

O-439-17

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3187794 BY
DELICIOUS LTD**

TO REGISTER THE TRADE MARK:

BE COOL BE NICE

FOR GOODS IN CLASS 30

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 60000615
BY
HARIBO RICQLES ZAN**

BACKGROUND

1) On 26 September 2016 Delicious Ltd (“the Applicant”) applied to register the following trade mark:

BE COOL BE NICE

The application was published for opposition purposes on 16 December 2016. Registration is sought for goods and services in a number of classes, but only the following are opposed in these proceedings:

Class 30: *confectionery; ices; bubble gum, cake decorations made of candy; chewing gum; frozen confections; frozen yogurt; ice cream; confectionery chips; sugar confectionery; edible decorations for cake; pastilles.*

2) The application is opposed by Haribo Riccles Zan (“the Opponent”). The opposition, which is directed against the goods in Class 30 shown above, is based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), for the purposes of which the Opponent relies upon International Registration designating the EU No. 485679 (“the earlier mark”), for the following mark:

BI COOL

The earlier mark is registered for the following goods and services, all of which are relied on for the purposes of this opposition:

Class 30: *Confectionery products.*

Class 35: *Retail sale, wholesale and mail-order sale of confectionery products.*

The earlier mark was registered with designation of the EU on 8 August 2013 and granted protection in the EU on 29 July 2014. The significance of these dates is that (1) the opponent’s mark constitutes an earlier mark in accordance with section 6 of the Act, and (2) it is not subject to the proof of use conditions contained in section 6A

of the Act, the conferring of protection having been completed less than five years before the publication of the Applicant's mark.

3) The Opponent claims that because of identity or similarity between the Applicant's marks and goods and those of the Opponent there exists a likelihood of confusion. The Applicant filed a counterstatement, denying the grounds of opposition. The Opponent is represented by White & Case LLP and the Applicant by Basck Ltd.

4) Rules 20(1)-(3) of the Trade Marks Rules ("TMR") (the provisions which provide for the filing of evidence) do not apply to fast track oppositions, but Rule 20(4) does. It reads:

"(4) The registrar may, at any time, give leave to either party to file evidence upon such terms as the registrar thinks fit."

The net effect of these provisions is that parties are required to seek leave in order to file evidence (other than proof of use evidence, which is not relevant in this case) in fast track oppositions. Neither side sought leave to file evidence in these proceedings.

5) Rule 62(5) (as amended) of the Trade Marks Rules 2008 (as amended by the Trade Marks (Fast Track Opposition) (Amendment) Rules 2013) ("the Rules") provides that arguments in fast track proceedings shall be heard orally only if (1) the Office requests it or (2) either party to the proceedings requests it and the registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate cost. Otherwise written arguments will be taken. A hearing was requested by the Applicant. In a letter of 6 July 2017 the parties were informed of the Registry's view that a hearing was not necessary to determine these proceedings, since the case involves a relatively straightforward comparison of the marks and of goods and services, and discussing the issues raised in the Applicant's request would not assist the hearing officer in reaching a decision. The Registry's view was not challenged. The Opponent filed written submissions in lieu of a

hearing. I therefore give this decision after a careful review of all the papers before me.

SECTION 5(2)(b)

6) Section 5(2)(b) of the Act 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 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”.

7) The following principles are gleaned from the decisions of the Court of Justice of the European Union (“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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

8) 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”.

9) 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 users of the respective goods or services;
- b) The physical nature of the goods or acts of services
- c) The respective trade channels through which the goods or services reach the market
- d) 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;
- e) 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.

10) In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05 (“*Meric*”), the General Court (“the GC”) 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 the 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 (Case T-104/01 *Oberhauser v OHIM — Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM — Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42)”.

11) When it comes to understanding what terms used in specifications mean and cover, the guidance in the case-law is to the effect that “in construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of the trade”¹ and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning².

