

O-127-11

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION
Nos. 2431863, 2402901 & 2264160
BY CAMPBELL SOUP COMPANY
TO REGISTER THE TRADE MARK
TIM TAM
IN CLASS 30**

AND

**IN THE MATTER OF CONSOLIDATED OPPOSITIONS THERETO
UNDER Nos. 96345, 96420 & 96975 BY
FERRERO S.P.A.**

BACKGROUND

1) On 14 March 2001 (re 2264160), 30 September 2005 (re 2402901) and 7 September 2006 (re 2431863), Campbell Soup Company (hereinafter the applicant), applied to register the following trade marks:

Number	Mark	Filing Date	Class	Specification
2264160	TIM TAM	14.03.01	30	Biscuits, cookies, crackers, wafers, muesli bars, baked goods in this class containing fruit.
2402901	TIM TAM	30.09.05	30	Baked goods in this class; biscuits, wafers; bread; cakes; chocolate; cookies; coffee; tea; confectionery, including non-medicated confectionery; crackers; pretzels; flour and preparations made from cereals; honey; pastry; pies; puddings; snack foods in this class, including snack foods made from rice or corn; sauces in this class; sugar; spices; muesli bars and slices, fruit bars, yoghurt based snacks; ice-cream and snack foods including ice-cream in this class.
2431863	TIM TAM	07.09.06	30	Baked goods in this class; biscuits, wafers; bread; cakes; chocolate; cookies; coffee; tea; confectionery, including non-medicated confectionery; crackers; pretzels; flour and preparations made from cereals; honey; pastry; pies; puddings; snack foods in this class, including snack foods made from rice or corn; sauces in this class; sugar; spices; muesli bars and slices, fruit bars, yoghurt based snacks; ice-cream and snack foods including ice-cream in this class.

2) The applications were examined and accepted, and subsequently published for opposition purposes on 1 February 2008 (2264160) in Trade Marks Journal No.6721, on 23 November 2007 (2402901) in Trade Marks Journal No.6711 and 16 November 2007 (2431863) in Trade Marks Journal No.6710.

3) On 18 February 2008 (re 2431863), 22 February 2008 (re 2402901) and 28 April 2008 (re 2264160) Ferrero S.p.A. (hereinafter the opponent) filed three notices of opposition, subsequently consolidated. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade mark:

Mark	Number	Filing date/ registration date	Class	Specification
TIC TAC	941119	14.04.1969 / 20.01.1971	30	Coffee; mixtures of coffee and chicory, coffee essences, and coffee extracts, chicory and chicory mixtures, all for use as substitutes for coffee; tea, cocoa, sugar, rice, tapioca; flour and preparations made from cereals for food for human consumption; bread, biscuits (other than biscuits for animals), cakes, pastry, flour confectionery, none-medicated sugar confectionery, ice cream, ice cream confections, and water ices; honey, treacle; salt and yeast, all for food, baking powder, mustard, pepper, vinegar, sauces, spices (other than poultry spices); ice; cocoa paste for making cocoa drinks, chocolate paste, chocolate coverings for food, pralines, chocolate confectionery for the decoration of xmas trees, edible chocolate envelopes; but not including chocolate blocks, chocolate bars, or chocolate covered biscuits.

