

O-027-04
TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2287301
BY CERVECERIA POLAR, COMPANIA ANONIMA
TO REGISTER A TRADE MARK IN CLASS 32**

AND

**IN THE MATTER OF OPPOSITION No. 91132
BY BERENTZEN BRENNEREIEN GMBH & CO KG**

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BACKGROUND

1. On 27 November 2001 Cervceria Polar, Compania Anonima applied to register the following mark:



for a specification of goods in Class 32 that reads:

“beers; minerals and aerated waters and other non-alcoholic drinks; malt beverages; fruit drinks and fruit juices; syrups and other preparations for making beverages.”

The application is numbered 2287301.

2. On 2 October 2002 Berentzen Brennereien GmbH & Co KG filed notice of opposition to this application. They are proprietors of the following Community Trade Mark registration:

No.	Mark	Class	Specification
1197961	POLAR	33 42	Alcoholic beverages (except beers). Providing of food and drink and temporary accommodation.

3. They express their objections in the following terms:

“**Section 5(2)(a)** The mark the subject of the registration is identical to the trade mark under No. 2287301, or at least the word POLAR appearing therein, and it is to be noted that the mark registered under No. 1197961 was registered for the word POLAR not represented in any particular manner i.e. the word POLAR per se. In the light of the judgement in the TREAT case (British Sugar v James Robertson & Sons Ltd) – 1996 RPC 281 (LD) the marks would appear to be identical and the goods/services are sufficiently similar such that there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

Section 5(2)(b) In the alternative the earlier mark the subject of the Opponents Community trade mark application No. 1197961 is similar to the mark the subject of application No. 2287301 MALTIN POLAR and device and the goods/services are sufficiently similar such that there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

4. The applicants filed a counterstatement denying the above grounds.
5. Both sides ask for an award of costs in their favour.
6. Both sides filed evidence. The case was reviewed by a Hearing Officer who indicated that he considered a decision could be reached without the need for a hearing. The parties were nevertheless reminded of their right to be heard or to offer written submissions. Neither side has asked to be heard. Written submissions have been received from fj Cleveland, the applicants’ attorneys, under cover of their letter of 14 January 2004. Acting on behalf of the Registrar and with the above material in mind I give this decision.

Evidence

7. The evidence in this case consists of two witness statements by Peter Hillier a partner in Edwards Evans Barker, the opponents’ professional representatives and a statutory declaration by Sarah Khawaja, a technical assistant in fj Cleveland, the applicants’ professional representatives. The evidence contains a mixture of submissions and evidence of fact.

8. Ms Khawaja gives evidence as to:

- the dictionary meaning of the word POLAR. There is also dictionary and internet evidence to show that MALTIN is not a dictionary word with descriptive significance;
- details of UK and CTM registrations and applications consisting of or containing the word POLAR together with examples of use of these marks on the Internet (where appropriate). This information is given for alcoholic and non-alcoholic beverages as well as for food products;
- extracts from Internet searches relating to the manufacture of alcoholic and non-alcoholic drinks;

- extracts from two supermarket websites which it is claimed show that alcoholic and non-alcoholic beverages are sold in different sections of the websites (reinforcing her own experience as a result of visits to four supermarkets in London where there was a similar separation of such items).

9. Mr Hillier exhibits details of his clients' trade mark registration and extracts from the applicants' website suggesting that the goods of interest to the applicants appear to be malts which are essentially a non-alcoholic beer aimed at young people who are under age for alcohol. He suggests that the website shows there is a common link for 'beers and malts' and that the MALTIN POLAR product is displayed along with beers. He also exhibits copies of e-mail messages received from two supermarkets indicating that alcohol-free beers are sold in the same area as alcoholic drinks.

10. To the extent that the evidence filed on behalf of the parties contains submissions I will take these into account in my decision below.

DECISION

11. The relevant part of the statute (Section 5(2)) reads as follows:

“(2) A trade mark shall not be registered if because -

- (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
- (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.”

Section 5(2)(a)

12. The opponents' statement of case relies on the *Treat* case as authority for the proposition that the respective marks are identical. This is on the basis that the applicants have merely taken the opponents' mark and added other matter to it.

