

IN THE MATTER OF THE TRADE MARKS ACT 1994

-and-

IN THE MATTER OF APPLICATION NO. 3169814 by DANIEL SMITH

To register



As a trade mark in classes 32 and 33

-and-

OPPOSITION NO. 407557 BY MONSTER ENERGY COMPANY

**APPEAL TO THE APPOINTED PERSON FROM THE DECISION OF MS. BEVERLEY HADLEY
ACTING ON BEHALF OF THE REGISTRAR OF TRADE MARKS DATED 29 NOVEMBER 2017**

DECISION OF THE APPOINTED PERSON

1. The Opponent, Monster Energy Company, appeals against the decision of the Hearing Officer to reject its Opposition and allow the following mark ('the Mark'):



for a range of goods comprising drinks in classes 32 and 33.

2. The Opposition was based on section 5(2) of the Trade Marks Act 1994, alleging confusing similarity between the Mark and a number of registered trade marks owned by the Opponent, as follows:

<p>UNLEASH THE BEAST!</p> <p>EU TM Registration No: 5093174 ('174)</p> <p>Filing date: 24 May 2006</p> <p>Date of entry in register: 19 March 2007</p>	<p>Class 32: Beverages.</p>
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<p>UNLEASH THE BEAST WITHIN!</p> <p>EU TM Registration No: 10645968 ('968)</p> <p>Filing date: 15 February 2012</p> <p>Date of entry in register: 09 October 2013</p>	<p>Class 30: Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages.</p> <p>Class 32: Non-alcoholic beverages, namely energy drinks, energy drinks flavored with tea, energy drinks flavored with juice, sports drinks, and fruit juice drinks having a content of 50% or less by volume; all of the foregoing enhanced with vitamins, minerals, nutrients, amino acids and/or herbs.</p>
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<p style="text-align: center;">Unleash The Beast!</p> <p style="text-align: center;">www.monsterenergy.com</p> <p>UK TM Registration No: 2589444 (‘444)</p> <p>Filing date: 28 July 2011</p> <p>Date of entry in the register: 28 October 2011</p>	<p>Class 32: Non-alcoholic beverages.</p>
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Trade Mark details	Goods relied upon
<p>REHAB THE BEAST!</p> <p>EU TM Registration No: 9584244 (‘244)</p> <p>Filing date: 09 December 2010</p> <p>Date of entry in register: 20 May 2011</p>	<p>Class 30: Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages in Class 30.</p> <p>Class 32: Beverages, namely, carbonated soft drinks; non-alcoholic carbonated and non-carbonated drinks enhanced with vitamins, minerals, nutrients, proteins, amino acids and/or herbs; energy or sports drinks; fruit juice drinks in Class 32.</p>

<p>REHAB THE BEAST! WWW.MONSTERENERGY.COM</p> <p>EU TM Registration No: 10649184 ('184) Filing date: 16 February 2012 Date of entry in the register: 05 March 2014</p>	<p>Class 30: Ready to drink tea, iced tea and tea based beverages; ready to drink flavored tea, iced tea and tea based beverages.</p> <p>Class 32: Beverages, namely, carbonated soft drinks; non-alcoholic carbonated and non-carbonated drinks enhanced with vitamins, minerals, nutrients, proteins, amino acids and/or herbs; energy or sports drinks; fruit juice drinks.</p>
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3. The Opponent also relied on the 'UNLEASH THE BEAST' and 'REHAB THE BEAST' marks under s5(3) of the Act, claiming a strong reputation in relation to the class 32 goods, and relying on all the heads under that sub-section, namely unfair advantage to the applicant, detriment to reputation and detriment to distinctive character.
4. Finally the Opponent relied on s5(4)(a) of the Act, claiming that through its substantial use of the signs REHAB THE BEAST! and UNLEASH THE BEAST! in the UK since 2008 in relation to non-alcoholic beverages and energy drinks, it had established a goodwill which would be damaged by the likely confusion between its signs and the Mark applied for.
5. The Hearing Officer decided the case on the papers, neither side having requested to be heard. I on the other hand have heard submissions from both parties.
6. Although the Hearing Officer took a structured approach to applying the law, the real basis of her Decision can be summarized fairly shortly.
7. She approached her judgment with admirable economy by first considering the Opposition from the point of the view of the Opponent's mark which had been

