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TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2070392
TO REGISTER A SERIES OF FOUR TRADE MARKS
IN THE NAME OF THE INFAMOUS NUT COMPANY LIMITED
IN CLASSES 29& 31
AND IN THE MATTER OF OPPOSITION THERETO
UNDER No 47392
BY PERCY DALTON (HOLDINGS) LIMITED

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BY THE INFAMOUS NUT COMPANY LIMITED

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UNDER NUMBER 47392

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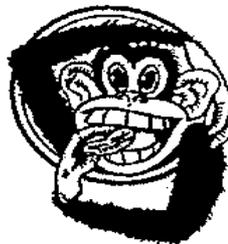
BACKGROUND

On 8 May 1996, The Infamous Nut Company Limited of Cambridge House, Cambridge Park,
London E11 applied under the Trade Marks Act 1994 for registration of the following series
15 of four trade marks:

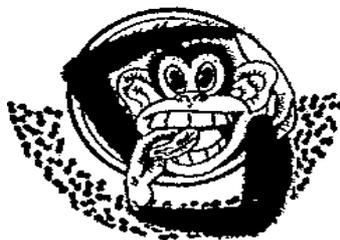
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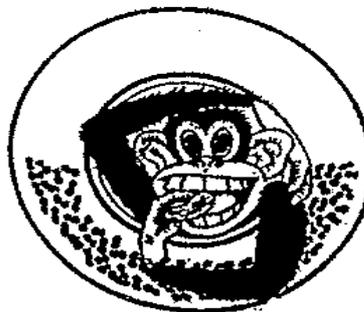
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In respect of the following goods:

Class 29: "Nuts; tree nuts, ground nuts and peanuts; all being shelled and/or roasted
and/or otherwise processed. "

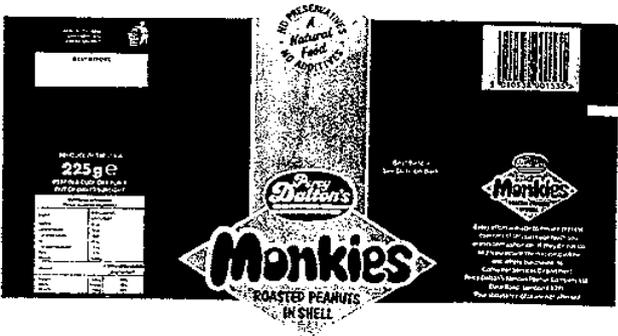
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Class 31: "Nuts; tree nuts, ground nuts and peanuts; all being fresh and/or
unprocessed."

On the 21 August 1997 Percy Dalton (Holdings) Limited of Old Ford Works, Dace Road,
London, E3 2PE filed notice of opposition to the application. The grounds of opposition are
45 in summary:

1) The opponent is the registered proprietor of the following trade marks:

Trade Mark	Number	Filing Date	Class	Specification
 <p>Registration of this trade mark shall give no right to the exclusive use of the device of a peanut.</p>	966175	10/10/70	29	Roasted peanuts (unshelled)
 <p>In use in relation to peanuts other than fresh roasted peanuts in shells the Mark will be varied by the substitution of such peanuts for the words "Fresh roasted peanuts in shells".</p>	1174259	30/4/82	29	Peanuts included in Class 29.
 <p>It is a condition of registration that the words appearing in the Mark shall not be used as a varietal name.</p>	1174260	30/4/82	31	Fresh peanuts.

MONKIES	1372081	30/1/89	29	Roasted peanuts included in Class 29.
MONKIES	1372082	30/1/89	31	Fresh peanuts included in Class 31.
<p>5</p> <p>10</p>  <p>Registration of this mark shall give no right to the exclusive use of the words “Natural Food” and “Original”.</p>	1488170	17/1/92	29	Roast peanuts: all included in Class 29.
<p>15</p> <p>20</p>  <p>Registration of this mark shall give no right to the exclusive use of the words “Natural Food” and “Original”.</p> <p>It is a condition of registration that the mark shall not be used as a varietal name or part of a varietal name.</p> <p>25</p>	1488171	17/1/92	31	Fresh peanuts; all included in Class 31.
<p>30</p> <p>35</p> <p>40</p> 	2033421	13/9/95	29	Roasted peanuts.

