in pizza parlours and restaurants, and pizza is not generally consumed for the purpose of providing an energy boost.
51. Regarding Mr Pennant's comments around a part of the relevant public that may pay a higher degree of attention because they have allergies, Ms Atherton stated that while that may be the case, all average consumers must be taken into account and, whilst it is reasonable to assume that a consumer suffering with a nut allergy would pay more attention perhaps to the ingredients in a pizza, that same consumer would strictly avoid e.g. a nut based snack food bar.
52. Turning to the point Mr Pennant made regarding the different methods of consumption of the contested goods and the opponent's goods, Ms Atherton accepted that some

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<sup>11</sup> BL O/184/20

products are eaten and some are drunk, however she stated that the goods at issue are convenience products intended to provide an energy boost on the go, and that regardless of the specific form those goods take, they serve that purpose in the same way. Ms Atherton submitted that the goods at issue are every day, low cost products that may be purchased regularly.

53. Ms Atherton then turned to Mr Pennant's comments regarding the similarity of the signs. Mr Pennant suggested that the 'MONSTER' element of the contested mark was no more distinctive than the 'MUNCH' element. Mr Pennant had referred to the recent IPO decision in '*JUST BE MONSTER*', in which the Hearing officer, Ms Atherton told me, had found that there was a medium degree of similarity between 'JUST BE MONSTER' and the mark 'MONSTER'. Ms Atherton submitted that this decision of the IPO supported her case rather than the applicant's, as the mark 'JUST BE MONSTER' is a three-word mark with the word 'MONSTER' appearing at the end, and in that case the marks were found to be similar. The marks at issue in this matter must therefore be found to be more similar than in the 'JUST BE MONSTER' decision, she claimed.

54. In respect of Mr Pennant's reference to indirect confusion, Ms Atherton submitted that the contested mark 'MONSTER MUNCH' would likely be seen as a brand extension of the opponent's 'MONSTER' energy product range and indirect confusion would occur.

55. The parties both requested costs in the event that they were successful in this matter.

## **Decision**

### **Section 5(2)(b) of the Act**

56. 5(2)(b) of the Act states:

“(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.”

57. The following principles are gleaned from the decisions of the Court of Justice of the European Union (“the CJEU”) in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(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 or 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, and whose attention varies according to the category of goods or services in question;

(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 normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

### **Comparison of goods**

58. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

59. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

60. In *Gerard Meric*, the General Court stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut fur Lernsysteme v OHIM- Educational Services* (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

61. Mr Pennant referred me to the *Boston Scientific* decision<sup>12</sup>, where the General Court described goods/services as “complementary” in circumstances where “... *there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking*”.

62. I also take note that in *Kurt Hesse v OHIM*<sup>13</sup>, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods.

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<sup>12</sup> *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

<sup>13</sup> Case C-50/15 P

63. I will begin my assessment by comparing the contested mark with the opponent's EUTM **9492158** for the mark **MONSTER**. I do so because that earlier mark contains the broadest range of goods of the four earlier marks relied upon. I will return to consider the other three earlier marks later in my decision.

64. The parties' respective specifications are:

Earlier mark <b>9492158</b>	Contested mark
<p><b>Class 29:</b> Dairy-based beverages and milk-based beverages containing coffee in Class 29.</p> <p><b>Class 30:</b> Coffee based beverages and coffee-based beverages containing milk in Class 30.</p> <p><b>Class 32:</b> Non-alcoholic beverages, namely energy drinks and energy drinks flavoured with coffee, all enhanced with vitamins, minerals, nutrients, amino acids and/or herbs in Class 32.</p>	<p><b>Class 29:</b> Yoghurt; nut-based food bars.</p> <p><b>Class 30:</b> Cereal based food bars; cereal bars and energy bars; granola-based snack bars; snack bars containing a mixture of grains, nuts and dried fruit [confectionery].</p>

65. The contested *Yoghurt* in class 29, is defined by the Collins English Dictionary as “a *thick custard-like food prepared from milk that has been curdled by bacteria, often sweetened and flavoured with fruit, chocolate, etc*”. In his submissions Mr Pennant pointed out that yoghurt can be made from dairy-free alternatives such as soya. However, as Ms Atherton noted, the term ‘yoghurt’ covers all kinds of yoghurt, including yoghurt that is made from milk. As such, yoghurt can be said to be a dairy-based product when made from milk, which is predominantly the case. It is also the case that yoghurt can be provided as a beverage, and as such I find that the contested *yoghurt* falls under the opponent's broader goods *Dairy-based beverages and milk-based beverages containing coffee*. As yoghurt is commonly flavoured or sweetened, according to Collins, the addition of coffee to flavour the earlier goods does not alter

the possibility that the contested *yoghurt* may also be flavoured and provided in beverage form. These goods are therefore identical.

