

O/601/17

TRADE MARKS ACT 1994

**CONSOLIDATED PROCEEDINGS
IN THE MATTER OF REGISTRATION NOS 3087667 AND 3064190
IN THE NAME OF POWERCELL BEVERAGES LTD
FOR THE FOLLOWING TRADE MARKS IN CLASSES 32 & 33:**



&



**AND APPLICATIONS TO INVALIDATE THOSE REGISTRATIONS (UNDER NOS
501233 & 501234) BY
DURACELL BATTERIES BVBA**

BACKGROUND

1) This dispute concerns whether the following two trade mark registrations in the name of Powercell Beverages Ltd ('the proprietor') are validly registered:

TM 3087667 ('667')



Class 32: Energy drinks; Non-alcoholic drinks.

Class 33: Alcoholic energy drinks.

Filing date: 30 December 2014

Date of entry in the register: 15 May 2015

TM 3064190 ('190')



Class 32: Isotonic drinks; Non-alcoholic beverages; Soft drinks; Sports drinks; Water; Energy drinks.

Class 33: Alcoholic beverages (except beers); Alcoholic cocktails; Alcoholic energy drinks; Alcopops; Cocktails.

Filing date: 14 July 2014

Date of entry in the register: 19 December 2014

2) Duracell Batteries BVBA ('the applicant') claims that the trade mark registrations offend under sections 5(3), 5(4)(a) and 3(6) of the Trade Marks Act 1994 ('the Act'). In support of the first of those grounds, the applicant relies upon seven earlier trade mark registrations and in support of the second ground, the use of three signs is relied upon¹. It suffices to set out here the details of one of the marks relied upon under section 5(3), as follows:

EUTM 000146670 ('670)



Class 09: Electrochemical cells and batteries, battery testers, power monitoring and control devices.

Mark type: Three dimensional

Mark description: The mark consists of the combination of the colours black, copper and silver, as applied on the three-dimensional representation of the battery shown in the picture.

Disclaimer: The shape of the three dimensional mark

Filing date: 01 April 1996

Date of entry in the register: 21 February 2000

3) The applicant's pleading under section 5(3) is that the earlier mark has a substantial reputation in relation to all of the goods relied upon. It is said that use of

¹ Details of all of the marks/signs relied upon can be found in the Annex to this decision.

the later marks would trade on the back of this reputation such that the proprietor could increase the sale of its products without having had to make the associated investment and that the proprietor's marketing will be made easier by association with the applicant's mark leading to an unfair advantage being gained. It is also claimed that detriment could be caused to the reputation of the earlier mark because the applicant has no control over the proprietor's activities, including the quality of its goods and that use of the later marks could have a negative influence on the earlier mark's reputation, diminishing its power of attraction. Lastly, it is claimed that use of the later marks is likely to dilute and blur the distinctiveness of the earlier mark, weakening its ability to help consumers quickly and accurately identify the source of the goods.

4) '670 is an earlier mark in accordance with section 6 of the Act and, as it had been registered for more than five years before the applications for invalidation were filed, it is, in principle, subject to the proof of use requirements, as per section 6A of the Act. The applicant made a statement of use for all of the goods relied upon.

5) One of the signs relied upon under section 5(4)(a) corresponds to mark '670. It is claimed that the applicant has used that sign throughout the UK since 1 January 1965 in relation to batteries "and ancillary products". The applicant says that the proprietor's marks are confusingly similar to its earlier sign such that the consumer will be deceived as to the source/sponsorship of the goods.

6) Insofar as the ground under section 3(6) of the Act is concerned, the applicant claims that the proprietor's marks incorporate the exact shape, look and colour scheme of the well-known DURACELL battery products. It states that the copper-and-black colour scheme of the Duracell battery has been used for more than half a century in the United Kingdom (in some years with a market share exceeding 50%) and is famous and claims that the proprietor chose marks that closely resemble the famous Duracell battery, with no apparent cause other than to call the latter to mind. It states that these actions fall short of the standards of acceptable commercial behaviour and the registration has consequently been obtained in bad faith.

7) The proprietor filed a counterstatement in defence of each registration. I note in particular, the following points made therein:

- It does not put the applicant to proof of use.
- It denies that there is any similarity between the respective marks.
- The respective marks are visually and aurally different.
- Conceptually, the respective marks have no meaning.
- There are a number of marks on the register for products in classes 32 and 33 which contain a battery device such as EUTM 010812899 for the mark



registered in respect of various drinks in class 32, including 'energy drinks'.

