

TRADE MARKS ACT 1938 (AS AMENDED) AND THE TRADE
MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION **m** 1455166
BY SODA-CLUB LTD
TO REGISTER THE MARK **SODA-CLUB**

AND

IN THE MATTER OF OPPOSITION
THERE TO UNDER OPPOSITION **m** 33238
BY CANTRELL & COCHRANE (BELFAST) LTD

TRADE MARKS ACT 1938 (AS AMENDED) AND THE TRADE MARKS ACT 1994

IN THE MATTER of trade mark
application **m** 1455166 by Soda-Club Ltd
to register a mark in class 32

5 and

IN THE MATTER of opposition
thereto under opposition **m** 33238
by Cantrell & Cochrane (Belfast) Ltd

DECISION

10 Soda-Club Ltd applied on 7 February 1991 under section 17(1) of the Trade Marks Act 1938 to register the mark SODA-CLUB in Class 32 for:

“Soda water, juices and preparations for making beverages.”

The application, which claims priority from 9 August 1990 by virtue of an Israeli application, was subsequently amended to the following specification of goods:

15 “Syrups, all being sweetened with sugar or artificial sweeteners; all included in Class 32 and all for use in making beverages.”

The application was opposed on 12 September 1992 by Cantrell & Cochrane (Belfast) Limited.

I summarise the grounds of opposition as follows:-

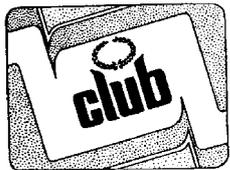
20 **M** Section 11 —By virtue of its exclusive and established reputation in the trade marks listed below, use of the mark SODA-CLUB in respect of the goods of the subject application would, by reason of its being likely to deceive or cause confusion, be disentitled to protection in a Court of Justice and registration of SODA-CLUB should be refused under Section 11.

25 **M** Section 12(1) — The opponent claims that the mark in suit resembles its own marks (below) which have been registered for the same goods or description of goods.

30 **M** Sections 9 & 10 —The opponent contends that the mark in suit was not at its date of application adapted to distinguish or capable of distinguishing the goods of the applicant and that registration thereof would be contrary to the provisions of sections 9 and 10.

M Section 17(2) — Registration and/or use of the mark in suit would be likely to prejudice the legitimate conduct by the opponent of its trade and registration of the mark applied for should be refused in the exercise of the Registrar’s discretion under the provision of section 17(2).

5 The prior registrations relied upon by the opponent are all in class 32; the relevant details are as follows:

	<u>Mark</u>	<u>Number</u>	<u>Date</u>	<u>Goods</u>
		13124	11 September 1877	Aerated waters
	CLUB SODA	573056	16 November 1936	Aerated soda water
10	CLUB	768762	29 August 1957	Non-alcoholic drinks and preparations for making such drinks, all included in Class 32
	CLUB	1017971	24 September 1973	Beverages included in Class 32 containing not more than 2% (by volume) of alcohol
		1028476	24 April 1974	Non-alcoholic drinks and preparations for making such drinks, all included in Class 32; tonic water containing quinine
		1056537	17 December 1975	Non-alcoholic drinks and preparations for making such drinks, beverages containing not more than 2% by volume of alcohol, all included in Class 32 and shandy

15 In response, the applicant filed a counterstatement admitting the existence of the opponent’s prior registrations, but denying each of the grounds pleaded.

Both parties seek an award of costs in their favour.

20 Between March and May of 1994, after these opposition proceedings commenced, the applicant applied under section 26 of the 1938 Act to revoke the six earlier registrations relied upon by the opponent on the grounds that the various marks had not been used. In August 1995, the applicant again applied to revoke these registrations, this time under section 46 of the Trade Marks Act 1994. The six applications for revocation under the 1938 Act were subsequently consolidated (with each other), as were the corresponding six applications for

revocation under the 1994 Act. At an interlocutory hearing held on 23 November 1995, the Registrar's hearing officer agreed that the three sets of proceedings between the parties (ie. this opposition, the six consolidated old-Act revocations, and the six consolidated new-Act revocations) should be heard together.