- b) The goods shown in the above table were valid at the date that each of the three oppositions was filed. However, on 27 November 2008 the opponent part surrendered its mark and the specification was reduced to “Candy sweets”.
- c) The opponent states that its mark is well known in the UK with regard to non-medicated sugar confectionery as it has been in use since 1969. As a result it contends that the marks in suit offend against Sections 5(2)(b), 5(3), 5(4)(a) of the Act and is well known as per Section 56. All the grounds of opposition in relation to 2431863 and 2402901 are limited to the following goods “Biscuits, wafers; cakes; chocolate; cookies; confectionery, including non-medicated confectionery; pastry; snack foods in this class, including snack foods made from rice or corn; ice-cream and snack foods including ice-cream in this class”. The opponent claims that use of the mark in suit on these goods will result in blurring and tarnishing of its reputation.
- 4) On 19 February 2009, 6 March 2009 and 30 April 2009, the applicant filed counterstatements which denied the opponent’s claims. The applicant puts the opponent to strict proof of use in respect of all the opponent’s listed goods. The applicant also claims that it purchased the brand TIM TAM and the associated reputation and goodwill from Arnott’s Biscuits Limited who commenced sales of biscuits under the mark TIM TAM in the UK in 1998.
- 5) Both parties filed evidence, and both seek an award of costs in their favour. The matter came to be heard on 15 February 2011. At the hearing, the opponent was represented by Mr Chacksfield of Counsel instructed by Messrs Taylor Wessing LLP, the applicant was represented by Ms Berkeley of Counsel instructed by Messrs White & Case LLP.

OPPONENT’S EVIDENCE

6) This consists of a witness statement, dated 4 March 2010, by David Corbet Connal the General Affairs Manager of Ferrero UK Ltd a position he has held for twelve years. He states that the TIC TAC brand of sweets were first sold in 1971 in the UK and have been popular in the UK ever since. Initially the mark was only used on a mint flavoured sweet, but during the 1970s approximately nine other flavours were introduced, although not all remain on sale. New flavours are periodically launched or in some cases re-introduced. He states that the product is sold to wholesalers who sell the product on to small retail outlets throughout the UK and thence to the end consumer. Mr Connal states that the mark has received considerable press attention from National newspapers to specialist journals for grocers. The mark has also been promoted in the media including television advertising, YouTube and also product placement in films. He provides the following sales and promotional figures:

Year	Worldwide Sales EURO Million	Advertising and Promotion Worldwide EURO Million	Sales in UK £ Million	Advertising and Promotion in UK £ Million
1999	200.1	54.9	n/a	n/a
2000	235.7	65.6	n/a	n/a
2001	256.0	76.4	n/a	n/a

2002	258.9	78.7	n/a	n/a
2003/04	237.7	66.1	10.5	4.0
2004/05	237.7	67.2	10.0	4.2
2005/06	243.8	68.7	12.4	3.4
2006/07	256.7	65.8	12.2	3.4
2007/08	259.4	77.0	11.5	4.5

7) Mr Connal does not provide any details of which countries the product is sold in, the overall number of countries, the total global market for such products, or any global market share figures. Mr Connal states that as of 2007 his company enjoyed a 5.2% share of the pocket confectionery market in the UK. Pocket confectionery includes only sugar confectionery products that are 60gm or below. He states that as a result of forty years use the product has considerable reputation. He also refers to a decision from France which found TIM TAM to be similar to TIC TAC. A translated copy of the decision is provided at exhibit DC13. I note that all the evidence of use relates to “Candy sweets”. He also provides the following exhibits:

- DC1: copies of pages from the opponent’s website showing the TIC TAC mark.
- DC2 Promotional material which also shows the packaging used for TIC TAC.
- DC3: Copies of thirty one invoices to wholesalers in the UK for the period 13 October 2004-23 March 2009 in relation to TIC TAC.
- DC4-7 Copies of stories from the Guardian, The Grocer, OK magazine and Business Week, all of which mention TIC TAC. These are dated 2002-2006.
- DC8: A CD containing advertisements for TIC TAC in the UK from 2001-2008.
- DC9: Screen prints from You Tube showing advertisements for TIC TAC. These advertisements were apparently first shown, on television, during the 1990s although no details are provided as to when or where these advertisements were displayed.
- DC10: Copies of advertisements from The Metro for TIC TAC, dated 2007-2008.

APPLICANT’S EVIDENCE

8) The applicant filed two witness statements. The first, dated 9 June 2010, is by Mr Marcus Leonard Collins the applicant’s solicitor. He states that he has acted for Arnott’s Biscuits Ltd, a subsidiary of the applicant, in trade mark matters in general and the TIM TAM mark in particular in the UK since 1998. He states that Arnott’s Biscuits Ltd was originally the proprietor of the mark TIM TAM in the UK until it assigned its applications for the mark to its parent company on 17 March 2006. A copy of the assignment is filed at exhibit MLC1. This included provisions to assign the goodwill in the mark.

