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IN THE MATTER OF THE TRADE MARKS ACT 1994

-and-

IN THE MATTER OF CONSOLIDATED PROCEEDINGS NOS. 415251, 417265 & 502768

Brought by THE A2 MILK COMPANY LIMITED

IN OPPOSITION TO TRADE MARK APPLICATION NOS. 3346974 and 3394969

AND FOR CANCELLATION OF TRADE MARK REGISTRATION NO. 3355573

All in the name of MJN U.S. HOLDINGS LLC


**APPEAL TO THE APPOINTED PERSON FROM THE DECISION OF JUNE RALPH,
HEARING OFFICER, ACTING ON BEHALF OF THE REGISTRAR OF TRADE MARKS**


DATED 16 APRIL 2021

DECISION OF THE APPOINTED PERSON

Introduction

1. MJN U.S. Holdings LLC ('MJN') is the applicant for the first two of the marks set out in the table below and registered proprietor of the third mark (together 'the MJN marks' but otherwise referred to by their last 3 numbers).

UK TM No. 3346974	All  (series of two)	Filing Date:19 October 2018 Publication Date: 26 October 2018
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UK TM No. 3394969		Filing Date: 26 April 2019 Publication Date: 10 May 2019
UK TM No. 3355573	Origin AII Origin AII (series of two)	Filing Date: 22 November 2018 Registration Date: 8 February 2019

2. The MJN marks share identical specifications for classes 5 and 29 as follows:

Class 5: Pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; infant formula; nutritional supplements; vitamin and mineral supplements; food adapted for medical purposes; electrolyte replenishment preparations; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides.

Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams; eggs, milk and milk products; powdered preparations for making milk beverages; milk powder; milk based drinks; milk substitutes; edible oils and fats.

3. The a2 Milk Company Limited ('AMC') opposed the two applications and made an application to cancel the registration under section 5(2)(b) of the Trade Marks Act 1994, founded on its earlier EU and UK registrations set out below. For the purposes of this Appeal I need only concern myself with the following mark ('the AMC mark').

EU TM No.14406326		Filing Date: 22 July 2015 Registration Date: 12 September 2016
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4. The AMC mark is registered for

Class 5: Food for infants; powdered milk for babies; dietetic beverages adapted for medical use.

Class 29: Milk powder; milk; butter; cheese; yoghurt; milk beverages, milk predominating.

5. The Hearing Officer held that the following goods which are the subject of the MJN marks were not similar to any of those of the AMC mark:

Class 5: Pharmaceutical, veterinary and sanitary preparations; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides.

Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams; eggs; edible oils and fats.

6. The Opposition and Cancellation were therefore dismissed in relation to those goods. No appeal is brought in relation to that decision.

7. The remaining goods are therefore as follows:

Class 5: dietetic substances adapted for medical use; food for babies; infant formula; nutritional supplements; vitamin and mineral supplements; food adapted for medical purposes; electrolyte replenishment preparations.

Class 29: Milk and milk products; powdered preparations for making milk beverages; milk powder, milk based drinks; milk substitutes.

8. All these goods were either identical with or highly similar to the equivalent goods the subject of the AMC mark. The Hearing Officer held in relation to all these goods that there was no likelihood of confusion between any of the MJN marks and the AMC mark.
9. On this Appeal the debate took place mostly by reference to the likelihood of confusion through the use of the respective marks in relation to milk or milk products within class 29. These are the products of most interest to the

parties. I shall follow the same course in my judgment and will then consider whether the position is different in relation to the class 5 goods.

Some preliminary points

10. I should clear a couple of points away before dealing with the substance of the Appeal.
11. First, it will be noted that two of the MJN marks (the 974 application and the 573 registration) are 'series marks'. In each case the first mark in the series is written in a font which was not precisely identified but which the Hearing Officer characterised as 'sans serif'. The second mark is written in a 'serif' font. There was apparently some discussion of the significance of this at the hearing below, in particular on the issue of whether the marks would be read by the average consumer as 'A followed by the Roman numeral II', or as the word 'All'.
12. In [30] of her Decision, the Hearing Officer seems to have considered that either reading was possible in respect of either mark in the 974 series. She held that the serif font representations of the marks within the '974 series would be most likely to be read by the average consumer as the letter A followed by the Roman numeral II. However, she considered that the sans serif font representations would be most likely to be understood by the average consumer as the word 'All'.
13. This distinction between the marks in the series and how they would be understood by the average consumer naturally fed through into her analysis of visual, aural and conceptual similarity with the earlier mark. It is clear that the Hearing Officer considered that the marks using the sans serif font were much less likely to cause confusion because they were being read as the word 'All' (although ultimately she concluded that neither mark would cause confusion).

