

N TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2055366
BY LIDL STIFTUNG & CO. KG
TO REGISTER A TRADE MARK IN CLASSES 29 & 30

AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 46220
BY MARS UK LIMITED

BACKGROUND

1) On 2 February 1996, Lidl Stiftung & Co. KG of Heiner-Fleischmann-Strasse 2, D-74172 Neckarsulm, Germany applied under the Trade Marks Act 1994 for registration of the trade mark **BALLINO** in respect of the following goods:

In Class 29: “Yoghurt.”

In Class 30: “Ice cream; sherbets; water ices; frozen confections; chocolate, chocolate goods; cakes; pastries; biscuits; patisserie; confectionery.”

2) On the 8 January 1997 Mars UK Ltd of Dundee Road, Slough, Berkshire, SL1 4JX, filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is the proprietor of three UK trade mark registrations for the word “BALISTO”. The registrations are for goods in Classes 29 & 30. Full details are at annex A.

b) The application would therefore offend against Section 5(2) of the Trade Mark Act 1994.

3) The opponent further requested that the Registrar refuse application number 2055366 in the exercise of her discretion. However, under the Trade Marks Act 1994 the Registrar does not have a discretion to refuse an application as she did under the old law. An application can only be refused if it fails to comply with the requirements of the Act and Rules in one or more respects.

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

5) Both sides filed evidence in these proceedings and the matter came to be heard on 5 July 2001 when the applicant was represented by Ms Simpson of Messrs Urquhart Dykes & Lord, and the opponent by Ms Christensen of Messrs Grant Spencer Caisley & Porteous.

OPPONENT’S EVIDENCE

6) The opponent filed a declaration, dated 21 January 1999, by Evie Kyriades the Marketing Properties Manager of the opponent company.

7) Ms Kyriades states that the opponent has used the mark BALISTO in the UK and Europe in relation to chocolate confectionery products. The mark was first use in Germany in 1981 and has been used continuously in Germany and other European countries since this date. She states that the products sold under this mark were first introduced into the UK in 1988. The products did not achieve the same level of popularity as in Germany and no direct sales of products have been made in the UK “during the last three years or thereabouts”.

8) Ms Kyriades provides approximate retail figures for the period 1988 to 1994 but does not state that they refer to the UK. The figures are as follows:

Year	Value £
1988	7,387,500
1989	4,562,500
1990	2,443,750
1991	1,000,000
1992	43,750
1993	250,000
1994	6,250

9) Ms Kyriades states that sales were made through major supermarkets and other multiple retail outlets in the UK. At exhibit EK1 she provides five specimen wrappers, two of which are in English, two in German and one is so indistinct it cannot be read. They are all hand dated with the two English language wrappers having a date of 1990 written on them.

10) Ms Kyriades claims that despite the lack of success thus far in the UK the opponent “keeps under continuous review the possibility of re-introducing those or similar products into the UK under the trade mark”. She also provides her opinion on the marks stating that the visual and phonetic similarities are such that there is a risk that the trade and the consumer could be confused. Lastly, she claims that the two parties have been in negotiations over a Europe-wide agreement.

APPLICANT’S EVIDENCE

11) The applicant filed a declaration, dated 2 July 1999, by Gert Schambach the Managing Director of the applicant company. He states that he is fully conversant with the English language.

12) Mr Schambach states that his company first used the BALLINO mark in the UK on 11 March 1997, and its use has so far been on ice cream products and mousses.

13) At exhibit GS1 he provides examples of the packaging used. This shows the word BALLINO with on two of the three labels a red ball or balloon over the letter “I”.

14) Mr Schambach denies the possibility of confusion stating that the marks are very different. He claims that his company’s mark would be pronounced as the word BALL or BAWL and then INO. Whereas the first syllable of the opponent’s mark is clearly BAL followed by ISTO. He states that the letters ST in the opponent’s mark give a very strong sound and provide emphasis for the end of the word. He contrasts this to the end of his company’s mark which he states “is much softer and likely to fade away”.

15) Mr Schambach also claims that the applicant’s mark alludes to balls and balloons whereas the opponent’s mark if it alludes to anything would be seen as the word “ballistic”.

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

DECISION

17) Prior to the hearing the ground of opposition was withdrawn in relation to the goods under Class 29.

18) There is only one ground of opposition, that under Section 5(2)(b) which reads as follows:

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

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

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

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

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

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

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

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel Bv v Puma AG* page 224;

(b) the matter must be judged through the eyes of the average consumer, of the goods / services in question; *Sabel Bv v Puma AG* page 224, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schfabrik Meyer & Co. GmbH v Klijsen Handel B.V.* page 84, paragraph 27;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel Bv v Puma AG* page 224;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel Bv v Puma AG* page 224;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc.* page 7 paragraph 17;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it; *Sabel Bv v Puma AG* page 8, paragraph 24;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel Bv v Puma AG* page 224;

(h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG* page 732, paragraph 41;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc.* page 9, paragraph 29.

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

22) As is clear from the Annex to this decision the opponents are relying on a number of registrations. All of them are the word BALISTO although two are in a stylised script. At the hearing Ms Christensen for the opponent considered that the opponent's strongest case was under registration 1112702 in respect of similarity although she relied upon 1541529 also when considering reputation.

23) When comparing the mark in suit, BALLINO, to the opponent's mark, BALISTO, visually the respective marks have the first three letters in common. Also they both end in the letter "O" and are the same length. Both are invented words.