- There will be no unfair advantage taken of, or detriment caused to the reputation or distinctive character of, the earlier mark.
- There will be no misrepresentation or damage caused to the earlier sign.
- Bad faith requires proof and lays a significant burden on the applicant to provide such. It is impossible for the proprietor to act in bad faith when the products protected by each mark are so different.

8) Both parties filed evidence². A hearing took place before me on 1 August 2017. The applicant was represented by Mr Jonathan Moss, of Counsel, instructed by D Young & Co LLP; the proprietor was not represented and filed no submissions in lieu.

Applicant's evidence

9) This takes the form of a witness statement in the name of Javier Hernandez, general manager of Duracell UK Ltd. He explains that the latter company is an affiliate company of Duracell Batteries BVBA.

² The proprietor's evidence was also accompanied by submissions dated 20 March 2017.

10) The evidence runs to nearly 300 pages. In the light of the proprietor's admission that the applicant has a reputation in mark '670 in relation to batteries (see my later comments at paragraph 15), it suffices to highlight here the following parts of the evidence pertaining to the extent and nature of that reputation:

- The DURACELL brand was launched in the UK in 1965 and is now available in approximately 200 countries throughout the world. The copper and black colour scheme has been used worldwide since 1974 on DURACELL batteries. These have been sold through a variety of outlets including all major supermarkets (such as Tesco, Sainsburys Asda, Morrisons and Waitrose), electrical and DIY stores (such as Curry's, Homebase and Robert Dyas), discount stores (such as Poundland, Home Bargains and B&M) and Internet sites (such as Amazon and Ocado).
- The applicant's packaging for its batteries allows consumers to see its brand and product, including the brand colours. The copper and black colour scheme is seen at point of sale and after the consumer has removed the product from the packaging. The customer can always see the product itself, whether through the packaging or via an image on the packaging. The applicant has consistently marketed its batteries in this way. Exhibit JH3 shows examples of the packaging in which the applicant's batteries have been sold, such as:



2005

- In addition to the packaging and batteries bearing the copper and black colour scheme, the stands and shelves upon which the DURACELL batteries are displayed often bear the same colours. Photographic examples are provided in exhibit JH5 of stands bearing the applicant's batteries in various retailers. The stands are all coloured black and copper.
- Annual turnover for DURACELL branded products in the UK was in excess of £80 million every year from 2010 – 2015.
- DURACELL has consistently marketed itself as a reliable, long lasting battery and has, in recent years, invested more than £20 million per year in promoting that image in the UK and Ireland.
- Exhibits JH7 and JH8 are a selection of screenshots from various advertisements for DURACELL batteries that have been shown in the UK, many of which include the “DURACELL bunny” dressed in a copper coloured t-shirt and black shorts. Mr Hernandez states that the adverts highlight that the DURACELL battery can keep going for much longer than any other battery. I note that in one advert, the Duracell Bunny has a Duracell battery (coloured black and copper) inserted into his back and is racing against another bunny with a plain red battery in his back. The Duracell bunny crosses the finishing line before the other bunny. Mr Hernandez draws attention to the closing frame of the adverts which show the DURACELL battery and copper and black colour scheme on those batteries. The strapline “Lasts longer, much longer” is also present. One such screenshot is shown below:



- Exhibit JH9 is an extract from www.channel4.com which provides a list of the 100 greatest TV adverts from the last fifty years as voted for by Channel 4 viewers, readers of “The Times” newspaper and purchasers of Heinz Baked Beans in 2009. Number 32 in the list is “Duracell Rabbit – Goes on and on and on...”
- Exhibit JH13 is a Superbrands case study (of 2003) referenced by Campaign Magazine. The study refers to ‘DURACELL’ as “the world’s no. 1 battery brand” and 30 years ago, when the battery was first introduced, “Consumers began switching to Duracell’s alkaline batteries, due to the genuine longer lasting qualities”
- Exhibit JH16 contains a selection of news articles from UK publications dated between 2003 and 2007 which make reference to DURACELL. One such article from the “Liverpool Daily Echo” dated 17 March 2007 reports that a footballer named Stuart Barlow could be “the footballer with the DURACELL battery” as he just keeps “going on and on...”
- Exhibit JH19 is a table by GFK (a source of relevant marketing and consumer information) showing market share details from 2013 – 2016 in relation to batteries. This shows that DURACELL batteries dominate the market with a market share from 2013 – 2016 ranging from 45% to 55.2% each year.

