

O-499-18

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No. 3221737
BY CHRIS DOMINEY & CHRISTOPHER TIMOTHY LAPHAM
TO REGISTER THE SERIES OF TWO TRADE MARKS**



IN CLASSES 30 & 43

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No. 409795 BY
MONSTER ENERGY COMPANY**

BACKGROUND

1) On 29 March 2017, Chris Dominey and Christopher Timothy Lapham (hereinafter the applicants) jointly applied to register the series of two trade marks shown on the front page of this decision in respect of the following goods:

- In Class 30: Pizza.
- In Class 43: Pizza Parlours

2) The application was examined and accepted, and subsequently published for opposition purposes on 14 April 2017 in Trade Marks Journal No.2017/015.

3) On 14 July 2017 Monster Energy Company (hereinafter the opponent) filed a notice of opposition, subsequently amended in its letter of 22 November 2017. The opponent is the proprietor of the following trade mark:

Mark	Number	Dates of filing & registration	Class	Specification relied upon
MONSTER	EU 9492158	03.11.10 19.04.11	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.
MONSTER JUICE	EU 14823322	24.11.15 07.03.16	32	Non-alcoholic beverages; beer.

 <p>Colours Claimed /Indication: Green, Black, White and Grey</p>	EU 11154739	31.08.12 09.01.13	32	Non-alcoholic beverages.
<p>MONSTER ENERGY</p>	EU 4823563	22.12.05 10.01.07	32	Drinks, including soft drinks, fruit juices and fruit drinks, carbonated soft drinks, aerated water, soda water and seltzer water; drinks with vitamins, minerals, nutrients, amino acids and/or herbs.

4) The grounds of opposition are, in summary:

- a) The opponent contends that its marks (9492158 & 14823322) and the mark applied for are very similar and that the goods applied for are identical / similar to the goods for which the earlier marks are registered. It contends that the MONSTA element of the applicant's mark is the dominant element and that the word PIZZA is non-distinctive. It also contends that the goods are sold to the same consumers in the same premises, made by the same manufacturers and that the trade channels are similar. As such the mark in suit offends against Section 5(2)(b) of the Act.

- b) The opponent also contends that it has a considerable reputation in its marks 9492158, 11154739 & 4823563 in respect of non-alcoholic beverages. It states that the similarity between the marks and businesses is such that there is a likelihood of consumers assuming a link. It contends that this will enable the applicant to take unfair advantage of the opponent's reputation and free ride on its investment in promoting and advertising the brand. Use of the mark in suit will dilute and tarnish the reputation of the opponent. It contends that the mark in suit offends against section 5(3) of the Act.

c) As a result of the use made of the signs MONSTER and MONSTER ENERGY since 2008 the opponent has acquired a substantial amount of goodwill and reputation in its marks in the UK in relation to non-alcoholic beverages, namely energy drinks, such that the average consumer will assume that the goods of the applicant are those of the opponent or linked to them and therefore misrepresentation will occur. The mark in suit therefore offends against section 5(4)(a) of the Act.

5) On 25 September 2017 the applicants filed a counterstatement, basically denying that the opponent has used the mark MONSTER solus upon its goods. They contend that the words MONSTER and ENERGY are both dictionary words and as such have no or very little distinctiveness. They accept that the opponent has reputation for its marks 11154739 and 9492158 in respect of energy drinks as set out in the registration, but not for non-alcoholic beverages more widely. They state that the marks and goods are not similar and they put the opponent to strict proof of use of marks 9492158 and 4823563.

6) Both parties filed evidence. Both parties seek an award of costs in their favour. The matter came to be heard on 26 July 2018 when Ms Collis of Messrs Bird & Bird LLP represented the opponents; the applicants were represented by Mr Downing of Messrs Downing IP Limited.