shown to have the most extensive use, and therefore the highest degree of acquired distinctiveness – namely the slogan ‘UNLEASH THE BEAST’. She considered that there was only one similarity between it and the Mark, namely that the word ‘BEAST’ appeared in both (although it is of course in the plural form in the Mark). This led only a low or very low degree of overall similarity between the marks, whether considered visually, aurally or conceptually. Even though the goods were identical, and even assuming that the Opponent’s mark had a high degree of enhanced distinctiveness, either as a result of its originality or as a result of the substantial use, there was no likelihood of direct confusion between them. So far as ‘indirect confusion’ was concerned, she did not consider that the average consumer would consider that the marks emanated from the same or linked undertakings. Applying some comments made in an earlier decision of my own (LA Sugar v Back Beat Inc. BL-0/375/10) on the subject of ‘indirect confusion’, she held that the applicant’s mark did not give the impression of some kind of ‘brand extension’. It did not for example simply add a non-distinctive element to the earlier mark, nor was it the kind of mark which the public would expect to see the earlier brand owner introduce.

8. Having come to that conclusion, she found that the case based on the other marks relied on by the Opponent was no stronger from the Opponent’s point of view, and therefore dismissed the entirety of the s5(2) objection. So far as s5(3) is concerned, she found that the necessary ‘link’ between the Mark and the Opponent’s Marks would not be made by the average consumer (even assuming the necessary reputation on the Opponent’s part). In any event, any such link would be so weak and fleeting as not to give rise to any of the necessary heads of damage. Even in the assumption that such a link was made, the evidence as to the various heads of damage simply had not been made out in the evidence of the Opponent. So the s5(3) objection was also rejected.
9. Not surprisingly in the circumstances, the Hearing Officer rejected the s5(4)(a) case as well on the ground there was no risk of confusion and therefore no passing off. She also noted that the particular basis of the s5(4)(a) case as pleaded, namely the reputation of the Opponent as a top sponsor of sporting events, was not based (on

the evidence) on any of the signs actually relied on in the Opposition. Rather the Opponent had established a reputation in the 'Monster' and 'Claw Icon' brands.

10. The Hearing Officer therefore rejected the entire Opposition and awarded costs of £1100.
11. Mr Cuddigan QC, appearing on this Appeal on behalf of the Opponent, relied on 2 alleged errors of principle by the Hearing Officer.
12. The first of these was that she assessed the distinctive and dominant elements of the Mark wrongly. The point made by Mr Cuddigan was in summary as follows. The Hearing Officer should have found that the word 'thirsty' in the Mark was descriptive, or at least allusive, to the purpose of a drink (the subject matter of the registration). Therefore it must be to some extent discounted in the analysis of the comparison between the Mark and the signs. Similarly the word '.com' and the small strapline beneath it were entirely non-distinctive. That left the word 'BEASTS' and the blue fluffy monster head with bubbles. Since the blue fluffy monster head was plainly a 'BEAST', that also served to emphasis the word BEAST in the mark as a whole. He said that looked at in this way the comparison between the Mark and the signs relied on was much more striking than the Hearing Officer had been prepared to accept.
13. Whilst acknowledging the ingenuity of this argument, it seems to me unconvincing for a number of reasons:
 - (i) The Hearing Officer refused to artificially dissect the Mark, noting correctly that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. Nonetheless, she also noted, by reference to the decision of the CJEU Bimbo v OHIM C-591/12P that the overall impression had to be judged by analyzing the components of a sign and their relative weight in the perception of the target public. There is no obvious error of principle in this approach.

- (ii) The Hearing Officer applied this approach to her analysis of the Mark, concluding that both the domain name as a whole (THIRSTY BEASTS.COM) and the fluffy character were distinctive and had striking visual impact. She concluded that the strapline had less visual impact and was descriptive so largely excluded it from consideration. Once again, it is hard to see what fault could be identified in this analysis.
- (iii) I do not consider that the Hearing Officer was bound to break down the domain name itself into its separate components parts (THIRSTY, BEASTS and .com) in the way Mr Cuddigan suggests. It seems to me unlikely that the average consumer would see it in this way. In any event, if anything, such an analysis would tend to emphasize the word THIRSTY as opposed to the word BEASTS since it is in larger letters and appears at the beginning of the name (a point made by the Hearing Officer herself).
- (iv) I do not agree with Mr Cuddigan's contention that the fluffy beast depicted in the image emphasizes the word BEAST over the word THIRSTY. On the contrary, it is plainly intended to represent a 'THIRSTY BEAST' (hence the liquid indicated by the bubbles and the happy open mouth). The image in fact emphasizes that the 'THIRSTY BEAST' reference in the domain name should be taken as a whole.
- (v) Whilst the word 'THIRSTY' is more allusive to the subject matter of the Mark than is the word 'BEAST', this is a truly artificial dissection, especially in the case of a Mark which actually depicts a 'thirsty beast'. Both the beast and its thirstiness form critical parts of the whole concept and cannot properly be separated from each other.