Proprietor’s evidence

11) This comes from Adnan Bhatti, director of Powercell Global Ltd (the former registered proprietor)³.

12) Mr Bhatti states that when the marks were applied for, he was, of course, aware of the applicant and the Duracell brand, which he accepts has a reputation in relation to batteries. He explains that when he chose the designs he had no idea that the applicant was entitled to prevent others from using designs similar to the Duracell brand in relation to goods that are entirely unrelated to batteries. He states that his company considered various options for its trade marks and the company reached

³ On 13 July 2017, Form TM16 (Application to record a change of ownership) was filed to confirm assignment of both of the later marks from Powercell Global Ltd to Powercell Beverages Ltd.

its decision on the basis that energy drinks are completely unrelated to batteries such that nobody could possibly be confused. He states that the choice of design was made in good faith to create a catchy design for energy drinks.

13) Mr Bhatti refers to Exhibit EX1 which he states consists of design documents showing the development of the designs for the proprietors' marks. On page one of the exhibit, entitled "Design Brief", under the heading "What do we want to convey" it states "Powerful drink, Tastes great, Boosts energy". The remaining pages show, presumably in chronological order, the various stages of the design process. The final designs are shown on the last page of the exhibit and look like this:



For the benefit of those reading a black and white copy of this decision, the top part of both cans is copper-coloured with a black + symbol. The bottom of the can on the left-hand-side is silver with the words presented in black. The bottom of the can on the right-hand-side is black with the words presented in white.

14) Mr Bhatti explains that the proprietor has no intention of using the marks in relation to batteries or to damage or harm the Duracell brand.

15) The applicant also filed written submissions in which it accepts that the applicant has a reputation in mark '670 in relation to batteries⁴ and that there is a degree of similarity between that mark and its marks.⁵

⁴ Paragraphs 17 and 21 of the written submissions dated 20 March 2017 refer.

⁵ *ibid*, paragraph 19.

DECISION

Section 5(3)

16) Section 5(3) of the Act provides:

“(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.”

17) The relevant part of Section 47 of the Act also provides:

“47. - (1) ...

(2) The registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.”

18) The leading cases in assessing a claim under section 5(3) of the Act are the following judgments of the Court of Justice of the European Union (‘CJEU’): Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and Case 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 later mark would cause an average consumer to bring 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 likelihood 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*).

Reputation

19) The required level of reputation was described by the CJEU in *General Motors* in the following way:

“23. ... In so far as Article 5(2) of the Directive, unlike Article 5(1), protects trade marks registered for non-similar products or services, its first condition implies a certain degree of knowledge of the earlier trade mark among the public. It is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks, even when used for non-similar

products or services, and that the earlier trade mark may consequently be damaged.

24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.

25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

20) The proprietor has accepted that the applicant has a reputation in earlier mark ‘670. It is, however, necessary for me to determine the extent and nature of that reputation. The applicant’s evidence is focused on the use that it has made of its marks in the UK rather than throughout the EU. It clearly demonstrates that the applicant’s word mark, DURACELL, has been used on a very substantial scale in the UK in relation to batteries for over 50 years. DURACELL batteries have consistently enjoyed around 50% of the UK battery market year on year; it is the UK’s number one selling battery. The mark DURACELL undoubtedly has an enormous reputation for those goods. It is also clear from the evidence that DURACELL batteries have consistently borne the black, copper and silver colour scheme as depicted in earlier mark ‘670. That colour scheme has been promoted by way of extensive marketing and has been consistently visible at point of sale through, or on, the packaging of the

applicant's batteries. I find that, whilst all of the use has been in conjunction with the mark DURACELL, mark '670, of itself, had acquired a substantial reputation in the UK in relation to batteries at the relevant date, which also qualified as a reputation in the EU.

21) The nature of the reputation associated with mark '670 is the same as that associated with the word mark 'Duracell'. As Mr. Moss put it, that reputation is one of long lasting energy and endurance. This is clear from various aspects of the evidence such as the applicant's long running television advertising campaign. The adverts show the applicant's batteries (bearing both the word-mark 'Duracell' and mark '670) being used to power the 'Duracell bunny' (who is also dressed in black shorts and a copper coloured t-shirt). The bunny is said to "go on and on and on..." and is shown outperforming other bunnies powered by third party batteries (those batteries are in different colours such as red). The advertisements close with an image of the applicant's batteries, below which is the strapline "Lasts longer, much longer".