9) Mr Collins states that whilst working for Arnott’s Biscuits Ltd he had cause to purchase a packet of TIM TAM biscuits from Sainsbury in Blackwater, Surrey. He made the purchase on 27

September 1998. He still has the packet along with his hand written note of where and when it was purchased. He provides various photographs of the packet at exhibit MLC2.

10) The second witness statement, dated 21 June 2010, is by David Alexander Dwyer, the Legal Counsel Asia Pacific at Arnott's Biscuits Ltd in Australia. He states that the mark TIM TAM was first used in the UK in September 1998. It has been in use in the UK since this date, used solely on biscuits. He provides the turnover figures for TIM Tam biscuits in the UK as follows:

Year	Turnover £
2000	2,961
2001	6,667
2002	21,006
2003	631,914
2004	1,026,138
2005	1,025,816
2006	8,775
2007	637,582

11) Mr Dwyer states that there has been promotional activity in the UK with events and advertising on radio and television in 2004. He states that the mark was originally the name of a horse which ran in the 1957 Kentucky Derby, and was adopted as the name of a biscuit in Australia in 1963, having been registered as a trade mark in Australia in 1958. He also provided the following exhibits.

- Annex 1 examples of packaging for TIM TAM biscuits.
- Annex 2-5 examples of invoices spanning the period 2001-2003.

12) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

13) At the hearing Mr Chacksfield accepted that if I found against him under Section 5(2)(b) then he could not win under Section 5(4)(a). I shall first consider the ground of opposition under Section 5(2)(b) which reads:

“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.”

14) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

15) In these proceedings the applicant is relying upon an earlier mark which has a registration date of 20 January 1971 and is clearly an earlier trade mark. It is also subject to The Trade Marks (Proof of Use, etc) Regulations 2004. Paragraph six of which states:

“6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if-

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes-

- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
- (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark, any reference in subsection (3) or

(4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

16) I must first consider whether the opponent has fulfilled the requirement to show that genuine use of the mark has been made. In the instant case the publication dates of the applications were 1 February 2008, 23 November 2007 and 16 November 2007. Therefore, the relevant periods for the proof of use are 2 February 2003- 1 February 2008, 24 November 2002 – 23 November 2007 and 17 November 2002 – 16 November 2007. The guiding principles to be applied in determining whether there has been genuine use of a mark are *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 and *Laboratoire de la Mer Trade Mark* [2006] F.S.R. 5. From these cases I derive the following main points:

- genuine use entails use that is not merely token. It must also be consistent with the essential function of a trade mark, that is to say to guarantee the identity of the origin of goods or services to consumers or end users (*Ansul*, paragraph 36);
- the use must be ‘on the market’ and not just internal to the undertaking concerned (*Ansul*, paragraph 37);
- it must be with a view to creating or preserving an outlet for the goods or services (*Ansul*, paragraph 37);
- the use must relate to goods or services already marketed or about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns (*Ansul*, paragraph 37);
- all the facts and circumstances relevant to determining whether the commercial exploitation of the mark is real must be taken into account (*Ansul*, paragraph 38);
- the assessment must have regard to the nature of the goods or services, the characteristics of the market concerned and the scale and frequency of use (*Ansul*, paragraph 39);

- but the use need not be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39);
- an act of importation could constitute putting goods on the market (*Laboratoire de la Mer*, paragraph 25 referring to the earlier reasoned order of the ECJ);
- there is no requirement that the mark must have come to the attention of the end user or consumer (*Laboratoire de la Mer*, paragraphs 32 and 48);
- what matters are the objective circumstances of each case and not just what the proprietor planned to do (*Laboratoire de la Mer*, paragraph 34);
- the need to show that the use is sufficient to create or preserve a market share should not be construed as imposing a requirement that a significant market share has to be achieved (*Laboratoire de la Mer*, paragraph 44).