2) The mark applied for is likely to deceive the public into believing that the applicant's mark was in some way associated with the opponent's earlier marks and so would offend against Section 3(3)(b)

5 3) The applicant was aware of the opponent's use of the trade mark MONKIES and /or a monkey device and so the mark in suit offends against Section 3(6).

10 4) The application should also be refused under Section 5(2) of the Trade Marks Act 1994 because the applicant's mark and the good applied for are identical / similar to the opponent's earlier marks.

15 5) The applicant's mark is similar to the opponent's earlier marks and is for goods which are not similar to those for which the opponent's marks are registered. Use of the applicant's mark would take unfair advantage of, or be detrimental to, the distinctive character of the opponent's marks and so offend against Section 5(3).

20 6) The opponent has made substantial use of its marks and in doing so has accrued significant goodwill and reputation. The application should therefore be refused under Section 5(4)(a) of the Trade Marks Act 1994.

25 The opponent further requested that the Registrar refuse application number 2070392 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.

The applicant did not file a counterstatement. Both sides ask for an award of costs.

30 Both sides filed evidence in these proceedings and the matter came to be heard on 4 September 2000 when the opponent was represented by Mr Walters of Trade Mark Consultants Company, the applicant was not represented.

35 OPPONENT'S EVIDENCE

This consists of a statutory declaration, dated 26 November 1998, by Mr Simon Malvin Walters who is an associate of Trade Mark Consultants Co. the opponent's trade mark agents.

40 Mr Walters states that the opponent is an importer, manufacturer, processor, packer and merchant of, inter alia, nuts and nuts products including peanuts in their shell. The business started in the 1930's and in 1952 set up Percy Dalton's Famous Peanut Company Limited. The opponent first began using a monkey device (966175) in 1968. Products under these "Monkey" marks are sold throughout the UK and turnover has averaged around £500,000 per annum for the last six years.

45 Mr Walters states that in 1995 the opponent became aware that the applicant was using a packaging design for peanuts which was similar to their own and included a monkey device.

5 The applicant company has a director, Mr Alan Short, who was formerly an employee of the
opponent. On 26th January 1996 a letter was sent to the applicant pointing out that the
similarities in the parties packaging were causing actual confusion to customers and asking the
applicant to “ensure that confusion will be minimised in future.” This letter is at exhibit SMW1
(document 1).

At exhibit SMW1 (document 2) is the response from the applicant, dated 17 April 1996,
signed by Mr Short. This letter states:

10 “Whilst we strongly repudiate your clients claims of passing off we do however agree
there are certain similarities between our promotional pack and theirs.”

15 Following subsequent correspondence Mr Short wrote to the opponent’s agents on 24
February 1997 stating “...please be advised that we no longer hold any stock of the above film
and have no intentions of re-printing film to that design.” This letter is at Exhibit SMW1
(document 7).

20 Mr Walters claims that when the applicant submitted their application for the marks in suit, on
8 May 1996, they were aware of the opponent’s rights and objections, and that they had
admitted similarities. Following the marks being advertised the opponent wrote to the
applicant on 1 July 1997 setting out their objections and asking for the application to be
withdrawn. A copy of this letter is at exhibit SMW1 (document 8). The applicant’s
acknowledgement of receipt of this letter is provided at exhibit SMW1 (document 9).

25 Mr Walters then provides his view on the confusability of the marks. He states that the
opponent’s marks all convey the same image that of a monkey holding a peanut in a shell. He
also considers the concept of imperfect recollection and states that as the essential features of
the two parties marks are similar that customers would be confused.

30 APPLICANTS’ EVIDENCE

This consists of a statutory declaration, dated 4 January 1999, by Mr Ephry Eder the
applicant’s trade mark agent.

35 Mr Eder states that the opponent is, in relation to nuts, claiming a monopoly on the word
MONKEY and any pictorial representations thereof. He states that the word MONKEY is a
well known or varietal name for ground nuts. At exhibit EE1 he provides an extract from the
40 Oxford English Dictionary which shows a definition of Monkey Nut as synonymous with a
peanut.

At exhibit EE2 Mr Eder provides a bag, emptied of its peanut contents, which was purchased
from a Tesco’s supermarket and has the description “Roasted Monkey Nuts” printed on it.