OPPONENT'S EVIDENCE

7) The opponent filed a witness statement, dated 7 November 2017, by Rodney Cyril Sacks the Chief Executive Officer, a position he has held since 1990. He states that his company sold a range of beverages including energy drinks, natural sodas, fruit juices, smoothies, lemonade and ice teas but in 2015 transferred the non-energy drink business to The Coca-Cola company, and so concentrates solely on energy drinks. He states that MONSTER ENERGY drinks have generally been the second best-selling energy drink in the EU. It is possible for each can of drink to have more than one of the company's trade marks upon it. The company launched its energy drinks bearing the marks MONSTER and MONSTER ENERGY in the UK in 2008, at which time its cans were twice the size of any rivals products. At exhibit RCS4 he provides photographs of cans from 2012 which are illustrative of the way the cans were in 2008, and which the evidence states are still the same today. The photographs all show use of trade mark EU 11154739 only using the odd script used in this mark, particularly the letter "O" which is very unusual. As part of a blurb on the back of the can is a paragraph which begins "At Monster we're used to thinking big". I assume this is the use of the word

“Monster” in normal type script referred to by Mr Sacks. He provides the following UK sales figures for energy drinks as follows:

Year	Sales in EU €million	UK energy drink market share
2010	33.5	n/a
2011	41.3	6.6%
2012	75.9	8.8%
2013	36.8	10.4%
2014	41.3	12.3%
2015	66.5	13.1%
2016	61.5	15%

8) The sales figures above equate to over 615 million cans through 50,000 retail stores and outlets and 7,600 pubs in the UK. The opponent also has a significant market share of the energy drinks market throughout continental Europe. He states that the company does not advertise in the traditional manner, preferring to sponsor individuals and events such as Formula One, Moto GP, motocross, speedway, superbikes, WFC, rallying, rallycross, mountain biking, X games and musical events. It also makes use of social media and sells apparel and merchandising with the trade mark logo EU 11154739 upon them. He provides the following exhibits:

- RCS5: Copies of eight invoices dated between 11 June 2012 and 8 March 2017 which show use of mark EU 11154739 as well as the word MONSTER on cans of energy drinks. In his statement Mr Sacks states that these show sales of energy drinks under the trade marks MONSTER and MONSTER ENERGY and device.
- RCS6: photographs dated January 2015 which show cans of energy drinks with the mark EU 11154739 clearly displayed in three stores in the UK, the prices in UK£ being visible.
- RCS7: A copy of a report to the United States Securities and Exchange Commission in December 2012 which states that in October of that year Monster Energy drinks held an 8.1% market share of the German energy drink market and a 14.9% share of the energy drink market in France also during October 2012. The only trade mark visible is EU 11154739.

- RCS8: Photographs taken in Spain in 2013 showing Monster energy drinks being sold in retail outlets. The only trade mark visible is EU 11154739.
- RCS9: Photographs taken in Lithuania in 2013 showing Monster energy drinks being sold in retail outlets. The only trade mark visible is EU 11154739.
- RCS10: Copies of 14 invoices dated between 14 May 2013 and 3 March 2017 showing sales of Monster energy drinks in France, Germany, Denmark, the Czech Republic, Croatia, Spain and Belgium. These show sales of cans of energy drink and use the mark MONSTER and EU 11154739.

APPLICANTS' EVIDENCE

9) The applicant filed two witness statements. The first, dated 22 March 2018, is by Chris Dominey, one of the applicants. He states that when considering the name of the company and how to market it they thought about children being described as little monsters and the fact that the pizza oven opening looked like a mouth and decided to make the oven the monster, changing the spelling to fit better with "pizza". They thought of calling it "little monsta pizza" or "lil'monsta pizza" but thought this would identify too heavily with children. He states that the opponent has demonstrated that it is a leader in the energy drinks market and its sponsorship is mainly in high performance motor vehicles and scantily clad women. He also points out that his company has been operating since July 2017 with no evidence of any confusion. He states that the word "MONSTER" when used in relation to food is descriptive and that dictionary definitions show definitions such as "a monster cake". He states that it means a large portion, which chimes with the opponent's evidence. They also provide numerous uses by others in the catering industry where "monster" is used as an alternative for big / large / huge / mega etc.

10) The second, dated 23 March 2018, is by Mr Lapham (the second applicant) and merely agrees with the statement of Mr Dominey.

11) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

12) The first ground of opposition is under section 5(2)(b) which reads:

“5.-(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.”

13) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“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.”

