

O/0601/24

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NUMBER UK00003958833

BY ELLIE FARRER

TO REGISTER THE FOLLOWING TRADE MARK:

NAUGHTEA

IN CLASS 33

AND

AN OPPOSITION THERETO UNDER NUMBER 600003120

BY THOMSON & SCOTT LIMITED

BACKGROUND AND PLEADINGS

1. On 20 September 2023, Ellie Farrer (“the applicant”) applied to register in the UK the trade mark “NAUGHTEA” under number 3958833 (“the applicant’s mark”). The application was accepted and published for opposition purposes on 27 October 2023 and registration is sought for *Alcoholic iced tea* in Class 33.¹

2. On 28 November 2023, Thomson & Scott Limited (“the opponent”) filed a fast track opposition opposing the application in full under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”).² The opponent relies upon UK trade mark number UK00003783143, “NOUGHTY”, which has a filing date of 29 April 2022 and a registration date of 13 January 2023. For the purposes of this opposition, the opponent relies upon *Alcoholic beverages, except beers; alcoholic preparations for making beverages; wines; sparkling wines* in Class 33.

3. The opponent opposes the application in full on the basis that the respective marks and goods are highly similar, resulting in a likelihood of confusion.

4. Given its earlier filing date, the opponent’s mark is an earlier mark in accordance with section 6(1) of the Act. Further, in accordance with section 6A of the Act, the earlier mark is not subject to proof of use and so the opponent may rely upon all the goods identified for the purposes of this opposition.

5. The applicant filed a defence and counterstatement denying a likelihood of confusion on the basis that neither the marks nor the goods are identical or similar.

6. The opponent is represented by Forresters IP LLP and the applicant by Stobbs IP.

¹ This specification follows the filing of a Form TM21B on 7 February 2024 to limit the goods. The opponent confirmed on 15 February 2024 that the amendment of the specification did not overcome the opposition, which was maintained.

² The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK’s withdrawal from the EU.

7. The opponent filed a fast track opposition. Rule 6 of the Trade Marks (Fast Track Opposition (Amendment) Rules 2013, S.I. 2013 2235 disapplies paragraphs 1-3 of Rule 20 of the Trade Mark Rules 2008, but it provides that Rule 20(4) shall continue to apply. Rule 20(4) states that:

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

8. The effect of the above is to require parties to seek leave in order to file evidence in fast track oppositions. Further, Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if (i) the Office requests it, or (ii) either party to the proceedings requests it and the registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate cost; otherwise, written arguments will be taken.

9. In this case, the applicant sought to file evidence: by way of a preliminary view dated 16 February 2024, the Registry advised the parties that the request was refused. The opponent did not seek to file evidence. A hearing was neither requested nor was it considered necessary. Both parties did, however, elect to file written submissions, which I will address at the relevant points in this decision. This decision is made following a perusal of all the papers before me.

DECISION

10. Sections 5(2)(b) and 5A are as follows:

“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.

[...]

5A. Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

Relevant law

11. The following principles are gleaned from the decisions of the Court of Justice of the European Union (“CJEU”) in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles

(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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

12. In *Gérard Meric v OHIM*, the General Court (“GC”) confirmed that even if goods are not worded identically, they can still be considered identical if one term falls within the scope of another (or vice versa):³

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

13. The applicant makes the following submission:⁴

“The applied for Class 32 “*alcoholic iced tea*” is dissimilar, by way of its nature, ingredients and method of production, to the goods covered in the Earlier Mark Class 33 “*alcoholic preparations for making beverages; wines; sparkling wines*”.

14. Firstly, the applicant’s goods fall within Class 33 and not Class 32. Secondly, the applicant has overlooked the opponent’s *alcoholic beverages, except beers* from its specification.

15. The applicant’s *alcoholic iced tea* is an alcoholic beverage. It must, therefore, fall within the scope of the opponent’s *alcoholic beverages, except beers*. The goods are identical.

³ Case T-133/05.

⁴ Paragraph 17 of its written submissions.

The average consumer and the purchasing act

16. 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 the goods are likely to be selected by the average consumer. 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 word “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

17. The relevant goods are all alcoholic beverages, the average consumer of which is a member of the general public who is over the age of 18. The cost of the goods is likely to be relatively low, and they are likely to be purchased reasonably frequently. Factors such as flavour and alcohol content are likely to be considered. Overall, I consider that a medium degree of attention will be paid to the purchase.

18. The goods are likely to be self-selected from the shelves of a retail outlet or an online equivalent. They may also be purchased following perusal of the goods at food and drink venues, either on taps, on shelves, in fridges behind the bar or, alternatively, on a menu. Consequently, visual considerations are likely to dominate the purchasing process. I do not discount an aural component to the purchase given that orders may be placed verbally in a bar or restaurant; however, in the majority of these instances, a verbal order is likely to follow a visual inspection of a menu and/or be followed by a visual inspection of the beverage in its packaging.

Comparison of trade marks

19. It is clear from *Sabel* that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo*, 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 relevant 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.”

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

21. The trade marks to be compared are as follows:

The opponent's mark	The applicant's mark
NOUGHTY	NAUGHTEA

22. Both marks comprise a single element; the overall impression of each resides solely in the one element.

23. Visually, the marks coincide in the consecutive letters N-UGHT- and differ in their second letters: O versus A, and their endings: Y versus EA. Overall, the marks are visually similar to a medium to high degree.

24. The applicant submits that there are phonetic differences between the marks on the basis that 'naught' in 'naughty' is softer and longer and 'nought' is shorter and sharper.⁵ I disagree. Although consumers' accents will play a part, the average consumer is likely to pronounce NOUGHTY identically to NAUGHTEA, both of which will aurally resemble the word NAUGHTY. Any nuances between the sound of the marks will be negligible.