45 Mr Eder claims that these exhibits show that the opponent’s rights extend only to the
particular pictorial representations of a monkey within their registrations and cannot extend to

the word MONKEY or to all possible representations of such an animal.

Lastly, Mr Eder states that the Registry in its examination of the application did not cite the opponent's marks, and therefore was of the view that no likelihood of confusion existed.

5

OPPONENT'S EVIDENCE IN REPLY

This consists of a statutory declaration, dated 26 April 1999, by Mr Simon Malvin Walters, who has previously provided a declaration in this case.

10

Mr Walters agrees that the opponent has no rights in the words "Monkey" or "Monkey nuts" and accepts that the latter is an alternative name for peanuts. However, he states that the opponent does claim rights in the term "MONKIES" and monkey devices in relation to the goods covered by its registrations.

15

Mr Walters claims that the examination carried out by the Registry was flawed as the examiner overlooked the fact that all except two of the primate devices registered for the classes concerned belong to the opponent. He also comments that one (1221517) has the words FILLA GORILLA and a gorilla device, which he claims would not be confusable with his clients' mark. The other primate device, proprietor Marks and Spencer, is the subject of negotiations to remove nuts from the specification.

20

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

25

DECISION

At the hearing Mr Walters withdrew the grounds of opposition under Sections 3(3), 5(3) and 5(4)(a).

30

I turn first to the ground of opposition under Section 5(2)(b) of the Act which states:-

*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,*

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

40

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

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

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(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,

(b)...

(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention as a well known trade mark.”

I have to determine whether the marks are so similar that there exists a likelihood of confusion on the part of the relevant public. In deciding this issue I rely on the decision of the Court of Justice of the European Communities (ECJ) in the *Sabel v Puma* case C251/ 95 - ETMR [1998] 1-84. In that case the court stated that:

“Article 4(1)(b) of the directive does not apply where there is no likelihood of confusion on the part of the public. In that respect, it is clear from the tenth recital in the preamble to the Directive that the appreciation of the likelihood of confusion ‘depends on numerous elements and, in particular, on the recognition of the trade mark on the market, of the association which can be made with the used or registered sign, of the degree of similarity between the trade mark and the sign and between the goods or services identified’. The likelihood of confusion must therefore be appreciated globally, taking into account all factors relevant to the circumstances of the case.

Global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 4(1)(b) of the Directive - “there exists a likelihood of confusion on the part of the public” - shows that the perception of the marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.

In that perspective, the more distinctive the earlier mark, the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact that two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either per se or because of the reputation it enjoys with the public.”

I also have regard to the approach adopted by the European Court of Justice in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.* (case C-39/97) (ETMR 1999 P.1) which also dealt with the interpretation of Article 4(1)(b) of the Directive. The Court in considering the relationship between the nature of the trade mark and the similarity of the goods stated:

“A global assessment of the likelihood of confusion implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between these goods or services. Accordingly, a lesser degree of similarity

5 *between these goods or services may be offset by a greater degree of similarity between the marks, and vice versa. The interdependence of these factors is expressly mentioned in the tenth recital of the preamble to the directive, which states that it is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion, the appreciation of which depends, in particular, on the recognition of the trade mark on the market and the degree of similarity between the mark and the sign and between the goods or services identified.*”

10 Further, I take account of the following guidance of the European Court of Justice in *Lloyd Schuhfabrik Meyer & Co* (1999 ETMR 690) in which the court held that:

15 *“For the purposes of ... global appreciation, the average consumer of the category of products concerned is deemed to be reasonably well-informed and reasonably observant and circumspect (see, to that effect, Case C-210/96 Gut Springenheide and Tusky [1998] ECR I-4657, paragraph 31). However, account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind. It should be also 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.”*

25 Before making a global assessment on the similarity of the marks, it is necessary to consider individual aspects of the question. I propose to firstly consider the similarity of the goods of the two parties. The goods contained within the specifications for the opponent’s marks are all contained within the applicant’s specification. The goods are therefore identical.