12) As noted in paragraph 5, in a letter of 20 June 2017 the Applicant expressed the view that an oral hearing would be beneficial since it would enable issues such as the Opponent’s branding strategy, including how other marks of the Opponent had been used, to be discussed. The Applicant argued that the way in which the Opponent currently uses the earlier mark indicates an intention to protect “double-coloured sweets” and that this represents “a clear branding, which differentiates from any combination of the Applicant’s potential branding”. As stated above, in a letter of 6 July 2017 the Registry informed the parties of its view that a hearing was not necessary to determine these proceedings, since discussing the issues raised in the Applicant’s request would not assist the hearing officer in reaching a decision. It is settled law that in assessing whether there is a likelihood of confusion I must make my comparison on the basis of notional and fair use over the whole range of goods

¹*British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] R.P.C. 281

²*Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

covered by the Applicant's and (since the earlier mark is not subject to proof of use under section 6A of the Act) the Opponent's respective specifications. It is the inherent nature of the goods of the specifications which I have to consider; current use and business strategy are irrelevant to this notional comparison (see *Devinlec Développement Innovation Leclerc SA v OHIM*, Case T- 147/03).

13) In my view all the opposed goods in Class 30 fall within the ambit of the Opponent's *confectionery products*, and are thus identical under the guidance in *Meric*. Insofar as there may be any doubt as to whether *cake decorations made of candy* or *edible decorations for cake* would, as a practical matter, be seen as *confectionery products* for the purposes of trade, it is in any case clear that by reason of their nature, purpose, users, and channels of trade the respective goods are highly similar. In view of this it is unnecessary to undertake a comparison with the Opponent's services in Class 35, since they do not improve the Opponent's position.

The average consumer and the purchasing process

14) 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*. 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.”

15) Confectionery products are everyday items and their average consumer will consist of the general public. They are, generally speaking, neither expensive nor infrequent purchases. Their purchase will usually be casual, which will tend to produce a lower level of attention to the selection process and increase the scope for imperfect recollection. The process of selecting confectionery products will nowadays typically be by self-service in a retail outlet, or online, but they may also sometimes, though much less frequently, be bought over the counter. As a result, the visual aspect will be more important, but both visual and aural aspects may have a role to play.

Comparison of the marks

16) 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.”

It would be wrong, therefore, to dissect the trade marks artificially, 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.

17) The marks to be compared are shown below:

The contested mark	The earlier mark
BE COOL BE NICE	BI COOL

18) Although the contested mark can be seen as naturally breaking down conceptually, visually and aurally into two phrases, each consisting of a short adjective of four letters preceded by the word BE, these balanced phrases hang together to form a complete slogan. Neither phrase dominates the contested mark, its distinctive character lying in the mark as a whole. In the earlier mark BI COOL is an unusual combination in which I do not consider that either word dominates the other, the distinctive character of the earlier mark lying in the mark as a whole.

19) From a visual point of view, as the Opponent points out, both marks begin with a six-letter letter string which differs by only one character in the respective marks: B_ COOL. On the other hand, in both cases that differing character has a conspicuous position as the second letter of the two-letter word at the beginning of the mark. Moreover, the contested mark is twice as long as the earlier mark, and contains the word NICE, which does not appear in the earlier mark. Overall, the degree of visual similarity between the marks lies between low and medium.

20) COOL will be given its normal English pronunciation in both marks. NICE will be given its normal English pronunciation in the earlier mark. BI is not an English word on its own. The average UK consumer, however, is well used to seeing “bi” used as a familiar prefix in words like “bicycle”, “bifocal”, “biceps”, biplane, etc. In this case “bi” is pronounced in the same way as the English word “by”. In my view the average UK consumer, when confronted with “bi” placed on its own before another word, would not naturally tend to pronounce it either as “bee” or with the abrupt short vowel to be found in a word like “big”; the pronunciation which would come most naturally to him or her would be that of the familiar prefix “bi”. NICE adds an aural element unlike anything in the earlier mark, and BE NICE increases the contested

mark to four syllables by comparison with the Opponent's two. Overall, the degree of aural similarity between the marks lies between low and medium.

21) I have already noted that the prefix "bi" does not appear on its own in normal written or spoken English. Nevertheless, I consider that BI at the beginning of the Opponent's mark will evoke the familiar connotation of duality in the mind of the average consumer. Beside its obvious primary meaning indicating moderately low relative temperature, another very common, though informal, meaning of the word COOL is given by the 3rd edition of the Oxford English Dictionary online as "fashionably attractive or impressive". In my view no very clear and obvious concept emerges as a whole when the two elements are combined as BI COOL.

22) The average consumer will see the Applicant's mark as consisting of a slogan. "Nice", when applied to a person, will refer to their being kind, pleasant and friendly. The meaning of the Applicant's mark will be understood as an encouragement to be both "cool" and nice, or an encouragement to be nice because it is "cool" to be nice. This appeal to be nice is missing in the Opponent's mark, and is therefore an element of conceptual difference. Similarly, for the average consumer BI in the Opponent's mark will evoke a concept of duality missing in the Applicant's mark. The word COOL contributes an element of conceptual similarity between the marks. Overall, there is a relatively low degree of conceptual similarity between the marks.