66. The contested *energy bars* are prepared foodstuffs sold in bar form, intended for quick and easy consumption and to provide energy to the consumer. Energy bars often contain a number of ingredients such as fruits, vegetables, nuts and seeds, but also sugar, glucose, fructose or sucrose, all of which add calorific content to the bar, providing the consumer with a boost of energy.

67. The earlier *Dairy-based beverages and milk-based beverages containing coffee in Class 29 and Coffee based beverages and coffee-based beverages containing milk in Class 30*, are beverages that contain or are flavoured with coffee and are made from or contain milk and dairy products. They are intended to quench the thirst or to be enjoyed simply as a beverage. These goods are not expressly intended to impart energy or act as a meal replacement. They may be purchased by the same consumers of the contested energy bars, but they do not share nature or purpose and are unlikely to share manufacturer. Whilst one may be consumed at the same time as the other, this is not enough to find a level of complementarity between such goods. Neither is important or indispensable to the other. Therefore, I find these goods to be dissimilar.

68. The earlier *Non-alcoholic beverages, namely energy drinks and energy drinks flavoured with coffee, all enhanced with vitamins, minerals, nutrients, amino acids and/or herbs in Class 32* are beverages intended to be consumed in order to provide energy to the consumer. These goods are often consumed before, during or after taking part in physical activity or exercise and are enhanced with a range of vitamins, minerals and amino acids, as well as sugars that provide the consumer with energy quickly.

69. These goods share intended purpose and end-user with the contested energy bars. They may also share manufacturer, as producers of energy products may produce such goods in solid and liquid form. They may also share channels of trade, as they will likely be found in the same areas of retail outlets and websites that specialise in energy products. These goods may also be considered to be in competition with each other and complementary, in the sense that the average consumer will often choose

a combination of liquid and solid energy products when undertaking e.g. a long-distance run or bicycle ride. These goods are similar to at least a low degree.

70. The remaining contested goods can be considered as one category of goods in my opinion. These goods: *nut-based food bars* in class 29, and *cereal based food bars; cereal bars; granola-based snack bars; snack bars containing a mixture of grains, nuts and dried fruit [confectionery]* in class 30, are all forms of snack foods provided in bar form. These goods are made from nuts, cereals, granola, grains and dried fruits and/or a combination of some or all of these ingredients. These goods are intended to provide the consumer with a food source quickly, perhaps when travelling and before, during or after taking exercise; providing energy when needed. Because of the ingredients that these contested goods are made from, they can be said to provide a relatively quick source of energy.

71. The earlier *Dairy-based beverages and milk-based beverages containing coffee in Class 29* and *Coffee based beverages and coffee-based beverages containing milk in Class 30*, are beverages that contain or are flavoured with coffee and are made from or contain milk and dairy products. They are intended to quench the thirst or to be enjoyed simply as a beverage. These goods are not expressly intended to impart energy or act as a meal replacement. They may be purchased by the same consumers of the contested snack bar products, but they do not share nature or purpose and are unlikely to share manufacturer. Whilst one may be consumed at the same time as the other, this is not, in and of itself, sufficient to find a level of complementarity between such goods. Neither is important or indispensable to the other. Therefore, I find these goods to be dissimilar.

72. The earlier *Non-alcoholic beverages, namely energy drinks and energy drinks flavoured with coffee, all enhanced with vitamins, minerals, nutrients, amino acids and/or herbs in Class 32* are beverages intended to be consumed in order to provide energy to the consumer. These goods are often consumed before, during or after taking part in physical activity or exercise and are enhanced with a range of vitamins, minerals and amino acids, as well as sugars that provide the consumer with energy quickly.