13. The Hearing Officer who reviewed the case at the conclusion of the evidence rounds wrote to the parties in the following terms:

“Since these proceedings were launched, the European Court of Justice has issued its Decision in *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA* [2003] FSR 34. In that case, the Court commented as follows:

“Article 5(1)(a) of First Council Directive 89/104 EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks must be interpreted as meaning that a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer”.

Given the Court’s finding in this regard, it appears to me that this opposition is likely to be determined under the provisions of Section 5(2)(b) of the Act; indeed you may wish to consider deleting the ground based on Section 5(2)(a) at this stage in the proceedings.”

14. The opponents replied to the Hearing Officer’s letter confirming that they did not wish to request a hearing but made no comment on the above passage from the Hearing Officer’s letter and have not withdrawn the Section 5(2)(a) ground. Equally, they have not advanced any argument against the prima facie view of the matter taken by the Hearing Officer.

15. The opponents’ claim under Section 5(2)(a) based on identical marks appears to me to be untenable in the light of the *LTJ Diffusion v Sadas* guidance. The applied for mark is a composite one, an element of which is the word POLAR, but it can scarcely be said that the differences between the parties’ marks are so insignificant that they may go unnoticed by the average consumer. The Section 5(2)(a) objection must fail.

Section 5(2)(b)

16. In approaching the issues under this head I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] R.P.C 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] R.P.C 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723.

Comparison of marks

17. Neither side has claimed use of their marks prior to the material date. I approach the marks, therefore, on the basis of their inherent characteristics. The opponents’ mark is the word Polar solus. The dictionary material submitted by the applicants does no more than confirm the well known meaning of the word. The applicants’ written submissions contain the following:

“Although both marks contain the element POLAR, we would submit that this is not sufficient for the marks to be considered similar. Whilst not descriptive for the respective goods and services, we would submit that the element POLAR is used by a number of parties in relation to various food and drink products (see Exhibits SK5 of the Statutory Declaration of Sarah Khawaja) and that the element is not of a high distinctive character and should be afforded a restricted remit. In addition, we would draw attention to the fact that the element POLAR is de-emphasised in the Applicant’s mark by being considerably smaller than the other elements.”

18. That submission goes to a number of issues including the distinctive character of the word Polar, the effect of third party marks on consumer perception and the issue of similarity itself.

19. The applicants acknowledge that the word is not descriptive for the goods and services concerned. The fact that the word may be used (in combination with other elements) by others does not in itself mean it is any less distinctive though it may have an impact on the ability of consumers to differentiate between marks (and hence on the issue of likelihood of confusion). I will return to this when considering likelihood of confusion. However, having regard to the goods and services concerned, I do not agree with the applicants' submission that the word/element "should be afforded a restricted remit". The word Polar, albeit that it is a dictionary word rather than an invented one, seems to me to command a reasonably high degree of distinctive character.

20. The applied for mark has the word POLAR arching over a device of a polar bear which looks to be standing on an ice flow. The word MALTIN appears in large lettering above the central word and device. There is also a background swirl which cannot be ignored but is unlikely in my view to make a significant impact in the recollections and perceptions of consumers. Consumers will focus on the words MALTIN POLAR and polar bear device. The word POLAR and polar bear device may be said to create mutually reinforcing ideas.

21. The word MALTIN calls for comment. It is a visually prominent element of the mark. In response to the applicants' claim that it is not a dictionary word and has no descriptive significance Mr Hillier submits that:

"Even if 'MALTIN' is not an English word it is phonetically close to and a corruption of 'MALTIN' or possibly 'MELTING'. In the former case this connection is evident in that Malt beverages are present in the specification and in the latter case 'polar' has use connotations which would tie-in with 'melting'. Either way this 'invented' word clearly qualifies and is subsidiary to our client's registered mark 'POLAR'."