14. No time was taken up with this point at the hearing before me and Mr Stobbs did not seek to argue that I should approach the case by distinguishing the marks within the series in this way. This is not surprising. If the marks in the series were truly distinct in terms of the way they appeared to the average consumer to the extent that one would be read as the word 'All' and the other as A followed by the Roman numeral II, then they would not be appropriate for a series registration at all. Under s41(2) marks may only be registered as a series where they

resemble each other as to their material particulars and differ only as to matters of a non-distinctive character not substantially affecting the identity of the trade mark.

15. The distinction in this case, if it existed, would go to the heart of the identity of the trade mark. I can therefore only properly proceed on the basis that the concept conveyed by the series is consistent. Since it is obvious that the second mark in the series would be read by the average consumer as A followed by the Roman numeral II, I will proceed on the basis that this also applies to the first mark in the series. The alternative (that both marks would be read as the word 'All') is not only unlikely, given the appearance of the second mark in the series, but would of course also deprive the mark of any inherent distinctive character.

16. The second preliminary point is whether A2 has some descriptive meaning in the context of milk. A lot of evidence was filed by both parties about the technical significance of A2, which is a form of protein present in milk. There are two kinds of 'beta-casein' protein, known as A1 and A2, and there is some suggestion that the A1 version may be harmful to humans. Thus, if cows are bred to produce milk containing only (or mainly) the A2 version, their milk may be preferable. I say nothing about the scientific validity of this theory. The only relevance of the issue from the trade mark point of view is whether the average consumer should be taken to be aware that A2 was a protein found in milk.

17. This is a point of some relevance, both to the inherent distinctiveness of the marks and to the likelihood of confusion. The Hearing Officer took the view that some consumers would be aware of the technical significance of A2 and some would not. She followed this dichotomy through into her analysis of inherent distinctiveness and conceptual similarity, although in the end made a global finding on likelihood of confusion which did not distinguish between the two groups of consumers.
18. This whole question is obviously a matter of some delicacy to the parties from a trade mark point of view. If A2 were indeed entirely descriptive to the average consumer of an important ingredient in milk, this would make the common element between the marks less likely to create confusion. However, it would also be difficult for MJN to advance this argument without depriving its own marks of distinctive character.
19. At the hearing, Mr Stobbs accepted on behalf of MJN that I could approach the question of confusion on the basis that A2 was *'not known to be a descriptive term yet'*. The Hearing Officer plainly considered that this applied to a substantial cohort of consumers and I think as a matter of common sense the vast majority of milk consumers can be assumed to have no knowledge of or interest in the names of the proteins contained in the product. I will therefore consider this appeal on the basis that the average consumer (or at least a sufficiently substantial class of average consumers) is unaware of the technical significance of A2.

The Appeal

20. I turn to the substance of the Appeal.
21. At the outset of the Appeal, I dealt with a dispute between the parties as to which arguments were open to Mr Tritton (acting for AMC), given the

discrepancies (which he had very fairly drawn attention to) between the approach he took in his skeleton argument and the Grounds of Appeal. I gave a separate judgment on this point in the course of the hearing.