Link

22) Whether the public will make the required mental 'link' between the applicant's mark and the proprietor's marks must take account of all relevant factors. The relevant factors identified in *Intel* are:

i) *The degree of similarity between the conflicting marks*

The proprietor accepts that there is a degree of similarity between its marks and mark '670. Of particular significance, in my view, is the visual similarity between them. Insofar as mark '667 is concerned, whilst it contains the word 'Powercell' and a '+' symbol which is absent from the applicant's mark, there is a striking visual similarity between the distinctive device element of the '667 mark, both in terms of the colours used (black and copper) and the relative proportions of those colours, with the applicant's mark. Insofar as the '190 mark is concerned, although that mark contains an additional visual difference

on account of the words 'liquid energy' and is registered in black and white (as opposed to black and copper), I bear in mind that notional and fair use of that mark would include use in the colours black and copper. I find that, if it were so used, there would also be a striking visual similarity between it and the applicant's mark.

- ii) *The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public*

The respective goods at issue are wholly dissimilar. However, both parties' goods are everyday items that will be purchased by the same consumer i.e. the general public at large. Both batteries and drinks are likely to be purchased primarily by sight with the consumer affording a low to normal degree of attention.

- iii) *The strength of the earlier mark's reputation*

Mark '670 has a substantial reputation in relation to batteries.

- iv) *The degree of the earlier mark's distinctive character, whether inherent or acquired through use*

I find that mark '670 has acquired a fairly high degree of distinctive character in relation to batteries through the use made of it, notwithstanding that that use has always been in conjunction with the word mark 'Duracell'.⁶

23) The goods at issue are wholly dissimilar (drinks on the one hand against batteries on the other). That said, I am mindful that the proprietor's marks contain,

⁶ It is well established that a mark need not be used in isolation in order to benefit from enhanced distinctiveness (*Société des Produits Nestlé SA v Mars UK Ltd*, Case C-353/03).

what is likely, in my view, to be perceived as the device of a battery⁷ which are the precise goods in which the applicant's reputation lies. Bearing this in mind, having regard for all factors identified above, and particularly the substantial reputation of the applicant's mark in relation to batteries and the striking visual similarity between the marks (bearing in mind notional and fair use of the '190 mark in black and copper colours), I find that the applicant's '670 mark would be brought to mind by a significant proportion of consumers of the goods sold under the contested marks, despite the dissimilarity between the goods.

Unfair advantage

24) In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. considered the earlier case law and concluded that:

“80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.”

25) Mr Moss drew my attention to paragraphs 5 – 7 of Mr Bhatti's witness statement (summarised at paragraphs 12-13 of this decision) and exhibit EX1 showing the

⁷ It would also appear implicit in the applicant's comments made in its counterstatement regarding a number of marks containing 'battery devices' on the register, (set out at the fifth bullet point in paragraph 7 of this decision) that it concedes that its mark would be perceived as a 'battery device'.

development of the designs for the proprietor's marks. This, he submitted, shows that the adoption, by the proprietor, of marks so closely resembling the applicant's mark is clearly more than mere coincidence. In Mr Moss' submission, Mr Bhatti's evidence shows that the proprietor was not only well-aware of the applicant's reputed mark, but that it had it in mind when it developed its own marks and, indeed, saw some benefit in aping the get-up of the applicant's batteries. This, he submitted, is probably due to the applicant's reputation being one of long-lasting energy and endurance. In this connection, Mr Moss drew my attention to the proprietor's goods, and in particular, to its 'energy drinks' for which, he submitted, the association made in the consumer's mind with the applicant's mark, and image relating to it, is likely to make the consumer more inclined to purchase the proprietor's goods believing that they will greatly enhance their energy levels and/or endurance. This, he argued, is a clear example of coat-tail riding.

26) I agree with Mr Moss. I find that there is a non-hypothetical risk that the link consumers will make between the respective marks will result in the positive characteristics associated with the earlier mark, namely the mark's reputation for long-lasting energy and endurance transferring to the proprietor's marks. This association with the applicant's reputed mark would give the proprietor more custom it would not otherwise have enjoyed and make its job of marketing its goods easier. As this would come without paying any compensation to the applicant, and without the proprietor expending the money necessary to create a market for its own goods and services in the UK, this is unfair advantage. This finding applies to all of the goods covered by the proprietors' marks. The proprietor's defence, based upon the goods being wholly dissimilar does not assist it and neither does its reference to other marks on the register in classes 32 and 33 containing the device of a battery, not least because there is nothing to indicate that any of those marks are actually in use. **The claim of unfair advantage under section 5(3) succeeds.**