22. I can see no basis for reaching the conclusion that MALTIN would be seen as, or a corruption of, MELTING. In the context of malt based beverages (which are contained in the applied for specification) it is possible that the word might be seen as allusive in character (and accorded less weight as a result) but the word is not 'malt' and there is no evidence that the existence of malt in beverages is something that would be promoted to consumers though I accept that some beverages do contain malt. In any case the word MALTIN is likely to assume greater significance in relation to goods which are not malt based. I should add that the applicants have remained silent as to their intentions in relation to the range of goods applied for and have not responded to the opponents' claim that the goods of particular interest are 'malts' (meaning non-alcoholic beers). However, absent evidence from the trade or consumers as to use and recognition of the terms 'malts' or 'malting' it does not alter my above-stated view of the matter.

23. Nevertheless, taking the applied for mark as a whole there appears to be no linkage between the main elements, MALTIN and POLAR (and polar bear device). Those elements do not form a cohesive whole or create a particular idea. They are presented in quite different typefaces and

forms which give the impression that the mark presented for registration is the result of the bringing together of two elements (a housemark and a sub-brand perhaps). In these circumstances I regard POLAR as a prominent and important element in this mark. The result is that the respective marks are distinctively similar in a key respect.

Similarity of goods and services

24. Guidance on the approach to be adopted in comparing goods and services can be found in two main authorities. The first is *British Sugar Plc v James Robertson & Sons Ltd (TREAT)* [1996] RPC 281 at page 296. Adapted to the current case the test proposed by Mr Justice Jacob (as he then was) involved consideration of the following:

- (a) the uses of the respective goods or services;
- (b) the users of the respective goods or services;
- (c) the physical nature of the goods or services;
- (d) the trade channels through which the goods or services reach the market;
- (e) in the case of self-serve consumer items, whether in practice they are respectively found or likely to be found on the same or different shelves; and
- (f) the extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods or services, for instance market research companies, put the goods or services in the same or different sectors.

25. These factors were referred to in the opinion of the Advocate General in *Canon*; page 127, paragraphs 45 – 48. In its judgment, the ECJ stated at paragraph 23:

- “23. In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their end users and their method of use and whether they are in competition with each other or are complementary.”

26. A number of other authorities have dealt with the proper approach to the meaning of particular terms. Terms are to be given their ordinary and natural meaning. In the *OFREX case* [1963] RPC 169 Pennycuik J said:

- “What is said is that staples do not come within class 39 as an item of stationery In order to answer that question, the first step I think is to look at the ordinary meaning of the word “stationery”, which as defined in the Oxford English Dictionary is: “the articles sold by a stationer; writing materials, writing table appurtenances, etc”. I feel no doubt that staples are stationery, according to the ordinary meaning of the word”.

27. That was, of course, a case under the preceding law. The following passage from *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 puts a more recent gloss on the point:

“I should add that I see no reason to give the word “cosmetics” and “toilet preparations” or any other word found in Schedule 4 of the Trade Mark Regulations 1994 anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context. In particular, I see no reason to give the words an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor.”

28. The need to have regard to the practical application of terms in specifications was referred to in the *TREAT* case:

“When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all, a trade mark specification is concerned with use in trade.”

29. The respective specifications are (leaving aside the opponents’ services for present purposes):

Applicants’

Beers; minerals and aerated waters and other non-alcoholic drinks; malt beverages; fruit drinks and fruit juices; syrups and other preparations for making beverages.

Opponents’

Alcoholic beverages (except beers)

30. Most of the applicants’ goods speak for themselves or are commented on below. The opponents’ specification covers alcoholic beverages at large in Class 33. “Alcoholic beverages (except beers)” is the Class heading in the Nice Classification. It is not necessary to list all the goods that might be covered by the term but it would include, for instance, aperitifs, alcoholic beverages containing fruit, bitters, brandy, cider, cocktails, liqueurs, mead, spirituous beverages (whisky, rum, vodka etc.) and wine.

31. Mr Hillier submits on behalf of the opponents that the respective sets of goods are closely similar because they are all for the same purpose, are all sold in off-licences, supermarkets and public houses and are all associated with social activities. He notes that the applied for goods will include non- and low-alcoholic versions of beers and other beverages. He has filed evidence to support the claim that supermarkets place alcohol-free beers etc. with other beers; that shandy is stacked with soft drinks and that all other alcoholic and non-alcoholic drinks are stacked in the alcoholic section.