17) Shortly after commencement of the opposition the opponent part surrendered its mark and reduced the specification to simply “Candy Sweets” in Class 30. It is clear from the opponent’s evidence that they have used the mark TIC TAC in relation to “Candy sweets” during the years 2003-2007 inclusive. Turnover in the UK during these years has averaged approximately £11million with an average of approximately £3.5million spent each year on promotion of the mark. This evidence is unchallenged. The opponent’s existing specification for “candy sweets” accurately reflects the usage shown.

18) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) C-334/05 P* (LIMONCELLO). In the recent case of *La Chemise Lacoste SA v Baker Street Clothing Ltd* [ALLIGATOR O/333/10] Mr Hobbs QC acting as the Appointed Person set out the test shown below which was endorsed by Arnold J. in *Och-Ziff Management Europe Ltd and Oz Management Lp v Och Capital LLP; Union Investment Management Ltd & Ochocki*, [2010] EWCH 2599 (Ch).

(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/ 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; nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;

(e) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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 in that mark;

(f) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa;

(g) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it;

(h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient;

(i) 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;

(j) if the association between the marks causes the public to wrongly believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

19) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgments mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, I must compare the applicant's marks and the mark relied upon by the opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on the goods in their specifications.

20) The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was considered by David Kitchin Q.C. (as he was then) sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchin concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v. Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become more distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

21) In the instant case the opponent has provided evidence of use which is unchallenged. However, I have to take into account that in this case there are three distinct dates based on the date of the applications. Mr Chacksfield accepted that the actual UK sales figures do not predate the initial application, submitted in March 2001. He contended that the product had, at 14 March 2001, been on the market for thirty years and had introduced a number of different flavours during this time. I was invited to infer from the sales and advertising figures from 2003/04 that the position in 2001 was that the opponent had an enhanced reputation. He also invited me to take into account the international figures which do predate the initial application. However, the international figures, whilst impressive on the surface, are not detailed in any fashion. They do not state that the product is sold globally, or mention countries or continents where the product is sold. There is a complete lack of detail both as to where the products are sold, the size of the global confectionery market or the subset of confectionery of interest to the opponent, there is no independent evidence from trade bodies etc. I am however, prepared to accept that the opponent has shown that by 2007 it had secured a 5% share of the market in pocket sized confectionery and was selling substantial amounts of their product in the UK. Although this is after the application dates of all three of the applicant's marks I am willing to accept that in the case of the second and third marks, which were applied for on 30 September 2005 and 7 September 2006 respectively, the opponent was selling a significant amount of its product and on the balance of probabilities was approaching if not actually at a similar market share to that achieved in 2007. The opponent therefore benefits, in the comparison of the applicant's mark 2402901 and 2431863, from an enhanced reputation. I also consider that the opponent's mark is inherently highly distinctive for “Candy Sweets”.

22) I now turn to consider the goods of the two parties. I note that the specifications for applications 2402901 & 2431863 are identical and I shall treat them as a single entity. I also note that all of the goods of both parties are in Class 30. For ease of reference these are set out below:

Applicant's goods	Opponent's goods
2264160: Biscuits, cookies, crackers, wafers, muesli bars, baked goods in this class containing fruit.	Candy Sweets
2402901: Baked goods in this class; biscuits, wafers; bread; cakes; chocolate; cookies; coffee; tea; confectionery, including non-medicated confectionery; crackers; pretzels; flour and preparations made from cereals; honey; pastry; pies; puddings; snack foods in this class, including snack foods made from rice or corn; sauces in this class; sugar; spices; muesli bars and slices, fruit bars, yoghurt based snacks; ice-cream and snack foods including ice-cream in this class.	