25. Turning to the conceptual comparison, I bear in mind that for a conceptual message to be relevant it must be capable of immediate grasp by the average consumer. This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM*.⁶ The assessment must be made from the point of view of the average consumer.

26. The opponent's mark is likely to be seen as a misspelling of the word NAUGHTY, with the word NOUGHT being visible. The applicant suggests that NOUGHT within the opponent's mark refers to there being no alcohol in the opponent's goods; this is not a relevant consideration to my decision given that the opponent relies only upon alcoholic drinks for this opposition. The word NOUGHT is unlikely to create a strong conceptual hook for consumers; the message that will be 'immediately grasped' from the mark as a whole is that of the word NAUGHTY, even though it is misspelled.

27. With regards to the applicant's mark, the applicant submits:⁷

"In English, "naughty" typically refers to a person who is misbehaving or disobedient. In colloquial English, it can also refer to something that goes against the grain.

⁵ Paragraph 13 of the applicant's written submissions.

⁶ [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.

⁷ Paragraph 14 of the applicant's written submissions.

The invented and coined term “naughtea” is a play on the words “tea” and “naughty”, since the tea product – applied for in the Application and to be sold under the name – contains alcohol.”

28. I agree to some extent. The concept grasped by the average consumer will be the ordinary meaning of the word NAUGHTY with a reference to ‘tea’. With both marks exhibiting a play on the word NAUGHTY, albeit merged with different words, I find them conceptually highly similar.

Distinctive character of the earlier mark

29. In *Lloyd Schuhfabrik Meyer* the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

30. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

31. The opponent has filed no evidence of use of its earlier mark and so I have only the inherent position to consider. Whilst the mark is not a dictionary-defined word, it will be seen as a misspelling of a dictionary word (NAUGHTY) and contains the dictionary word NOUGHT. As such, it is not afforded the same level of distinctiveness as an invented word. However, the mark does have at least a medium degree of inherent distinctive character for the goods upon which it relies in this opposition because it does not describe or allude to those goods. That NOUGHTY may allude to beverages containing no alcohol is not relevant here since the opponent is not relying on its non-alcoholic beverages in Class 32.

Likelihood of confusion

32. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where 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 vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's trade mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to 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 that he has retained in his mind.

33. I have found the marks to be visually similar to a medium to high degree, aurally identical and conceptually highly similar. I have found the earlier mark to have at least a medium degree of inherent distinctive character for the goods on which the opponent relies. I have identified the average consumer to be a member of the general public over the age of 18 who will purchase the goods predominantly by visual means, though I do not discount an aural element to the purchase. I have concluded that a medium degree of attention will be paid during the purchasing process. I have found the goods to be identical.

34. I will discuss direct confusion first. Both marks are a play on the word NAUGHTY and are used on identical goods. Whilst the marks differ in their second letter and in their endings (being one or two letters), they share the majority of their remaining letters. I am cognisant of the fact that the average consumer is rarely able to compare marks side by side. In my view, each mark will be recalled as a misspelling of the word NAUGHTY without remembering exactly how the mark differed from that dictionary word. Given that the goods are identical, it is entirely feasible that the average consumer could choose the applicant's goods instead of the opponent's goods, or vice versa, either when visually selecting them or verbally ordering them.

35. For the avoidance of doubt, the packaging of the goods is not a relevant consideration.⁸ Whether the goods are packaged in a bottle or a can, for example, is not apparent from the list of goods in each specification: the opponent's goods cover *alcoholic beverages* at large and so could be canned or bottled and, in my view, *alcoholic iced tea* also could be canned or bottled. Whether the applicant is currently choosing, or intends to choose one method over the other is not a relevant consideration given that this is a business choice which may change. Similarly, how each party is using its mark on its goods is irrelevant. For the likelihood of confusion assessment, it is the marks as they appear on the register that are applicable.

36. Taking all factors into account, particularly the interdependency principle and imperfect recollection, I find there to be a likelihood of direct confusion.

⁸ Paragraphs 18 and 37 of the applicant's written submissions.

37. For completeness, I will briefly consider whether there is a likelihood of indirect confusion. Indirect confusion was described in the following terms by Iain Purvis KC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*:⁹

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark’.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI”, etc.).

⁹ BL O/375/10.

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

38. I have borne in mind that the examples given by Mr Purvis are not exhaustive. Rather, they were intended to be illustrative of the general approach.¹⁰

39. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor KC, sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”. Arnold LJ agreed, pointing out that there must be a “proper basis” for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

40. If consumers do notice the differences between NOUGHTY and NAUGHTEA, I see no reason why they would assume the goods belong to the same or related undertakings. The differences between the marks are not consistent with any of the categories outlined in *L.A. Sugar*, nor can I see any other basis for indirect confusion.

CONCLUSION

41. There is a likelihood of direct confusion. The opposition under section 5(2)(b) has been successful and the application is refused registration.

COSTS

42. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs in fast track proceedings are governed by TPN 1/2023,¹¹ which caps awards at £600, excluding official fees. I award the opponent the sum of £500, calculated as follows:

¹⁰ See *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17 at paragraphs [81] to [82].

¹¹ TPN 1/2023 applies to proceedings commenced on or after 1 February 2023.

Official fee	£100
Preparing a notice of opposition	£250
Preparing written submissions	£150
Total	£500

43. I therefore order Ellie Farrer to pay Thomson & Scott Limited the sum of £500. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the final determination of the appeal proceedings.

Dated this 26th day of June 2024

MRS E FISHER
For the Registrar