14. I therefore reject this first ground of Appeal.

15. Mr Cuddigan's second point was that the Hearing Officer failed to take into account the fact that the marks relied on formed a 'family' of marks. The combined effect of

the 5 marks relied on was to create a combined 'beast' brand in the field of drinks, such that the use of 'beast' (even in the plural form) by the Applicant would be considered by the average consumer to be another in the series. Thus, he said, the Hearing Officer erred in principle by not taking this into account, and, had she taken it into account, she should have found a likelihood of confusion.

16. For a number of reasons, I reject this submission as well:

- (i) Even if these marks could truly be said to comprise a series, it is not clear to me that this would have materially assisted the Opponent's case. In essence, there are two slogans here – 'RELEASE THE BEAST' and 'REHAB THE BEAST'. The common theme is not simply the concept of a 'beast' but rather an exhortation to do something to 'the beast', which, judging by the 'UNLEASH THE BEAST WITHIN' version of the slogan, is intended to represent the internal strength or energy of the drinker of the product. I do not see this theme reflected at all in the 'thirsty beasts' concept of the Mark.
- (ii) The argument based on a family of marks was not pleaded, and I do not see how the Hearing Officer can have been expected to address it in the circumstances.
- (iii) The argument based on a 'family of marks' requires more than merely the existence of some registered marks with a common theme. Actual use of the marks on the market must be shown. as is made clear by the decision of the CJEU in Il Ponte Finanziara C 234/06 P:

64. As the Advocate General stated in point 101 of her Opinion, no consumer can be expected, in the absence of use of a sufficient number of trade marks capable of constituting a family or a series, to detect a common element in such a family or series and/or to associate with that family or series another trade mark containing the same common element. Accordingly, in order for there to be a likelihood that the public may be mistaken as to whether the trade mark applied for belongs to a 'family or

series', the earlier trade marks which are part of that 'family' or series' must be present on the market.

- (iv) In fact, more than mere use on the market must be shown. It is hard to see how the argument could possibly stand without evidence of sufficient use for the tribunal to conclude that the average consumer will have become aware of the existence of the different marks and will have understood them to form a 'family'. In the present case, the alleged 'family' is essentially two marks - 'UNLEASH THE BEAST' and 'REHAB THE BEAST'. However, whilst the evidence establishes substantial use of 'UNLEASH THE BEAST', it shows hardly any use of REHAB THE BEAST, save a couple of images of cans of drink bearing the slogan. The best Mr Cuddigan could do with the evidence was to refer me to a passage in paragraph 27 of the witness statement in support of the Opposition which stated that in a particular year more than 78 million cans were sold in the UK *'each of which bore UNLEASH THE BEAST or REHAB THE BEAST.'* But of course this would be logically consistent with only a tiny number of sales of 'REHAB THE BEAST' branded cans. Mr Cuddigan fairly accepted this as a matter of logic but urged me to take a broader view of the evidence. Obviously the tribunal must read evidence sensibly and not over-literally. Had there been other material suggesting that REHAB THE BEAST branded cans were in fact sold on a substantial scale, I might perhaps have been prepared to give a generous interpretation to the statement in paragraph 27. However, in anything the other material before me suggests that there is a huge disparity between instances of use of the 'RELEASE' mark and instances of use of the 'REHAB' mark. I therefore conclude that no evidence of substantial use or reputation in the REHAB THE BEAST brand has been shown at the relevant date.
- (v) In the present case, even if one assumed that all the marks relied on had been used on a reasonable scale, it is hard to see how they really amount to a family. As I have said, there are really only two marks – RELEASE THE BEAST and REHAB THE BEAST. The rest are mere variants on the first. In Il Ponte it is

notable that the Board of Appeal at OHIM and the Court of First Instance regarded two marks as insufficient in number to give rise to a 'family' argument. The CJEU did not suggest that this was incorrect.

17. For the reasons set out above I reject the Opponent's Appeal and confirm the finding of the Hearing Officer that trade mark application 3169814 shall proceed to grant. I shall also direct that the Opponent pay the Applicant the further sum of £600 in costs, in addition to the £1100 costs already due under the Order made by the Hearing Officer.

IAIN PURVIS QC
The Appointed Person

19 November 2018