73. The contested *nut-based food bars; cereal based food bars; cereal bars; granola-based snack bars; snack bars containing a mixture of grains, nuts and dried fruit [confectionery]* also provide the consumer with a quick release of nutrition and energy.

74. These goods share intended purpose and end-user. It is also possible that a producer of snack bars and nut-based food bars may also produce energy drinks. In terms of channels of trade, I find that these goods are likely to be sold in health food shops and within the same general areas of larger retail establishments, or on health and sports-based websites. It is also the case that a consumer of energy drinks purchased for consumption during sports activities, may also be a consumer of snack bar products. It is the case, for example, that cyclists and long-distance runners will combine energy drinks with solid energy alternatives, as they can be easier to carry and can have a better impact on digestion when consumed in quantity during exercise. For these consumers, I find that the goods at issue can be said to be both in competition and also complementary. These goods are similar to at least a low degree.

75. In conclusion, all of the contested goods have been found to be identical or similar to at least a low degree, to the earlier goods.

#### **Average consumer and the purchasing act**

76. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

77. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words

“average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

78. Both parties made submissions regarding the likely average consumer during the hearing and in their skeleton arguments. I have considered those submissions carefully.

79. The average consumer of yoghurt and snack bars is the general public, who will pay no more than a medium degree of attention to the selection of such goods, however it could be argued that the average consumer of an energy bar or energy drink will be more attentive when making their selection, to ensure that they purchase the correct product. When choosing such goods, the consumer may check the packaging and list of ingredients more carefully than when selecting more general day to day consumables however, in such instances, I find that there would still be no more than a medium degree of attention being paid.

80. Mr Pennant suggested that consumers with allergies will take more care when selecting e.g. snack bars that may contain nuts. Whilst I find this a reasonable argument, I do not think that this elevates the level of attention paid by the average consumer of the kinds of goods at issue above a medium level.

81. The selection of the goods at issue will be primarily a visual process within high street retail outlets and supermarkets and online at specialist websites. However, I do not dismiss the possibility of an aural interaction between the consumer and a sales assistant when the selection process takes place within a café or other establishment providing food and beverages to be taken away or consumed on the premises.

### **Comparison of marks**

82. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

83. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

84. The respective trade marks are shown below:

<b>Earlier EUTM 9492158</b>	<b>Contested trade mark</b>
<b>MONSTER</b>	<b>MONSTER MUNCH</b>

85. The earlier mark is comprised solely of the word ‘MONSTER’ presented in standard typeface. The overall impression of the mark lies in its totality.

86. The contested mark is comprised of the words ‘MONSTER’ and ‘MUNCH’ in standard typeface. Neither word can be said to be more dominant or eye-catching than the other. The opponent submitted that the word ‘MUNCH’ in the contested mark is the least distinctive element of that mark as it has an allusive connotation when considered in the context of at least the majority of the contested goods. I agree with the opponent. The word ‘MUNCH’ is a well-known and readily understood word that refers to the act of taking a bite of food and chewing it thoroughly and noisily.<sup>14</sup> The contested food products in bar form will be consumed by chewing vigorously and ‘munching’.

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<sup>14</sup> <https://www.collinsdictionary.com/dictionary/english/munch>

87. Mr Pennant submitted that the word 'MONSTER' in the contested mark may be considered to be descriptive and seen as an indication of a large portion or large size. I accept that the word can be defined in such a way, however I do not agree that this would be the primary perception of that term with the average consumer. I therefore find the word 'MONSTER' of the contested mark to be the more distinctive element in that mark, as the word 'MONSTER' has no obvious link or connection to the goods of the applicant.

88. The word 'MONSTER' can therefore be said to play a greater role in the overall impression of the contested mark.

### **Visual similarity**

89. Visually, the marks are similar inasmuch as they share the word 'MONSTER' which forms the beginning of the contested mark and the entirety of the earlier mark. The marks differ in the word 'MUNCH' of the contested mark, which has no counterpart in the earlier mark. As the shared element 'MONSTER' is presented as the initial element of the contested mark and has been found to play a greater role in that mark than the word 'MUNCH', the marks are considered to be visually similar to at least a medium degree.

### **Aural similarity**

90. The earlier mark will be articulated as *MON/STIR*. The contested mark will be pronounced *MON/STIR/MUNSH*. As the marks share identical beginnings and the earlier mark is wholly contained within the contested mark, they can be said to be aurally similar to at least a medium degree.