32. Ms Khawaja’s evidence for the applicants seeks to suggest that the manufacturing process for alcoholic drinks is different to that for non-alcoholic drinks. She also visited or made enquiries of supermarkets which, contrary to Mr Hillier’s evidence, suggest that alcoholic and non-alcoholic drinks are normally separated on supermarket shelves. In their written submissions the applicants further suggest that non-alcoholic and alcoholic drinks ‘are different in nature and

ingredients', that they have different purposes, that they are not in competition with one another and that they are manufactured by different entities with the result that consumers would not expect them to come from the same source.

33. I propose to consider each item in the applied for specification in turn as somewhat different considerations apply in relation to each. By way of general comment on the position in supermarkets (which both sides have commented on) I find the evidence inconclusive. More importantly the position cannot be judged on the circumstances of trade in large supermarkets alone. The outlet for the goods in issue will also include smaller stores, where store arrangements and display practice may be different, off-licences, public house, hotels etc.

34. Furthermore, in terms of the *Canon/Treat* test, I also take the view that the users of the goods will be the same and that uses overlap. It may, indeed, be the case as the applicants suggest that non-alcoholic drinks are drunk for refreshment and alcoholic drinks for their alcoholic content but the latter may also be seen as refreshment items. Certain of the goods will represent alternative purchases (beer in Class 32 and cider in Class 33 for instance) or complementary items (mixers in Class 32 and spirits in Class 33 for instance).

35. There is one further general observation that I should make. In *Balmoral Trade Mark* [1999] RPC 297 Mr Geoffrey Hobbs QC, sitting as the Appointed Person cautioned against over-emphasising the part played by producers at the expense of considering the wider market place and the other players in it. In particular he commented as follows:

“It is common to find whisky and wines bought and sold by merchants whose customers expect them to stock and sell both kinds of products. Many such merchants like to be known for the range and quality of the products they sell. The goodwill they enjoy is affected by the judgment they exercise when deciding what to offer their customers. In some cases the exercise of judgment is backed by the use of “own brand” or “merchant-specific” labelling. Those who supply retail customers may be licensed to do so under an “off-licence” or a licence for “on and off sales” in appropriate circumstances. It is not unusual for resellers of whisky and wines to be suppliers of bar services as well.

When the overall pattern of trade is considered in terms of the factors identified by Jacob J. in the *British Sugar* case (uses, users and physical nature of the relevant goods and services; channels of distribution, positioning in retail outlets, competitive leanings and market segmentation) it seems clear to me that suppliers of wines should be regarded as trading in close proximity to suppliers of whisky and suppliers of bar services. In my view the degree of proximity is such that people in the market for those goods or services would readily accept a suggestion to the effect that a supplier of whisky or bar services was also engaged in the business of supplying wines.”

36. I accept that Mr Hobbs was considering different goods in that case but his comments on overall patterns of trade seem to me to be equally relevant here.

37. Turning to the goods of the application.

Beer

38. Beer is similar to items such as cider. It might represent an alternative purchase as a long drink. It is likely that such goods are produced by different manufacturers (strictly there is no evidence on the point) but I believe that when the overall pattern of trade is considered there is a rather greater degree of proximity between beer and cider than between whisky and wine in the *Balmoral case*.

Minerals and aerated waters and other non-alcoholic drinks

39. I note that this part of the applied for specification uses the term ‘minerals’. Whether that was intentional or, as the presence of the first ‘and’ suggests, the real intention was to refer to mineral (water) is not clear. The term minerals is sometimes used to describe soft drinks containing carbonated water and flavourings. It is arguably wider in scope than the term mineral water. The point is probably not critical here. Flavoured mineral and aerated waters are now available including fruit flavoured ones. Such items are similar to alcoholic fruit based beverages in Class 33. The same is true of non-alcoholic beverages at large. The so called ‘alcopops’ products have further blurred the boundary between alcoholic and non-alcoholic drinks.