14) The opponent is relying upon its trade marks listed in paragraph 3 above which are clearly earlier trade marks. Given the interplay between the date that the opponent’s mark 9492158 was registered (19 April 2011 and the date that the applicant’s mark was published (14 April 2017), the proof of use requirements bite. Section 6 states:

“6A. - (1) This section applies where -

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

15) Section 100 of the Act states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

16) In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“217. *The law with respect to genuine use* . In *Stichting BDO v BDO Unibank Inc* [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439 , Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I added references to Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237). I also referred at [52] to the judgment of the CJEU in Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has issued a reasoned Order in Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and that Order has been persuasively analysed by Professor Ruth Annand sitting as the Appointed Person in *SdS InvestCorp AG v Memory Opticians Ltd* (O/528/15).

218. An important preliminary point to which Prof Annand draws attention in her decision is that, whereas the English versions of Articles 10(1) and 12(1) of the Directive and Articles 15(1) and 51(1)(a) of the Regulation use the word “genuine”, other language versions use words which convey a somewhat different connotation: for example, “ernsthaf” (German), “efectivo” (Spanish), “sérieux” (French), “effettivo” (Italian), “normaal” (Dutch) and “sério/séria” (Portuguese). As the Court of Justice noted in *Ansul* at [35], there is a similar difference in language in what is now recital (9) of the Directive.

219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also

includes Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

- (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].
- (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].
- (3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].
- (4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].
- (5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].
- (6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the

goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

17) As the opponent’s mark is an EU mark I also take into account the comments in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, where the Court of Justice of the European Union noted that:

“36.It should, however, be observed that..... the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use.”

And

“50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be

used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark.”

And

“55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77).”

The court held that:

“Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to ‘genuine use in the Community’ within the meaning of that provision.

A Community trade mark is put to ‘genuine use’ within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the market concerned, the nature of the goods or services protected by the

trade mark and the territorial extent and the scale of the use as well as its frequency and regularity.”

18) In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. reviewed the case law since the *Leno* case and concluded as follows:

“228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issues in London and the Thames Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guildford, and thus a finding which still left open the possibility of conversion of the Community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State". On this basis, he went on to hold at [33]-

[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use.”

19) The General Court restated its interpretation of *Leno Marken* in Case T-398/13, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark).

Consequently, in trade mark opposition and cancellation proceedings the registrar continues to entertain the possibility that use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods/services being limited to that area of the Union. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient to create or maintain a market for the goods/services at issue in the Union during the relevant 5 year period. In making the required assessment I am required to consider all relevant factors, including:

- i) The scale and frequency of the use shown
- ii) The nature of the use shown
- iii) The goods and services for which use has been shown
- iv) The nature of those goods/services and the market(s) for them
- iv) The geographical extent of the use shown

20) The most obvious use of the mark 9492158 is upon the invoices at exhibit RC5. Whilst these have the logo mark 11154739 at the top of the page the goods are described as “Monster” plus various suffixes. I accept that this is use of the mark in respect of the energy drinks listed on the invoices.

21) Having determined that the mark has only I have to consider the specification which the opponent should be able to rely upon in the ensuing comparison test. In *Euro Gida Sanayi Ve Ticaret Limited v*

Gima (UK) Limited, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

22) Whilst in *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) (“Thomas Pink”) at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 (“Asos”) at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46.”

23) The mark is registered for “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”. The invoices mentioned earlier in this decision show use upon energy drinks only, no other beverages have been shown to be sold. I must now decide of the term “energy drink” is apt as a specification. Mr Sacks has described how his company has divested itself of all other beverages other than energy drinks, and provides details of market share in numerous countries for this (energy drinks) sector of the beverage market. **As such I believe that it is entirely consistent to find that the opponent can, in respect of mark 9492158, only rely upon “energy drinks” in the comparison tests.**

24) When considering the issue under section 5(2)(b) I take into account the following principles which are gleaned from the decisions of the EU courts 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.

The average consumer and the nature of the purchasing decision

25) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. 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.”