5 The hearing in respect of all three actions took place on 7 October 1998. At the hearing, the opponent was represented by Mr Michael Silverleaf, Queens Counsel, instructed by the trade marks department of Allied Domecq Plc. The applicant was represented by Mr Henry Carr, Queens Counsel, instructed by R G C Jenkins & Co.

10 This decision relates solely to the opposition proceedings. My decisions in respect of the two sets of consolidated applications for revocation are the subject of further decisions which have also issued today (SRIS Nos. O-229-98 & O-230-98)

15 By the time this matter came to be decided, the Trade Marks Act 1938 had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. Nevertheless, these proceedings having begun under the provisions of the Trade Marks Act 1938, they must continue to be dealt with under that Act in accordance with the transitional provisions set out at Schedule 3 of the 1994 Act. Accordingly, and unless otherwise indicated, all references in the remainder of this decision are references to the provisions of the old law.

The Evidence

20 The applicant filed two statutory declarations by Robert Lionel Cook (of Robert Cook Associates), one by Peter Hulley (a Director of Soda-Club Europe Limited and Soda-Club Holdings NV), and a further two by Roger David George (Registered Trade Mark Agent with R G C Jenkins & Co.).

25 The opponent's evidence comprises statutory declarations by Gerald Arniman Raymond Hartley, John Russell and Joan Margaret Smith (all from Kings Investigation Bureau), and Peter Francis McGovern (Company Secretary of Cantrell & Cochrane).

30 I have carefully read all the evidence filed in these proceedings, not least because much of it is common to the parallel revocation proceedings. Nevertheless, at the hearing in this matter, Mr Silverleaf conceded that his position under section 11 was no better than under section 12, and that consequently he would not be pursuing the opposition on section 11 grounds. There is therefore no need for me to review the evidence of use in detail, since it is not a factor in my decision under section 12. Moreover, there is nothing in the evidence which has a bearing on the section 9/10 grounds. Both sides have also filed evidence to support or refute the claim that goods of the same description are involved, but for reasons which I shall explain below, there is no need for me to review this element of the evidence as part of my decision either.

35 Against this background, I now turn to consider the grounds of opposition.

Sections 9 & 10

Although the notice of opposition refers to section 9 and section 10, the application was accepted in Part A of the register. However, for the reasons given in the *PARISER* case¹ the Registrar has held that he has no power in opposition proceedings to consider an application for registration in Part A as an application for registration in Part B. Therefore I need only decide whether the mark SODA-CLUB satisfies the requirements of section 9.

The section reads:

9(1) In order for a trade mark (other than a certification trade mark) to be registrable in Part A of the register, it must contain or consist of at least one of the following essential particulars:-

- 10 (a) the name of a company, individual, or firm, represented in a special or particular manner;
- (b) the signature of the applicant for registration or some predecessor in his business;
- (c) an invented word or invented words;
- 15 (d) a word or words having no direct reference to the character or quality of the goods, and not being according to its ordinary signification a geographical name or a surname;
- (e) any other distinctive mark, but a name, signature, or word or words, other than such as fall within the descriptions in the foregoing paragraphs (a), (b), (c) and (d), shall not be registrable under the provisions of this paragraph except upon evidence of its distinctiveness.
- 20

(2) For the purpose of this section "distinctive" means adapted, in relation to the goods in respect of which a trade mark is registered or proposed to be registered, to distinguish goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally, or where the trade mark is registered or proposed to be registered subject to limitations in relation to use within the extent of the registration.

(3) In determining whether a trade mark is adapted to distinguish as aforesaid the tribunal may have regard to the extent to which -

- 30 (a) the trade mark is inherently adapted to distinguish as aforesaid; and
- (b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact adapted to distinguish as aforesaid.