23) To my mind none of the goods contained within the specification of 2264160 can be regarded as identical. The opponent contended that all the goods of both parties were essentially snack foods, eaten between meals and typically stored near the tills in smaller shops and petrol stations. They were categorised as “impulse buys”, which were purchased with little thought due to their low value. The accepted test for comparing goods is that set out by Jacob J. in *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 28 TREAT. The factors to be taken into account are:

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

24) In the broadest sense I am willing to accept that the goods in 2264160 are similar to the opponent's goods, are broadly used as snacks (a), in that they share the same users (b), share some physical characteristics in the broadest sense (c), have the same trade channels (d) and, in smaller shops are found near the till (e), albeit in a large supermarket they would, mostly, be in different areas. They are in competition only in the widest understanding of snacks. I shall treat them as being similar goods.

25) Regarding the specification for 2402901 it is my view that this breaks down into three parts:

- Identical goods: chocolate; confectionery, including non-medicated confectionery;
- Similar goods: Baked goods in this class; biscuits, wafers; bread; cakes; cookies; crackers; pretzels; snack foods in this class, including snack foods made from rice or

corn; muesli bars and slices, fruit bars, yoghurt based snacks; ice-cream and snack foods including ice-cream in this class.

- Dissimilar goods: coffee; tea; flour and preparations made from cereals; honey; pastry; pies; puddings; sauces in this class; sugar; spices.

26) The reasons behind the split are self evident, and follow the logic set out in paragraph 26 as there is considerable overlap in the applicant's goods in 2402901 and 2264160. I must now determine the average consumer for the goods of the parties. It is clear that the average consumer must be the general public and this was accepted by both parties at the hearing. Also I must take into account the concept of imperfect recollection given the relatively low value of the goods in question and the likelihood that they would be purchased with some consideration albeit a relatively low level.

27) I now turn to consider the marks of the two parties. As all three of the applicant's marks are identical I shall treat them as a single mark for the purposes of this comparison. For ease of reference these are reproduced below:

Applicant's mark	Opponent's mark
TIM TAM	TIC TAC

28) Mr Chacksfield invited me "to adopt a paradigm example of the notional and fair uses that might be adopted". He contended that the following met this requirement:



29) Ms Berkeley objected to this as it brought into the marks a coloured background which is not part of either the opponent's mark as registered or the marks that her client seeks to register. Further, the marks are not registered/applied for in the format of one word being above the other but alongside each other. She referred me to the decision of the Court of Appeal in *L'Oreal SA v Bellure NV* [2007] EWCA Civ 968 at paragraph 110 where Jacob L.J. said:

"The test is, and must be, founded on the mark as registered, not material which forms no part of that. There is simply no warrant in the Directive for taking more than the registered mark into account. The global appreciation test does not amount to the proposition that once a registered mark is used in marketing, anything, extraneous to the mark used in marketing, comes in too – as though it formed part of the registered mark."

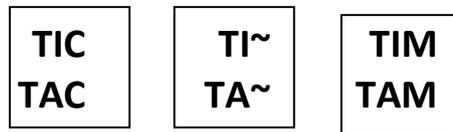
30) Clearly this statement is correct. However, I do not believe that it is on all fours with the instant case. Here the opponent is not seeking to introduce a colour but merely reflect the marks

as though written in white on a dark background and they have simply placed one word on top of the other. To my mind it is reasonable to use this as the comparison. To support this I look to the comments on paradigm use in *Premier Brands v Typhoon* [2000] ETMR 1071.

31) Regarding the comparison of marks, Mr Chacksfield, in his skeleton arguments, put forward the following contentions:

“Visual similarity

1. The applications and the opponent’s mark are highly similar. Both consist of two three letter words, of which four of the six letters are identical TI~ TA~. Furthermore it is the visually least important third letters in each word that differ, these being the letters most likely to be skipped over by the eye:



Oral similarity.

2. Likewise the marks are highly orally similar. They comprise two one syllable words with the stress on the initial plosive letter “T”s and gaining much of their sense from the vowel sounds “I” and “A” – all of which features are common to both the marks applied for and Ferrero’s ‘119 mark. Whilst there is a little dissimilarity introduced by the different final letters “C” and “M”, these are not significantly stressed in these words, and furthermore the final letters in words are commonly slurred or dropped, reducing their importance still further.