24) Aurally, both marks are clearly three-syllable words. For the opponent's, Ms Christensen suggested that the first syllable of applicant's mark would be pronounced BAL in the same way as that of Ballerina, ballast, ballad or ballot. Given that the endings are the same this leaves the only difference as the sound of the second syllable, IN against IST. Naturally this was disputed by Ms Simpson for the applicant who insisted that the mark would be pronounced as BAWL-EEN-OH and compared this to the opponent's BAL-ISS-TOH.

25) Unfortunately the strength of this submission was reduced by the fact that on each occasion Ms Simpson mentioned her client's mark Ms Simpson pronounced the first syllable as BAL instead of BAWL. When this was pointed out to her she still insisted that whether the mark were BAWL-EEN-OH or BAL-EEN-OH there was a discernable difference. Clearly in my view the marks share the same first and last syllables.

26) Both marks are invented words. Ms Simpson suggested that the opponent's mark suggested ballistic or ballista, and therefore the science of ballistics or projectiles and even to the classically educated "Roman hurling equipment for stones". She contrasted this to her clients mark which she stated conjured up an image of small balls or balloons. I do not accept these contentions. I believe that the average consumer, classically educated or not, will not have any image or message conveyed to them by either mark.

27) The goods are essentially foodstuff, including ice cream and confectionery. Whilst I accept that the average consumer would not simply pick up any type of ice cream or confectionery I do not believe that they would give the matter careful consideration.

28) I must also consider whether the opponent's mark has a particularly distinctive character either arising from the inherent characteristics of the mark or because of the use made of it. The evidence shows that the opponent ceased to use their mark some time prior to the relevant date. In such circumstances the opponent's marks cannot be regarded as enjoying an above average reputation at the relevant date, but it is an inherently strong mark. I must also take into account the dictum of imperfect recollection.

29) With all this in mind I come to the conclusion that the marks are so similar visually and aurally if not identical that there was a likelihood of confusion at the relevant date. Consequently the opposition under Section 5(2) succeeds.

30) The opposition to the applicants mark in relation to the whole of the Class 30 specification under Section 5(2)(b) has been successful, whilst the opposition to the goods in Class 29 was withdrawn. As grounds for refusal exist only in respect of Class 30 products the application will be allowed to proceed to registration if, within one month of the end of the appeal period for this decision, the applicants file a TM21 restricting the specification solely to the goods under Class 29 and deleting all Class 30 goods.

31) If the applicants do not file a TM21 restricting the specification as set out above the application will be refused in its entirety.

32) The opposition having succeeded the opponent is entitled to a contribution towards costs. I order the applicant to pay the opponent the sum of £835. 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 15TH day of August 2001

George W Salthouse
For the Registrar
The Comptroller General

ANNEX A

Mark	Number	Date Filed	Class	Specification
BALISTO	1112702	12/4/79	30	Rice, pasta; cereals and cereal preparations, all for food for human consumption; tea, coffee, cocoa, coffee essences, coffee extracts, mixtures of coffee and chicory; chicory and chicory mixtures, all for use as substitutes for coffee, non-medicated confectionery; bread; prepared meals, constituents for meals, snacks and fillings, all included in Class 30; chocolate, sauces.
	1541528	12/7/93	29	Meat; fish, poultry and game; sea foods; fruit and vegetables, all being reserved, dried, cooked or processed; preparations made from all the aforesaid goods; dairy products (for food), soups; sweet spreads, savoury spreads; salads; drinks, fillings, snack foods, meals and constituents for meals and proteinaceous substances; all included in Class 29.
	1541529	12/7/93	30	Rice, pasta; cereals and cereal preparations; tea, coffee, cocoa, coffee essence, coffee extracts, mixtures of coffee and chicory; chicory and chicory mixtures, all for use as substitutes for coffee; non-medicated confectionery; pastries, cakes, biscuits; ices, ice-cream, ice cream products and frozen confections; bread; pastry; drinks, fillings, sweet spreads, savoury spreads; snackfoods, meals and constituents for meals; chocolate, sauces; pizzas, pizza bases, sauces and toppings for pizzas; sauces for pasta and rice; salad dressings, mayonnaise; all included in Class 30.

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SUPPLEMENTARY DECISION

My written decision in these proceedings, 15 August 2001, contained an error. It has been brought to my attention that the opposition had been amended by letter on 14 July 2000. This restricted the opposition to the following goods in Class 30: "Chocolate, chocolate goods; cakes; pastries; biscuits; patisserie; confectionery."

When my decision was made this letter was overlooked. There was no longer a conflict regarding these goods between the parties. Therefore, it was not open to the Registrar to issue a decision on these goods. The necessary power to correct this is provided by Rule 66 which states:

"66. Subject to Rule 68 below, any irregularity in procedure in or before the Office or the registrar, may be rectified on such terms as the registrar may direct."

I therefore correct paragraphs 17 and 30 of my written decision in these proceedings to read as follows:

17) Prior to the hearing the ground of opposition was withdrawn in relation to the goods under Class 29 and the following goods in Class 30: "Ice cream; sherbets; water ices; frozen confectionery".

30) The opposition to the applicant's mark in relation to "Chocolate, chocolate goods; cakes; pastries; biscuits; patisserie; confectionery" in Class 30 under Section 5(2)(b) has been successful. The opposition in relation to the goods in Class 29 and to the following goods in Class 30 "Ice cream; sherbets; water ices; frozen confectionery" was withdrawn. As grounds for refusal exist only in respect of certain goods in Class 30 the application will be allowed to proceed to registration if, within one month of the end of the appeal period for this decision, the applicant files a TM21 restricting the specification as follows:

Class 29: "Yoghurt."

Class 30: "Ice cream; sherbets; water ices; frozen confectionery".

Dated this 5 Day of September 2001

George W Salthouse.
For the Registrar.
The Comptroller General