Mr Silverleaf submitted that the mark SODA-CLUB is not adapted to distinguish, but is a mark that could only become distinctive through use. As the applicant does not appear to have used the mark in the United Kingdom prior to the material date (9 August 1990), he maintained that it could not satisfy the criteria for registration. More specifically, Mr Silverleaf argued that the first part of the mark — SODA — was clearly a reference to the goods since ordinary members of the public commonly referred to the category of soft drinks

¹In the matter of Parison Fabrics Ltd.'s Application to Register a trade mark and in the matter of Maurice Pariser's Application to Register a trade mark [1949] RPC 9 at page 222.

which the applicant's syrups produce as "Sodas" rather than using the technically more correct term "Carbonated drinks". Mr Carr, for the applicant, clearly disagreed with this interpretation. As there is no evidence on the point, and as I am unable to confirm Mr Silverleaf's proposition from my own personal experience, I do not intend to interfere with the Examiner's decision to accept the mark in Part A. For my part, I consider that the mark qualifies under section 9(1)(d) as "a word or words having no direct reference to the character or quality of the goods". The opposition under section 9 fails accordingly.

Section 12(1)

This section of the Act reads as follows:

“12(1) Subject to the provisions of subsection (2) of this section, no trade mark shall be registered in respect of any goods or description of goods that is identical with or nearly resembles a mark belonging to a different proprietor and already on the register in respect of:-

- a. the same goods,
- b. the same description of goods, or
- c. services or a description of services which are associated with those goods or goods of that description.”

The reference in this section to a near resemblance is clarified by section 68(2B) of the Act which says that references in the Act to a near resemblance of marks are references to a resemblance so near as to be likely to deceive or cause confusion.

The opponent relies upon six marks that are already on the register. However, for the purposes of comparison under section 12(1) it is clear to me that the most relevant marks are the CLUB SODA (573056) and CLUB (768762) marks. If the opposition cannot succeed in relation to these two registrations, then in my opinion it cannot possibly succeed in relation to any of the other four marks.

The standard test for opposition under section 12 has been laid down in the *OVAX* case² by Mr Justice Evershed. Applied to the facts of the present case, the test may be expressed as follows:

Assuming use of the opponent's marks CLUB and CLUB SODA in a normal and fair manner for any of the goods covered by these registrations, is the tribunal satisfied that there will be no reasonable likelihood of deception or confusion amongst a substantial number of persons if the applicant uses the mark SODA-CLUB normally and fairly in respect of any goods covered by the proposed registration?

The applicant has filed evidence to show that the syrups (or concentrates) used with domestic carbonating machines are not generally sold in the vicinity of ready-made soft drinks. Given that some of the opponent's registrations cover 'preparations for making non-alcoholic drinks', which description clearly encompasses the syrups of the applicant's specification, any attempt to establish that the goods are not similar may seem rather pointless. But in the wider

²Smith Hayden & Co Ltd's Application [1946] 63 RPC 97

context of the parallel revocation proceedings in which the applicant has successfully shown that none of the opponent's marks have been used in relation to 'preparations for making non-alcoholic drinks', it begins to make sense. In the circumstances however, the parallel revocation actions will not affect the position at the material date in these proceedings because
5 the rights that have been revoked must be deemed to have ceased from the date of the applications for revocation — 21 August 1995. This means that, for example, trade mark **m** 768762 (CLUB) was validly registered for 'non-alcoholic drinks and preparations for making such drinks' at the material date (9 August 1990), even though it has since been revoked in respect of 'preparations for making such drinks' with effect from 21 August 1995.

10 So far as I am aware, the test advanced by Mr Justice Parker in the *PIANOTIST* case³ remains the appropriate test for similarity of marks in proceedings under the 1938 Act.

15 "You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of these trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion - that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which
20 will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse the registration in that case."

CLUB SODA - 573056

I do not feel the need to compare the marks CLUB SODA and SODA-CLUB in meticulous detail before concluding that the marks are indeed similar. The one is essentially a reverse of
25 the other and I am aware that during the hearing in this matter I had to concentrate hard to distinguish correctly between the two marks.