Conceptual similarity.

3. Both TIC TAC and TIM TAM are made up words (see under ‘inherent distinctiveness’ below). Conceptually their meaning is left for the reader to interpret, both giving an onomatopoeic impression of almost matched pairs, or non-identical twins. Things that are a bit of this and a bit of that. Importantly neither has any distinct meaning which would help the public to distinguish them in their own minds – they are not in any sense conceptually different.

Inherent distinctiveness.

4. As mentioned, TIC TAC (and TIM TAM) are neologisms¹ without any descriptive content. The name TIC TAC is highly inherently distinctive, and deserving of broad protection. Note that the contrary is not even suggested in the applicant’s evidence.”

32) I accept that the first two letters of each word of the parties' marks, "TI" and "TA", are the same. However, the third letter of each word is very different. In the opponent's mark the letter "C" ends both words whereas in the applicant's mark both words end in the letter "M". I do not agree with the opponent that in such short words the last letter will be "skipped over by the eye". To my mind, when dealing with short marks or words such as these, minor differences have a disproportionately large effect on the appearance. Overall whilst there are visual similarities there are also differences.

33) I agree with the opponent that each sides mark consists of just two one syllable words. Both begin the same "Ti" and "Ta" but the last letter, "C" and "M" respectively completely alters the sound of the syllable. I also disagree with the opponent's contention that the last letter of each word is slurred or dropped. In such short words the average consumer would pronounce the word in full and the endings are significantly different (Case T-112/06 *Inter-Ikea Systems BV v OHIM*). Whilst they share a degree of similarity, the overall phonetic result is that the marks are distinctly different.

34) The opponent contends that both marks are made up words that convey no meaning to the average consumer. I completely disagree with this view. The applicant's mark clearly brings to mind a man's name. The forename "TIM" is very common in the UK, especially in recent times when Timothy might be seen as slightly pompous. Also, particularly in the north of the UK, "Tam" is a shortened form of Thomas or is the name of a hat. Regarding the opponent's mark this would be seen, in my view, as a reference to the bookies assistant on a racecourse who uses a form of sign language known as tic tac or tick tack to inform his principle of the odds being offered by other bookies on the course. Either form of spelling is correct. I would accept that few if any consumers will realise that the applicant's mark was also that of a racehorse famous in the USA in the fifties.

35) Taken overall I believe that whilst there are superficial similarities, given that both marks consist of two very short, three letter, words the differences far outweigh any similarity to such an extent that the marks are quite dissimilar.

36) When taking all the above into account and considering the matter globally I believe that even when the applicant's mark is used on goods which are identical and will be purchased with relatively little consideration, and taking into account the opponent's enhanced reputation and the fact that it is inherently highly distinctive, there is no likelihood of confusion. The ground of opposition under Section 5(2)(b) therefore fails.

37) This finding also determines the outcome under Section 5(4)(a), see paragraph 13.

38) I now turn to consider the ground of opposition under Section 5(3) which, in its original form reads:

"5-(3) A trade mark which -

(a) is identical with or similar to an earlier trade mark, and

(b) is to be registered for goods or services which are not similar to those for which the earlier mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

39) By virtue of regulation 7 of the Trade Mark (Proof of Use, etc) Regulations 2004, Section 5(3)(b) has now been repealed. The equivalent provision in Section 10 of the Act dealing with infringement has also been amended. As the explanatory note indicates:

"These amendments implement the decision of the European Court of Justice in *Davidoff & Cie SA and Zino Davidoff SA v Gofkid Ltd* of 9th January 2003 (C-292/00) which was confirmed by its decision in *Adidas-Salomon AG and Adidas Benelux BV v Fitnessworld Trading Ltd* of 23rd October 2003 (C- 408/01). Those decisions determined that Article 5(2) of the Directive, which on the face of it, grants a right to the proprietor of a trade mark to prevent third parties from using an identical or similar trade mark in relation to goods or services which are *not similar* where the earlier trade mark has a reputation and use of that sign takes unfair advantage or is detrimental to the distinctive character of that earlier trade mark, also applies to goods or services which are similar or identical to those for which the earlier trade mark is registered."