### **Conceptual similarity**

91. The shared word 'MONSTER' is defined as "a large imaginary creature that looks very ugly and frightening; something which is extremely large, especially something which is difficult to manage or which is unpleasant".<sup>15</sup> Both marks share a concept centred around the meaning of the word 'MONSTER', which will be readily perceived and understood by the average consumer to have no obvious association with the goods

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<sup>15</sup> <https://www.collinsdictionary.com/dictionary/english/monster>

at issue. The word 'MUNCH' of the contested mark has a meaning that has been established previously. Within the context of the contested snack goods, the word munch can be said to have a suggestive quality that will be perceived by the average consumer to relate to the manner in which e.g. a cereal-based snack bar containing nuts or granola is likely to be consumed.

92. As both marks share the conceptual hook of a monster, and as I have found that it is this element of the contested mark that plays the greater role in that mark, I conclude that the marks are conceptually similar to a high degree.

93. In conclusion, the marks have been found to be visually and aurally similar to at least a medium degree and conceptually similar to a high degree.

#### **Distinctive character of the earlier trade mark**

94. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; 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 section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of

commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

95. The opponent has claimed that its earlier mark has acquired an enhanced degree of distinctive character and has provided evidence in support of this claim.

96. I have established earlier in this decision, based on my analysis of the opponent’s evidence, that the opponent has shown substantial use of the word ‘MONSTER’ in respect of a part of the goods at issue, across the UK. The level of sales and marketing expenditure in respect of those goods can be said to be highly persuasive when considering a claim for reputation and enhanced distinctiveness of the brand.

97. In his submissions, Mr Pennant has claimed that the evidence provided by the opponent does not show use of the word ‘MONSTER’. He has also referred to a number of earlier decisions where evidence provided by Mr Sacks was considered to be insufficient to show reputation or enhanced distinctiveness in the mark ‘MONSTER’. I do not accept Mr Pennant’s submissions in this regard. I have found that the evidence in this matter shows use of the word ‘MONSTER’ on energy drinks, albeit often in a stylised manner or within a complex mark. However, the word ‘MONSTER’ is clearly used, in an acceptable variant form, as the primary brand of the opponent. It is also clearly the case that I am unable to compare the evidence that Mr Sacks provided in those earlier cases with the evidence I have before me in this matter. It is quite likely that the evidence before me is not identical to the evidence provided in the previous cases to which Mr Pennant has referred.

98. I conclude therefore that the earlier mark is highly distinctive on account of the use made of it in respect of: *Non-alcoholic beverages, namely energy drinks, all enhanced with vitamins, minerals, nutrients, amino acids and/or herbs in Class 32.*

99. The opponent has not however, shown evidence that supports a claim that they also have a reputation in respect of: *Dairy-based beverages and milk-based beverages containing coffee in Class 29; Coffee based beverages and coffee-based beverages containing milk in Class 30 or Non-alcoholic beverages, namely energy drinks flavoured with coffee, all enhanced with vitamins, minerals, nutrients, amino acids and/or herbs in Class 32.* For these goods the earlier mark can be said to have a medium level of inherent distinctiveness.

### **Likelihood of Confusion**

100. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

101. Confusion can be direct (which effectively occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks/services down to the responsible undertakings being the same or related).

102. I have found that:

- the goods at issue are identical or similar to at least a low degree;
- the marks are visually and aurally similar to at least a medium degree and conceptually similar to a high degree;
- the average consumer will generally be a member of the general public;
- the consumer will pay no more than a medium degree of attention when selecting the majority of the goods at issue, however a consumer of energy drinks and energy bars may display a slightly higher, but still no more than medium, degree of attention;
- the visual and aural assessments of the marks are both important, however the visual assessment is likely to be of primary importance;
- the earlier mark has a high degree of distinctiveness in respect of energy drinks all enhanced with vitamins, minerals, nutrients, amino acids and/or herbs. For the remaining earlier goods, the earlier mark is distinctive to a medium degree.

103. Taking all of the aforesaid into account and reminding myself of the principles set out above in paragraph 57, I find that direct confusion is unlikely to occur.