27) The applicant is in no stronger position as regards its other pleaded heads of damage under this ground. In relation to the claim of 'dilution'/'blurring', the applicant has not shown how the economic behaviour of consumers of its goods would

change⁸ and, insofar as ‘tarnishing’ is concerned, the applicant’s claim that the proprietor may provide inferior quality goods leading to detriment to its reputation amounts to nothing more than conjecture. There is no evidence to suggest that the proprietor already has a negative reputation for providing poor quality goods and there is nothing inherent in its goods that would cause any form of negative reaction.⁹ **The claims of ‘tarnishing’ and ‘dilution/blurring’ under section 5(3) are dismissed.**

Section 3(6)

28) In respect of the 3(6) ground, it seems to me that if I am wrong on ‘unfair advantage’ under section 5(3), I would also be wrong to find bad faith on the basis contended by the applicant. That is not to say that a finding of bad faith automatically follows from the applicant’s success under section 5(3); it does not. Rather it means that the way in which the 3(6) ground has been pleaded is such that the applicant can be in no better position under that ground and therefore, for reasons of procedural economy, I decline to deal with it.

Section 5(4)(a)

29) Insofar as the 5(4)(a) claim is concerned, the proprietor accepts the applicant’s claim to goodwill. Whilst it is true that the law of passing off can apply even where the parties are engaged in different fields of business¹⁰, the absence of a common field of activity is nevertheless an important factual issue when it comes to establishing the likelihood of passing off. In *Harrods Limited v Harrodian School Limited*¹¹ Millett J. said:

“Where there is no or only a tenuous degree of overlap between the parties’ respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.)*

⁸ See Case 252/07, *Intel*, [2009] ETMR 13 [76-77].

⁹ See *Cristalino* case [2015] EWCH 2760 (Ch) [89-90]; *Unite The Union v The Unite Group Plc* (BL O/219/13) [46-47].

¹⁰ See *Lego* [1983] FSR 194.

¹¹ [1996] RPC 697.

Ltd. [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other”

Given the distance between batteries and the goods of the proprietor and the differences that exist between the proprietor’s marks and the applicant’s signs as a whole (notwithstanding the striking visual similarity already identified), it is difficult to see how anyone could be deceived or confused.

30) As regards the applicant’s claim that consumers will believe it has sponsored/endorsed the proprietor’s goods, in *Harrods Limited v Harrodian School Limited* Millet L.J. stated:

“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant's goods or services. A belief that the plaintiff has sponsored or given financial support to the defendant will not ordinarily give the public that impression. Many sporting and artistic events are sponsored by commercial organisations which require their name to be associated with the event, but members of the public are well aware that the sponsors have no control over and are not responsible for the organisation of the event. Local teams are often sponsored in similar fashion by local firms, but their supporters are well aware that the sponsors have no control over and are not responsible for the selection or performance of the players.”

31) Consequently, a belief that the applicant sponsors or endorses the proprietor, or that the latter’s goods are promotional items for the former’s goods is not sufficient to substantiate a passing off right, unless the relevant public also believe that the applicant is somehow responsible for the quality of the goods. There is no evidence before me to support such a finding. Further, it is not sufficient that the proprietor’s customers and potential customers are caused to wonder whether or not there may

be a relevant connection between the applicant and goods sold under the contested marks. There must be an actual assumption of such a connection.¹² Given the difference between the goods at issue, I consider it unlikely that the proprietor's customers or potential customers will expect or assume that the applicant is responsible for the quality of the proprietor's goods. In the absence of persuasive evidence to the contrary, I find that use of the contested marks would not amount to a misrepresentation to the relevant public. Without misrepresentation, there can be no damage. **The ground under section 5(4)(a) is dismissed.**

32) I should add that this finding in no way conflicts or undermines my finding as regards 'unfair advantage' under section 5(3) since the latter does not require there to be confusion/misrepresentation.

SUMMARY

33) The application to invalidate both of the proprietor's marks succeeds under section 5(3) of the Act.