40) The scope of the Section has been considered in a number of cases notably *General Motors Corp v Yplon SA (Chevy)* [1999] ETMR 122 and [2000] RPC 572, *Premier Brands UK Limited v Typhoon Europe Limited (Typhoon)* [2000] RPC 767, *Daimler Chrysler v Alavi (Merc)* [2001] RPC 42, *C.A. Sheimer (M) Sdn Bhd's TM Application (Visa)* [2000] RPC 484 *Valucci Designs Ltd v IPC Magazines (Loaded)* O/455/00 and, more recently *Mastercard International Inc and Hitachi Credit (UK) Plc* [2004] EWHC 1623 (Ch) and *Electrocoin Automatics Limited and Coinworld Limited and others* [2005] FSR 7.

41) These cases require very high hurdles to be cleared. The onus is upon an opponent to prove that its earlier trade mark enjoys a significant reputation or public recognition and it needs to furnish the evidence to support this claim. In the current case, the opponent has provided two sets of sales and advertising figures. The first set, which actually predates all of the applications, relates to what are referred to as world-wide sales and advertising. However, the opponent fails to define what is meant by this. It does not provide examples of countries where it promotes and sells its products, nor does it indicate how much of the global market it enjoys. It does not define individual countries where it enjoys success and when sales in these countries began. I am therefore left to consider the UK sales and advertising figures. These begin in 2003/04 some time after the first of the applicant's marks was applied for and so this ground of opposition must fail in relation to 2264160. Whilst the sales figures for 2003/04 and subsequent years average approximately £11 million per annum it is only in 2007 that it is stated that a market share of 5% in pocket confectionery is achieved. I am willing, on the balance of probabilities, to accept that a similar market share would have been enjoyed at the application dates of September 2005 and 7 September 2007 respectively. This reputation is restricted to candy sweets.

42) Once the matter of reputation is settled any opponent must then show how the earlier trade mark would be affected by the registration of the later trade mark. The opponent contends that its mark is unique and there is no evidence to the contrary. In *Inlima S.L*'s application [2000] RPC 61 Mr Simon Thorley QC, sitting as the Appointed Person, said:

“The word ‘similar’ is a relative term. One has to ask the question ‘similar for what purpose’. The question of similarity accordingly can only be answered within the context of a particular set of facts, once one has identified both the facts and the purpose for which similarity is required. In the case of section 5(3), the purpose of requiring similarity is so that the possibility of detriment or unfair advantage might arise. In any particular case, a conclusion as to whether it does arise must depend not only upon the degree of similarity but on all the other factors of the case, not least, the extent of the reputation.

I therefore conclude that the same global appreciation as is required for confusion under section 5(2) is likewise to be applied to the changed circumstances of section 5(3).”

43) More recently this matter was considered by Mr Daniel Alexander sitting as the Appointed Person in B/L O/307/10 where he said:

“37. The Decision in this case was handed down on 18th May 2009. On 18th June 2009, the ECJ handed down judgment in *L'Oréal v. Bellure*, Case C-487/07 in which it gave guidance on the proper approach to interpretation of Article 5(2) of the First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), (the “Trade Marks Directive”).

38. The ECJ said the following as regards Article 5(2) of the Trade Marks Directive and the requirement to show detriment or unfair advantage.

"40. As regards detriment to the repute of the mark, also referred to as 'tarnishment' or 'degradation', such detriment is caused when the goods or services for which the identical or similar sign is used by the third party may be perceived by the public in such a way that the trade mark's power of attraction is reduced. The likelihood of such detriment may arise in particular from the fact that the goods or services offered by the third party possess a characteristic or a quality which is liable to have a negative impact on the image of the mark.