26) The goods and services at issue in these proceedings are non-alcoholic beverages and beer on one hand and pizzas and pizza parlours on the other. The average consumer for beverages will be the public at large including businesses such as hotels, restaurants etc. The average consumer for the applicants' goods will be, potentially the same, and for the services will simply be the public at large. The goods at issue will typically be offered for sale in retail outlets, such as supermarkets, pubs, restaurants and cafes as well as on the internet including ordering by phone. The initial selection is therefore primarily visual. It is possible that the selection will be discussed with a member of staff, or ordered over the phone. The latter, along with personal recommendations, bring aural considerations into play. With regard to the applicants' services the selection is most likely to be made on the street outside the pizza parlour or via advertising in publications or the internet. Again I cannot exclude personal recommendations and so aural considerations must be taken into account. Considered overall, the selection process for both goods and services is likely to be predominantly a visual one, although I accept that aural considerations will also play their part. Turning now to the level of attention the average consumer will display when selecting the goods and services, the average cost of a pizza or beverage is relatively low, but the average consumer will want to ensure

that whatever they consume is something which they enjoy and meets their requirements. There are a number of people with medical issues surrounding food and drink and increasingly the population is being encouraged to give more thought to the selection of the same, particularly the health aspects of the choice. **To my mind, the average consumer for such goods will be likely to pay a medium degree of attention to the selection of the goods at issue.** Turning to the selection of a pizza parlour or similar eatery. Issues such as what is on the menu, the choice offered, healthy options, the ingredients used as well as cleanliness, service and price will all be taken into account by the average consumer. **To my mind, the average consumer for such services will be likely to pay a medium degree of attention to the selection of the services at issue.**

Comparison of goods

27) In the judgment of the Court of Justice of the European Union (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”.

28) 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.

29) In carrying out the comparison of the goods and services I must also consider whether they might be considered complementary. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court stated that “complementary” means:

“...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”.

30) Whilst in *Sanco SA v OHIM*, Case T-249/11, the General Court indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.

31) The specifications of the two parties are as follows:

Applicants' specification	Opponent's specification
In Class 30: Pizza.	EU 14823322: Class 32: Non-alcoholic beverages; beer.
In Class 43: Pizza Parlours.	EU 9492158: Class 32: Energy drinks.

32) I shall first compare the applicants' class 30 goods to the class 32 goods of the opponent. Clearly pizza is a food whilst the opponent's goods are drinks. One is used to satisfy hunger the other to quench one's thirst or artificially boost energy levels. Physically the goods are very different. Clearly the users are potentially the same. The trade channels are clearly different as pizza is most often made upon the premises of a restaurant or takeaway, having been delivered in its raw ingredient state. I accept it can also be purchased frozen and cooked at home, but would suggest that the trade channels for food and drink are fundamentally different. I also note that in supermarkets the goods are sold in separate areas of the store. I accept that both could be sold, in their cooked state, in supermarkets / restaurants and takeaways. I do not believe that they are in competition with each other. I accept that in restaurants and takeaway outlets beverages will be sold in cans, bottles or to drink on the premises, but an energy drink is not, in my opinion, a normal accompaniment to a meal. I do not believe that any of the above alters the basic, and some might say very obvious, fact that the goods of the two parties are fundamentally different.

33) I note that in Case T-736/14, *Monster Energy Company v OHIM*, the General Court upheld the finding of the OHIM Board of appeal that there was no similarity between coffee based beverages and confectionery / sweets. The court rejected the Appellant's argument that similarity was established by the fact the goods were sold in the same premises and share the same distribution channels. Whilst not exactly analogous with the instant case it fortifies my view that **the applicants' goods in class 30 are not similar to the opponent's goods in class 32 nor are they complementary.**

34) I now turn to consider the applicants' class 43 services to the opponent's class 32 goods. Whilst the users of the services and goods of the two parties are the same, and they might share a trade channel, the goods and services differ in every other respect. In my opinion, **the applicants' services in class 43 are not similar to the opponent's goods in class 32 nor are they complementary.**

35) I note that in *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, Lady Justice Arden stated that:

“49..... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity”.

36) A similar view was also expressed in *Waterford Wedgwood plc v OHIM* – C-398/07 P (CJEU). Having found that the goods and services applied for are not in any way similar to the goods of the opponent then the ground of opposition must fail. **However, in case I am wrong, and for the sake of completeness I will continue.**

Comparison of trade marks

37) 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 them, 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.”