COSTS

34) As the applicant has been successful, it is entitled to an award of costs. Mr Moss requested costs above the normal scale. I dismiss this request. There is nothing before me to suggest that the proprietor's conduct has been in any way unreasonable or obstructive in these proceedings and the mere fact that it has been unsuccessful in defending its marks is not good reason to depart from the scale. The award will be calculated on the basis of the scale in Tribunal Practice Notice 4/2007 which was in force at the time these proceedings were commenced. In approaching the award, I bear in mind that, although two applications (on Form TM26(I)) were filed, their content was identical and the counterstatements were largely the same. I also take account of the proceedings being consolidated prior to the filing of the

¹² See *Phones 4U Ltd v Phone 4U.co.uk Internet Ltd* [2007] RPC 5 at paragraphs 16–17 of the judgment of Jacob L.J.

applicant's evidence in chief. With these factors in mind, I award costs to the applicant on the following basis:

Preparing a statement and considering the counterstatement x 2	£300
Official fee x 2	£400
Preparing evidence and considering the other side's evidence	£900
Attending the hearing	£600
Total:	£2200

35) I order Powercell Beverages Ltd to pay Duracell Batteries BVBA the sum of **£2200**. 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 28th day of November 2017

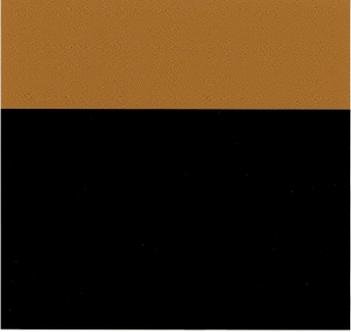
Beverley Hedley
For the Registrar,
the Comptroller-General

Annex

Full details of the other trade marks and goods relied upon under section 5(3):

Trade Mark details	Specification relied upon
<p data-bbox="220 524 475 555">EUTM: 11329406</p>  <p data-bbox="220 976 721 1008">Filing date: 08 November 2012</p> <p data-bbox="220 1028 721 1117">Date of entry in register: 15 April 2013</p>	<p data-bbox="790 524 1401 613">Class 07: Generators of electricity, current generators, wind turbines.</p> <p data-bbox="790 689 1437 1935">Class 09: Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity, including but not limited to cells and batteries of all type, battery chargers, battery packs, chargers and charging docks, testers, power monitoring and control devices, power supply devices, adaptors, controllers, players, storage modules, cables, wires, solar energy collectors for electricity generation, generators for the production of solar energy, generators for energy production, storage or transformation; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs, including but not limited to flash and non-flash memory cards, drives, and readers, communication and telecommunications apparatus and instruments and accessories thereof; compact discs, DVDs and other digital recording media, data processing equipment, computers; computer software; telecom</p>

	<p>accessories, including but not limited to transmitters and transmitting sets.</p>
<p>EUTM: 11329232</p> <p>DURACELL</p> <p>Filing date: 08 November 2012</p> <p>Date of entry in register: 15 April 2013</p>	<p>Class 07: Generators of electricity, current generators, wind turbines.</p> <p>Class 09: Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity, including but not limited to cells and batteries of all type, battery chargers, battery packs, chargers and charging docks, testers, power monitoring and control devices, power supply devices, adaptors, controllers, players, storage modules, cables, wires, solar energy collectors for electricity generation, generators for the production of solar energy, generators for energy production, storage or transformation; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs, including but not limited to flash and non-flash memory cards, drives, and readers, communication and telecommunications apparatus and instruments and accessories thereof; compact discs, DVDs and other digital recording media, data processing equipment, computers; computer software; telecom accessories, including but not limited to transmitters and transmitting sets.</p>

<p>EUTM: 8148934</p>  <p>Filing date: 18 February 2009 Date of entry in register: 23 June 2011</p>	<p>Class 09: Batteries.</p>
<p>UKTM: 1152251</p>  <p>Filing date: 09 April 1981 Date of entry in the register: 1985</p>	<p>Class 09: Electric batteries.</p>
<p>EUTM: 10765253</p> <p>POWERED BY DURACELL</p> <p>Filing date: 28 March 2012 Date of entry in the register: 09 August 2012</p>	<p>Class 09: Batteries and battery chargers.</p>

<p>EUTM: 10765121</p> <p>POWER UP WITH DURACELL</p> <p>Filing date: 28 March 2012 Date of entry in the register: 09 August 2012</p>	<p>Class 09: Batteries and battery chargers.</p>
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Full details of the signs relied upon under section 5(4)(a):

Representation	Date, and location, of first use on 'batteries and ancillary products'
	<p>1 January 2001. Throughout the UK.</p>
<p>DURACELL</p>	<p>1 January 1965. Throughout the UK.</p>
	<p>1 January 1965. Throughout the UK.</p>