Malt beverages

40. The term has not been explained beyond what the opponents have been able to discover by looking at the applicants’ website and which they suggest shows the term is used in relation to a non-alcoholic beer. I note too that the Nice Classification contains “malt beer” as a term in its own right. I regard the term malt beverages as including alcoholic beers and to be similar to Class 33 goods in much the same way as beer.

Fruit drinks and fruit juices

41. Again these goods have near equivalents in Class 33. Thus, alcoholic fruit beverages are contained within the term alcoholic beverages and are closely similar to, and an alternative to, non-alcoholic fruit juices and fruit beverages in Class 32.

Syrups and other preparations for making beverages

42. These items appear to be the ingredients for making other drinks. By placing them in Class 32 the applicants are assumed to be requesting such goods in relation to beverages which would themselves fall in this Class. The opponents’ specification covers alcoholic beverages (except beers). As explained in the Registry’s “Classification – Current Issues” notice of 13 June 2003, Class headings under the Nice Classification are only intended to convey general indications as to what the Classes contain. They do not necessarily cover all the goods that may be found in the Class. I take the view here that the term “alcoholic beverages (except beer)” covers all items in the Class that can be considered beverages in their own right. It does not, in my view, cover preparations for making alcoholic beverages. On that basis it seems to me that the applicants’ “syrups and other preparations for making beverages” are somewhat further removed from the

opponents' goods than the other items in their specification. Furthermore I have been given no information on the nature of the trade in preparations for making beverages which might point to a closer association between the parties' goods. Therefore, I find that these items are at the outer reaches of what can be considered similar if indeed they are similar at all.

43. In the circumstances of this case, I do not think that separate consideration needs to be given to the opponents' Class 42 services.

Likelihood of confusion

44. It is well established that likelihood of confusion must be appreciated globally taking all relevant factors into account (*Sabel v Puma*, paragraph 22). The applicants' evidence contains copies of UK and CTM trade mark applications and registrations containing the word POLAR along with examples (where available) of use of the marks on the internet (Exhibits SK2 to 5). The purpose of this material as I understand it is twofold, firstly, to suggest that the word POLAR is not of high distinctive character (a point I have already rejected) and secondly, to suggest by implication that consumers have become accustomed to differentiating between marks containing the word POLAR.

45. State of the register evidence is rarely of assistance in these matters (see the *TREAT* case referenced above). Evidence that other POLAR marks are in use in relation to the goods at issue is of potentially greater relevance. However, the evidence provided is very limited in scope, was collected after the relevant date and much of it relates to product areas (such as breakfast cereals and chewing gum) which have no bearing on the issues before me. I find this material to be of no assistance.

46. In *Raleigh International Trade Mark* [2001] RPC 202 Mr Hobbs QC sitting as the Appointed Person indicated that:

“Similarities between marks cannot eliminate differences between goods or services; and similarities between goods and services cannot eliminate differences between marks. So the purpose of the assessment under Section 5(2) must be to determine the net effect of the given similarities and differences.”

47. In considering the net effect of the similarities and differences here I bear in mind that the opponents' mark enjoys a good measure of distinctiveness; that the word POLAR is one of the dominant and distinctive components of the applicants' composite mark; that the goods applied for are not identical but are for the most part either similar or closely similar to the opponents' broad ranging specification; and that the average consumer may be exposed to the marks/goods in a variety of trading circumstances. I find that there is a likelihood of confusion in relation to “beers; minerals and aerated waters and other non-alcoholic drinks; malt beverages; fruit drinks and fruit juices”. I consider “syrups and other preparations for making beverages” to be either dissimilar or similar to such a small extent that application of the composite test suggests there is no likelihood of confusion.

48. The application will be allowed to proceed in respect of “syrups and other preparations for making beverages” if, within 28 days of the expiry of the appeal period from this decision, the applicants file a Form TM21 amending their specification accordingly.

49. If no Form TM21 is filed within the period set, the application will be refused in its entirety. If an appeal is filed the period for filing the Form TM21 will (subject to the outcome of the appeal) be 28 days from the final determination of the case.

COSTS

50. The opponents have been largely successful. I order the applicants to pay them the sum of £1,500. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case.

Dated this 30th day of January 2004

**M REYNOLDS
For the Registrar
the Comptroller-General**