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

Opponents' trade marks	Applicants' trade marks	
EU 9492158: MONSTER EU 14823322: MONSTER JUICE		

39) The opponent, in its submissions to the EUIPO, pointed out that the first definitions of the word “monster” in the dictionary refer to:

- a) a large, ugly, and frightening imaginary creature;
- b) an inhumanely cruel or wicked person;
- c) a congenitally malformed mutant animal or plant;
- d) a very large person, animal or thing.

40) Overall the marks are very different in appearance and on first impression are quite distinct. The opponent’s use of the word “monster” (in 9492158) is not defined by any other term. Therefore, the consumer will, when seeing the term, on a can of drink most likely hone in on either it being suggestive of (a) above or just a large can of drink. To my mind, it is most likely to be the former. When used, as in 14823322, with the term “juice” it becomes almost certain that the average consumer will either discount the term “juice” as descriptive of non-alcoholic beverages and view it the same as simply the word MONSTER, or view the mark as suggesting, obviously playfully, that the contents either come from a large, ugly, and frightening imaginary creature or will turn the consumer

into the same. I accept the opponent's contention that some foods and food outlets also use the term playfully in referring to definition (a), perhaps even adopting the theme of monsters on packaging / in the eatery. However, it is also obvious to anyone who has walked down a high street, watched television or read a newspaper that, when used in relation to food, particularly fast food, the term is frequently used to indicate that the portion of food / food item will be larger than normal. When considering the applicants' marks, which are identical other than one is in colour (with no colour claim), the first thing you notice is a gaping maw which forms the letter "O" in MONSTA. The second word "pizza" is clearly descriptive or non-distinctive for the goods and services being offered and it conditions the reader to view the word "MONSTA" as suggesting that the eater needs to be somewhat voracious in order to deal with the size of the pizza about to be purchased. Clearly, the first letter in each mark is the same consisting of the letter "M", the third, fourth and fifth letters are identical being the letters "NST" however the other elements of the mark are visually different. There is a degree of aural similarity in that the first element of all the marks would be pronounced in the same way, but the second elements are different or make a difference. Conceptually, for the reasons outlined above I consider there to be no conceptual similarity. However, even if I am wrong on this element any conceptual similarity cannot overcome the obvious visual and aural differences. **I consider both of the opponent's marks to be similar to the mark in suit to a low degree at best.**

Distinctive character of the earlier trade mark

41) 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 *WindsurfingChiemsee 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).”

42) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.’

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out”.

43) Both of the opponent’s marks have the element MONSTER which has no meaning as far as the goods involved are concerned, the term “JUICE” will be mostly viewed as descriptive and non-distinctive, and are both **inherently distinctive to a medium degree**. The opponent has shown no use of mark 14823322 and it therefore cannot benefit from enhanced distinctiveness through use. The applicants in their counterstatement accepted that the opponent had acquired a reputation under its mark 9492158 in respect of energy drinks. As such I view this mark as having enhanced distinctiveness through use for energy drinks.

Likelihood of confusion

44) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods and services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer for the goods and services is the general public including businesses who will select the goods and services by predominantly visual means, although not discounting aural considerations and that the degree of care and attention they pay will vary depending upon the cost of said goods and services. They are, however, likely to pay a medium degree of attention to the selection of such goods and services.
- both of the opponent's marks are similar to the marks in suit to a low degree at best.
- both of the opponent's marks are inherently distinctive to a medium degree, mark 14823322 cannot benefit from enhanced distinctiveness through use, but mark 9492158 does benefit from enhanced distinctiveness.
- Neither the applicants' goods in class 30 nor the applicants' services in class 43 are in any way similar to the opponent's goods on class 32, nor is there any complementarity between the applicants' goods and services and the class 32 goods of the opponent..