22. The upshot was that I disallowed the arguments founded on specific errors of principle which were raised by Mr Tritton in paragraphs 7.1 and 7.2 of his skeleton argument. These were new grounds of appeal raising specific points of principle and no application to amend the Grounds had been made.
23. The case was ultimately run by Mr Tritton on the basis that, given the findings which had been made about the average consumer and the way they would perceive the marks at issue, the decision of the Hearing Officer (that there was no likelihood of confusion) was simply not one which a reasonable tribunal could have made.
24. I shall deal first with the decision in relation to the Opposition proceedings against 974 and 969.
25. The Hearing Officer's decision followed the conventional course. She held the respective goods (excluding the non-similar ones) to be highly similar or identical. She held that to the average consumer unaware of A2 as a milk protein the AMC marks were of a 'medium degree' of distinctive character. She characterised the average consumer as a member of the general public paying an average degree of attention, and the typical purchasing process as being the 'self-selection' of goods in a supermarket. The 'visual aspect of purchase' was said to predominate. In relation to the 'serif' form of MJN's marks (which I have found above to be the appropriate form for comparison and which leads to them being read as 'A' followed by the Roman numeral II) she held that there was a 'low degree' of visual similarity with the AMC mark, but there was aural identity and conceptual similarity to a 'medium degree'.

26. Having made those findings, she concluded that, even in the case of the 'serif' form of the marks, in which there was aural identity and conceptual 'similarity', *'the visual differences...are enough to offset the similarities'*. There was therefore no risk of direct confusion. As for indirect confusion, she found that the visual differences were such that the MJN marks would not be taken as a 'brand extension' of the AMC mark.

27. Mr Tritton contended that this was a case where the conclusion of the Hearing Officer was unreasonable even on the basis of her own earlier findings. He put his case as follows in his skeleton argument on this Appeal

'At a very intuitive and commonsense level, there plainly is not room in the marketplace for two "A2" marks for milk – to those members of the public who perceive no meaning in "a2". It is plainly confusing to have two milks in the marketplace whose brands are, in essence, A2. A person who is in a supermarket which only stocks the applicant's milk and who asks for "A2" milk will be sent to the shelves where the applicant's milk is located and not told that the supermarket has none (as the marks are aurally identical). A person who imperfectly recollects the Opponent's a2 milk mark as "a2" and sees milk with the Applicant's A2 Marks will believe that milk to be "A2" milk and thus confused.'

28. I agree with this. To my mind it is self-evident that that the presence of rival milk products under these marks carries a risk of confusion amongst a significant proportion of ordinary consumers. This risk is high enough to justify refusal of the applications in suit.

29. When marks sound identical, convey an identical concept¹ and are used in relation to identical goods, it is reasonable to ask how confusion can be avoided. Here, the Hearing Officer held that it would be avoided because the average consumer would detect the visual differences between the marks. As I will explain, I do not believe that this is a reasonable conclusion.

¹ The Hearing Officer said there was only 'medium similarity' at a conceptual level between the marks, but that is hard to understand. The concept of each mark is the letter A followed by the number 2.

30. I have well in mind the principles which must be applied by an appellate Court in differing from a Hearing Officer. I reviewed the authorities on the role of the appellate Courts (with the issue of likelihood of confusion specifically in mind) in Rochester Trade Mark O-049-17, concluding as follows:

33. I fear that far too much ink has been already spilled by Appellate Courts on these issues with diminishing returns, and I therefore do not propose to say a great deal more. So far as the particular context of this appeal is concerned, I would simply add that the reluctance of the Appointed Person to interfere with a decision of a Hearing Officer on likelihood of confusion is quite high for at least the following reasons:

(i) The decision involves the consideration of a large number of factors, whose relative weight is not laid down by law but is a matter of judgment for the tribunal on the particular facts of each case

(ii) The legal test 'likely to cause confusion amongst the average consumer' is inherently imprecise, not least because the average consumer is not a real person

(iii) The Hearing Officer is an experienced and well-trained tribunal, who deals with far more cases on a day-to-day basis than the Appellate tribunal

*(iv) The legal test involves a prediction as to how the public might react to the presence of two trade marks in ordinary use in trade. Any wise person who has practised in this field will have come to recognize that it is often very difficult to make such a prediction with confidence. Jacob J (as he then was) made this point in the passing off case *Neutrogena v Golden* [1996] RPC 473 at 482:*

'It was certainly my experience in practice that my own view as to the likelihood of deception was not always reliable. As I grew more experienced I said more and more "it depends on the evidence."'