30 I now turn to consider the trade marks of the two parties. Mr Walters confirmed at the hearing that when comparing the marks the opponent’s application 966175 provided their strongest case. However, as this is only registered for goods in Class 29, he also relied upon the fact that the opponent is the proprietor of all marks referring to monkeys or with a primate device on the Trade Marks Register for nuts in Classes 29 and 31 except for a single registration in the name of Marks and Spencer. Although in fact the opponent has only one primate device registered in Class 31.

35 Visually the opponent’s mark (966175) shows the word MONKIES with a device of a cartoon-type primate holding an unshelled peanut with its hand and foot. The applicant’s mark consists of a series of four cartoon-type representations of an indeterminate primate’s head and shoulders, with the primate putting something in its mouth, possibly an unshelled peanut. Neither marks are straightforward representation of a particular primate, both are fanciful representations.

40 Because the applicant’s mark is not a standard representation of an identifiable animal such as a cat or dog then there can be no phonetic equivalent. As the applicant’s marks are purely visual, phonetic similarity is less important. Because the opponent’s mark contains the word “MONKIES” it is reasonable to assume that this is how it will be known. The creature in the applicant’s application could be deemed to be a chimpanzee or a general primate or monkey, it is not indisputably a monkey. But even if it is, and it were used orally, the most that can be

said is that it could be called a monkey mark. The applicant has applied for a series of four marks each depicting a monkey. It is not an application for a mark of four monkeys. Given that it is common ground that MONKEY is a generic term for ground nuts or peanuts, the phonetic similarity between MONKEYS and MONKEY is virtually irrelevant.

5

Conceptually, there is a partial link in that both the applicants and opponents marks have fanciful representations of primates.

10 When considering the marks globally I take account that the term MONKEY is generic and the earlier mark therefore has low distinctive character. I also note that the fact that the marks contain a device with analogous semantic content is insufficient to give rise to a likelihood of confusion in these circumstances, and that mere association (in the strict sense) is not enough to justify refusal. Therefore, notwithstanding the fact that the goods are identical and even allowing for the notion of imperfect recollection, it is my opinion that the trade marks are not similar enough to have given rise to a likelihood of confusion at 8 May 1996. The opposition under Section 5(2) therefore fails.

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I next consider the ground of opposition under Section 3(6) which states:

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“A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

25

The Act does not define the term bad faith, leaving it to the Tribunal or the Court to determine whether an application was made in bad faith based upon the circumstances of a particular case. The Notes on Sections, published by the Patent office, and based upon the Notes on Clauses provided to Parliament during the passage of the Trade Marks Bill in relation to Section 3(6) provides examples of where bad faith might be found, these are:

30

(i) where the applicant had no bona fide intention to use the mark, or intended to use it, but not for the whole range of goods and services listed in the application;

35

(ii) where the applicant was aware that someone else intends to use and /or register the mark, particularly where the applicant has a relationship, for example as employee or agent, with that other person, or where the applicant has copied a mark being used abroad with the intention of pre-empting the proprietor who intends to trade in the United Kingdom;

40

(iii) where the mark incorporates the name or image of a well-known person without his agreement. (This should not be taken as meaning that this provision is legislating for the protection of a personal name or reputation - these remain unprotected under English law, but the nexus between unregistrability and the name of a well-known person is that of bad faith in which the application is made.)

45

I also take account of the views of Lindsay.J. in *Gromax Plasticulture Ltd v Don and Low Nonwovens Ltd* (1999 RPC 367 at page 379) who said:

“I shall not attempt to define bad faith in this context. Plainly it includes dishonesty

and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined.”

5 It is well established that in an opposition the onus is on the opponent, reflecting the usual
approach under English law that he who asserts must prove. For the opponent Mr Walters
claimed that the letter from the applicant, at exhibit SMW1 (document 2) was an admission
that the marks were similar. Given that the letter was dated some time prior to the submission
of the application to the Registry, Mr Walters claimed that the admission showed bad faith.
10 However, the packaging to which the letter refers was not presented as part of the opponent’s
evidence, and the letter did not admit that the respective marks were confusingly similar. I am
therefore unable to accept the opponent’s contention. The opposition under Section 3(6)
therefore fails.

15 The opposition having failed the applicant is entitled to a contribution towards costs. I order
the opponent to pay the applicant the sum of £335. 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.

20 Dated this 18th day of October 2000

25 George W Salthouse
For the Registrar
The Comptroller General