45) In view of the above, and allowing for the concept of imperfect recollection, there is no likelihood of consumers being confused into believing that the goods and services applied for under the marks in suit and provided by the applicant are those of the opponent or provided by some undertaking linked to it. **The opposition under Section 5(2) (b) therefore fails.**

46) I next turn to the ground of opposition under section 5(3) which reads:

“5. (3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

47) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark’s reputation and distinctiveness; *Intel*, paragraph 42

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious

likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

48) I note that the opponent is only relying upon its marks 11154739, 9492158 and 4823563. The first hurdle is the issue of reputation as set out at points (a) and (b) above. The onus is upon the opponent

to prove that its trade marks enjoy a reputation or public recognition. In the instant case the applicants accept that the opponent has reputation for its marks 11154739 and 9492158 in respect of energy drinks as set out in the registration, but not for non-alcoholic beverages more widely. As all of the opponent's evidence is concentrated solely upon its use of its marks upon energy drinks I am going to concentrate upon the opponent's strongest case which must be under its mark 9492158. I therefore decline to consider whether the opponent has reputation under its mark 4823563.

49) I next have to consider whether the public will make a link. In Case C-408/01, *Adidas-Salomon*, the CJEU held that:

“28. The condition of similarity between the mark and the sign, referred to in Article 5(2) of the Directive, requires the existence, in particular, of elements of visual, aural or conceptual similarity (see, in respect of Article 5(1)(b) of the Directive, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23 in fine, and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraphs 25 and 27 in fine).

29. The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).”

50) The level of similarity required for the public to make a link between the marks for the purposes of 5(3) may be less than the level of similarity required to create a likelihood of confusion. In *Intra-Press SAS v OHIM*, Joined cases C-581/13P & C-582/13P, the CJEU stated (at paragraph 72 of its judgment) that:

“The Court has consistently held that the degree of similarity required under Article 8(1)(b) of Regulation No 40/94, on the one hand, and Article 8(5) of that regulation, on the other, is different. Whereas the implementation of the protection provided for under Article 8(1)(b) of Regulation No 40/94 is conditional upon a finding of a degree of similarity between the marks at issue so that there exists a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection

conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) of Regulation No 40/94 may be the consequence of a lesser degree of similarity between the earlier and the later marks, provided that it is sufficient for the relevant section of the public to make a connection between those marks, that is to say, to establish a link between them (see judgment in *Ferrero v OHMI*, C-552/09 P, EU:C:2011:177, paragraph 53 and the case-law cited).”

51) Earlier in this decision I found that the opponent’s mark 9492158 is similar only to a low degree to the marks sought to be registered by the applicants. I also found that the opponent’s goods were not at all similar to the goods and services of the applicants. The opponent has provided no evidence to suggest that it is common in trade for energy drinks providers to also provide pizzas (or any food items) or run food outlets. They have not even shown that it is common place for fast food outlets to stock their product. To my mind, despite the fact that the users are the same and the opponent’s reputation, if a member of the public saw the applicant’s marks they would not immediately make the link to the opponent. **The ground of opposition under section 5(3) fails.**

52) The last ground of opposition is under section 5(4)(a) which reads:

“5.(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) [.....]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

53) In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the Jif Lemon case (Reckitt & Colman Product v Borden [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether “a substantial number” of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

54) Whilst Halsbury’s Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

55) The opponent is relying upon its signs MONSTER and MONSTER ENERGY which have been used in relation to energy drinks in the UK and continental Europe. Earlier in this decision I found that use of the marks in suit, actual or on a fair and notional basis, would not result in confusion with the opponent’s mark 9492158 MONSTER. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will not occur. The opponent’s second sign does not provide it with a stronger case. **The opposition under Section 5(4)(a) of the Act must fail.**

CONCLUSION

56) The opposition under sections 5(2)(b), 5(3) & 5(4)(a) have all failed.

COSTS

57) As the opponent has been successful it is entitled to a contribution towards its costs.

Preparing a statement and considering the other side’s statement	£300
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Preparing evidence / considering and commenting upon the applicant's evidence	£800
Attendance at a hearing	£1000
TOTAL	£2,100

58) I order Monster Energy Company to pay, jointly, Mr Chris Dominey and Mr Christopher Timothy Lapham the sum of £2,100. This sum is to 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 14th day of August 2018

George W Salthouse
For the Registrar,
the Comptroller-General