34. Any sensible Appellate tribunal will therefore apply a healthy degree of self-doubt to its own opinion on the result of the legal test in any particular case. I shall therefore approach this appeal on the basis that in the absence of a distinct and material error of principle, I ought not to interfere with the decision of the Hearing Officer unless I consider that his view on the issue of likelihood of confusion was clearly wrong in the sense that it was outside the range of views which could have been reasonably taken on the established facts.

31. In this case, having applied these principles, I believe that the Hearing Officer's decision cannot be supported because it lies outside the range of views which could reasonably have been taken on the facts of this case.

32. I say that for the following reasons:

- (i) Without the entirely descriptive word 'milk' the marks are, as the Hearing Officer said, aurally identical. The marks will commonly be expressed aurally in the course of trade mark use, whether in ordinary conversation, aural advertising or when asking for goods in a shop. When using the marks in this way, it is practically impossible to distinguish them (consider a request to 'go to the shops and buy me some A2 milk'). In the circumstances there would inevitably be widespread aural confusion, with significant impact on AMC's ability to advertise or market under its brand, or to expand its reputation through word of mouth. This alone is enough, in my view, to require refusal of the application, even if one were convinced that the visual aspects of a normal purchase process would prevent confusion in that setting.
- (ii) The combination of aural and conceptual identity makes it much less likely that the public would notice the difference in visual appearance between the marks whether at the point of purchase of goods or elsewhere.
- (iii) The difference in visual appearance lies in aspects of presentation to which an ordinary consumer would not normally pay much attention, namely the use of a letter in upper or lower case and the use of Roman or Arabic numerals for low order numbers. Consumers are used to these being used interchangeably in trade marks and would not expect to have to distinguish the products of different traders on the basis of such variations.

(iv) Even where an ordinary consumer noticed the differences, they are perfectly consistent with the brand owner choosing to present its brand name in a slightly different visual way. Certainly this would seem more likely (to a consumer ignorant of the technical significance of the A2 protein) than another unrelated company having entered precisely the same market under the same name.

35. I have considered the question of likelihood of confusion above by reference to the use of the marks in relation to milk. The specification of the MJN mark in class 5 extends of course to other, milk-based, products, but I consider that the same reasoning can be applied to all those products.

36. So far as the goods in class 29 are concerned, the impact of the word 'milk' in the AMC mark is of course more of a potential point of distinction, but I do not believe it affects the overall risk of confusion to a material degree. Some of the products in class 29 are of course inherently associated with milk (infant formula), and the others could be milk-based so would be covered by the same reasoning as above in relation to class 5.

37. Turning to the Cancellation proceedings, given the Hearing Officer's findings on the Opposition to 974 and 969, it was inevitable that she would reach the same decision in relation to the 573 registered mark.

38. Obviously, there is a further point of distinction between 573 and the AMC mark, namely the presence of the word 'Origin'. I agree that this would be likely to prevent 'direct confusion' between 573 and the AMC mark. However, in my view there is a clear likelihood of indirect confusion. The word Origin has little or no distinctive character and would

be likely to be taken simply as an indicator that this is the 'Original' A2 milk, or that the products were based on A2 milk.

Conclusion

39. I therefore uphold the Appeal. The Opposition succeeds in relation to all the goods in classes 5 and 29 save for those identified by the Hearing Officer as dissimilar, namely:

Class 5: Pharmaceutical, veterinary and sanitary preparations; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides.

Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams; eggs; edible oils and fats.

40. I will award AMC £1100 in respect of the Appeal (the costs being slightly reduced to reflect the dismissal of the unpleaded case).

41. As for the costs below, these were dealt with together with the costs of another set of proceedings between the same parties involving the sign 'enfa'. These were referred to as the 'Enfa' marks and the proceedings had been consolidated. The Hearing Officer found that MJN were successful in both sets of proceedings and awarded an overall sum of £3200 to reflect that success. Since the result is now that MJN have won the Enfa proceedings but lost the A2 proceedings, the right thing to do is simply to set aside the order to pay £3200 and to direct that each side bears its own costs in the Registry.

IAIN PURVIS KC
THE APPOINTED PERSON
2 November 2022