The distinctiveness of the earlier mark

23) The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, either on the basis of inherent qualities or because of use made, the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). 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).”

24) I have no evidence of acquired distinctiveness to consider. This leaves the question of inherent distinctive character. BI and COOL may have an allusive quality if used respectively in connection with products having some obvious element of duality, such as two flavours, textures, colours, etc. or frozen confections such as ices, frozen yogurt and ice cream. Nevertheless, BI COOL is an unusual combination and I consider that it has a normal degree of inherent distinctive character for all the relevant goods.

Likelihood of Confusion

25) 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.

There may be a likelihood of confusion if a significant proportion of the relevant public is confused³.

26) I have found the competing goods to be identical or highly similar. I have found a degree of visual and aural similarity between the marks lying between low and medium and a relatively low degree of conceptual similarity between the marks. I have not identified a dominant element in either mark, finding their respective distinctive characters to reside in the marks as a whole. I have found the earlier mark to have a normal degree of inherent distinctive character. I have found that, though both visual and aural aspects may have a role to play, the visual aspect will normally be more important in the selection process, and that the purchase of the relevant goods will usually be casual, which will tend to produce a lower level of attention to the selection process and increase the scope for imperfect recollection.

27) Even taking into account a lower level of attention and the principle of imperfect recollection, however, I consider that the conspicuous difference between the whole slogan of which the Applicant's mark consists and the unusual combination BI COOL of the Opponent's mark, the Applicant's mark being twice as long as the Opponent's and consisting of two balanced phrases by contrast with the Opponent's one, means that the average consumer will not directly confuse the two marks, even though the goods are identical or highly similar. This leaves the question of indirect confusion.

28) The Opponent submits that "the element BE COOL forms the critical beginning of the mark applied for and has its own independent distinctive presence in the overall mark". I have found that, though the Applicant's mark can be seen as naturally breaking down conceptually, visually and aurally into two phrases, these balanced phrases hang together to form a complete slogan, in which the distinctiveness of the mark as a whole resides. This need not, however, preclude an independent distinctive role for an element within that slogan. Moreover, that element need not necessarily be identical with the earlier mark. In *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), Arnold J.

³ See the comments of Floyd LJ in *JW Spear & Sons Ltd & Others v Zynga Inc* [2015] EWCA Civ 290 at paragraph 37 and of Kitchen LJ in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, where he considered the judgment of the Court of Appeal in *Interflora Inc v Marks and Spencer plc* [2015] EWCA Civ 1403, [2014] FSR 10.

considered the impact of the CJEU's judgment in *Bimbo*, Case C-591/12P, on the court's earlier judgment in *Medion v Thomson*. The judge said:

“18 The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

29) When considering indirect confusion it is also helpful to bear in mind the observations of Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, where he noted (at paragraph 16) that:

“Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. 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” ”.

30) I have already explained my view that BI, placed conspicuously at the beginning of the Opponent’s mark, will evoke the familiar connotation of duality in the mind of the average consumer – a concept absent from the Applicant’s mark. Even taking into account the principle of imperfect recollection, and even in the case of casual purchases like confectionery products, this is not a case where the consumer will misremember BI COOL as BE COOL. This being so, I see no reason why, even when used in connection with identical goods, the inclusion of the phrase BE COOL in the Applicant’s mark should cause the average consumer to think that it is another brand of the owner of BI COOL, or vice versa. The marks will not be seen as those of the same or an associated undertaking. There is no likelihood of either direct or indirect confusion in respect of any of the goods which have been opposed. **The opposition fails in its entirety.**

Costs

31) Delicious Ltd has been successful and is entitled to a contribution towards its costs. Awards of costs in fast track opposition proceedings filed after 1 October 2015 are governed by Tribunal Practice Notice (“TPN”) 2 of 2015. The award reflects the fact that the pleadings were simple and brief. I hereby order Haribo Ricqles Zan to pay Delicious Ltd the sum of £200. This sum is calculated as follows:

Preparing a statement and considering the other side’s statement £200

The above sum should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful

Dated this 18th day of September 2017

**Martin Boyle
For the Registrar,
The Comptroller-General**