104. The word 'MUNCH' in the contested mark, whilst somewhat allusive and suggestive, will not go unnoticed. It is not the most common or obvious term to apply to foodstuffs, even those goods that may be munched noisily such as a granola or cereal snack bar. Therefore, I find that the average consumer would notice the differences between the marks at issue and would not mistake one for the other.

105. Having found there to be no likelihood of direct confusion, I now go on to consider the matter in respect of indirect confusion.

106. Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10 noted that:

“16. ...Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

107. These examples are not exhaustive but provide helpful focus.

108. The word ‘MUNCH’ in the contested mark has been found to have an allusive or suggestive quality but cannot be said to be entirely descriptive. It has also been found to play a lesser role than the word ‘MONSTER’ in the contested mark. As such I find that the consumer will perceive the contested mark primarily as a ‘MONSTER’ mark. The additional word ‘MUNCH’ will be perceived as a nod towards the crunchy, munchy nature of the goods and as such, I believe, will merely serve to ensure that the average consumer will assume that the contested mark is a variant mark from the ‘MONSTER’ range of products or a brand extension, and that the respective goods bearing these marks will come from the same, or an economically linked, undertaking.

109. I conclude therefore, that indirect confusion is likely to occur.

110. Having found that indirect confusion is likely to occur, the opposition succeeds entirely. I therefore do not need to go further and make an assessment of the opponent’s remaining three earlier EUTMs, as these marks are less similar than the earlier mark already compared, containing additional verbal matter; and cover goods that are either no wider than EUTM 9492158, or cover goods, such as ‘tea’ that are further away from the contested goods than the goods of EUTM 9492158.

### **Conclusion**

111. As I have found that there is a likelihood of indirect confusion, the opposition is successful. Subject to appeal, the application is refused for all of the opposed goods, which are:

**Class 29:** Yoghurt; nut-based food bars.

**Class 30:** Cereal based food bars; cereal bars and energy bars; granola-based snack bars; snack bars containing a mixture of grains, nuts and dried fruit [confectionery].

112. The application may proceed to registration for the goods that were not opposed, namely:

**Class 29:** Meat; fish; poultry; game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies; jams; compotes; eggs; edible oils and fats; Dips; cheese; edible nuts; processed nuts; processed edible seeds; mixtures of fruit and nuts; Potato chips; potato crisps; potato-based snack foods; soy-based snack foods; soy chips; fruit-based snack food; fruit chips; yucca chips; Prepared beef; beef jerky; puffed pork rind; vegetable salads; fruit and vegetable spreads; vegetable based snack foods and chips; ready to eat snack foods consisting primarily of potatoes and chips, nuts, nut products, seeds, fruits, vegetables or combinations thereof; legume-based snacks and spreads.

**Class 30:** Sugar; rice; tapioca; sago; flour; preparations made from cereals; bread; pastry; confectionery; ices; honey; treacle; yeast; baking powder; salt; mustard; vinegar; sauces (condiments); spices; cereals; processed grains; snack food products made from cereal flour; snack food products made from potato flour; snack food products made from rice flour; crackers; taco chips; tortilla chips; flour-based chips; grain-based chips; cereal-based snack food; rice-based snack food; rice chips; rice crisps; rice crackers; puffed rice; cakes (rice-); snack foods made from corn; processed corn; popcorn; roasted corn; puffed corn snacks; maize-based snack products; extruded snacks containing maize; poppadoms; pretzels; granola; cereal seeds, processed; salsas; sauces; coated nuts [confectionery]; granola-based snack foods; maize-based snack products; ready to eat snack foods consisting primarily of grains, corn, cereal or combinations thereof.

### **Costs**

113. The opponent has been successful and is entitled to a contribution towards its costs. I bear in mind that the relevant scale is contained in Tribunal Practice Notice 2/2016.

114. I award costs to the opponent as follows:

Official opposition fees

£100

Preparing the statement of grounds and considering the counterstatement	£200
Preparation of evidence and considering the evidence of the applicant	£500
Preparing skeleton arguments and attending the hearing	£800
<u>Total</u>	<u>£1600</u>

115. I therefore order Frito-Lay Trading Company GmbH to pay Monster Energy Company the sum of £1600. This sum is to be paid within two months of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 09<sup>th</sup> day of June 2020**

**Andrew Feldon  
For the Registrar  
The Comptroller-General**