The goods to which the marks apply are clearly not the same; nevertheless there is a close affinity between them. The applicant's goods (syrups ... for use in making beverages) are intended to be mixed with soda water in order to make a carbonated drink suitable for human
30 consumption. It seems to me that the soda water may either be generated at or near the point of consumption using eg a SODA-STREAM machine as suggested in the applicant's evidence or alternatively the soda water from a bottle or can could be used instead. The resulting drink will be the same. Consequently I believe that there is a strong likelihood of confusion or deception in the mind of the public if one undertaking uses the mark CLUB SODA in relation
35 to soda water and a second, unrelated undertaking uses the mark SODA-CLUB in relation to syrups intended to be mixed with soda water.

CLUB - 768762

Here, I do not need to consider whether the goods are similar because registration **m** 768762 covers preparations for making non-alcoholic drinks; a specification which obviously includes

³In the Matter of an Application by the Pianotist Company Ld for the Registration of a Mark [1906] 23 RPC at page 777

the applicant's syrups. The comparison is therefore between the marks CLUB and SODA-CLUB. Having regard to the goods at issue, Mr Silverleaf said that the most distinctive element of the mark SODA-CLUB is the second element — CLUB. On the other hand, the *ERECTIKO* case⁴ cautions against analysing trade marks in such a way that they are differentiated as a result of comparison of individual elements without proper regard to the overall impression created. Notwithstanding this, I do not believe that I can easily overlook the fact the opponent's earlier mark is entirely subsumed in the applicant's mark. In the circumstances I can do no better than quote the words of the Assistant Registrar in the *BULOVA ACCUTRON* case⁵:

10 “The present issue is not simply a comparison of two words ; but the comparison of one word
with a composite mark the second component of which has been held to be confusingly similar
to ACCURIST. Can this component be said to be rendered innocuous now that it appears with
and is preceded by BULOVA ? I do not think that I can hold that it is and that there is any less
15 risk of deception or confusion. I think that a person having, for example, an imperfect
recollection of ACCURIST is just as likely to confuse it with ACCUTRON in the composite
mark. As BULOVA and ACCUTRON do not hold together as a phrase or present a wholly
different meaning from the separate components, I think that their combination will be taken by
many persons on first impression as an indication that the manufacturer of the watches is using
20 two separate trade marks in connection with his products. A person meeting BULOVA
ACCUTRON and confusing the latter word with ACCURIST is, I think, likely to consider that
BULOVA is another mark which he had previously not observed or which had not been drawn
to his attention before. There is no evidence to support Mr Loftus's assertion, in his
declaration of 13th November 1964, paragraph 17, that the trade and public will refer to the
25 watches by the name ACCUTRON alone, but I think that there is a tangible danger that a
substantial number of persons will confuse the ACCUTRON component of the mark applied
for with ACCURIST, and consequently will conclude that the goods emanate from the same
trade source as ACCURIST watches, believing that the BULOVA component, if it makes an
impact, is a house mark or another mark of the same concern.”

30 This particular passage was endorsed by Mr Justice Stamp on appeal. Applied to the facts of
the case before me, it suggests a likelihood of confusion and/or deception in the mind of the
public. Not that the SODA element of the mark will necessarily be seen as a house mark, but I
believe that it is likely to be seen as descriptive — all the more so when the mark is used
orally.

35 Thus the opposition under section 12(1) succeeds on the basis of the CLUB SODA (573056)
and CLUB (768762) marks.

Registrar's Discretion

There remains the matter of the Registrar's discretion. However, this opposition having succeeded under section 12 (the consequences of which are mandatory), it is neither necessary nor appropriate for me to consider exercising the Registrar's discretion under section 17(2).

⁴ *ERECTIKO* Trade Mark [1935] RPC 136

⁵ *BULOVA ACCUTRON* Trade Mark [1969] RPC 102. See page 109

The opponent, having been successful in these proceedings, is entitled to a contribution towards the costs of mounting the opposition. I therefore order the applicant to pay to the opponent the sum of **£635**.

Dated this 17th day of November 1998

5 **Mr S J Probert**
Principal Hearing Officer
For the Registrar, the Comptroller-General