41 As regards the concept of 'taking unfair advantage of the distinctive character or the repute of the trade mark', also referred to as 'parasitism' or 'free-riding', that concept relates not to the detriment caused to the mark but to the advantage taken by the third party as a result of the use of the identical or similar sign. It covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coattails of the mark with a reputation.

42 Just one of those three types of injury suffices for Article 5(2) of Directive 89/104 to apply (see, to that effect, *Intel Corporation*, paragraph 28).

43 It follows that an advantage taken by a third party of the distinctive character or the repute of the mark may be unfair, even if the use of the identical or similar sign is not detrimental either to the distinctive character or to the repute of the mark or, more generally, to its proprietor.

44 In order to determine whether the use of a sign takes unfair advantage of the distinctive character or the repute of the mark, it is necessary to undertake a global assessment, taking into account all factors relevant to the circumstances of the case, which include the strength of the mark's reputation and the degree of distinctive character of the mark, the degree of similarity between the marks at issue and the nature and degree of proximity of the goods or services concerned. As regards the strength of the reputation and the degree of distinctive character of the mark, the Court has already held that, the stronger that mark's distinctive character and reputation are, the easier it will be to accept that detriment has been caused to it. It is also clear from the case-law that, the more immediately and strongly the mark is brought to mind by the sign, the greater the likelihood that the current or future use of the sign is taking, or will take, unfair advantage of the distinctive character or the repute of the mark or is, or will be, detrimental to them (see, to that effect, Intel Corporation, paragraphs 67 to 69).

45 In addition, it must be stated that any such global assessment may also take into account, where necessary, the fact that there is a likelihood of dilution or tarnishment of the mark.

46 In the present case, it is a matter of agreement that Malaika and Starion use packaging and bottles similar to the marks with a reputation registered by L'Oréal and Others in order to market perfumes which constitute 'downmarket' imitations of the luxury fragrances for which those marks are registered and used.

47 In that regard, the referring court has held that there is a link between certain packaging used by Malaika and Starion, on the one hand, and certain marks relating to packaging and bottles belonging to L'Oréal and Others, on the other. In addition, it is apparent from the order for reference that that link confers a commercial advantage on the defendants in the main proceedings. It is also apparent from the order for reference that the similarity between those marks and the products marketed by Malaika and Starion was created intentionally in order to create an association in the mind of the public between fine fragrances and their imitations, with the aim of facilitating the marketing of those imitations.

48 In the general assessment which the referring court will have to undertake in order to determine whether, in those circumstances, it can be held that unfair advantage is being taken of the distinctive character or the repute of the mark, that court will, in particular, have to take account of the fact that the use of packaging and bottles similar to those of the fragrances that are being imitated is intended to take advantage, for promotional purposes, of the distinctive character and the repute of the marks under which those fragrances are marketed.

49 In that regard, where a third party attempts, through the use of a sign similar to a mark with a reputation, to ride on the coat-tails of that mark in order to benefit from its power of attraction, its reputation and its prestige, and to exploit, without paying any financial compensation and without being required to make efforts of his own in that regard, the marketing effort expended by the proprietor of that mark in order to create and maintain the image of that mark, the advantage resulting from such use must be considered to be an advantage that has been unfairly taken of the distinctive character or the repute of that mark.

50 In the light of the above, the answer to the fifth question is that Article 5(2) of Directive 89/104 must be interpreted as meaning that the taking of unfair advantage of the distinctive character or the repute of a mark, within the meaning of that provision, does not require that there be a likelihood of confusion or a likelihood of detriment to the distinctive character or the repute of the mark or, more generally, to its proprietor. The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an advantage taken unfairly by that third party of the distinctive character or the repute of the mark where that party seeks by that use to ride on the coat-tails of the mark with a reputation in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image."

44) Earlier in this decision I determined that some of the goods of the two parties were identical. I also found that the opponent's mark is inherently very distinctive for "Candy Sweets" and has an enhanced reputation. I also found that whilst there were superficial similarities, given that both marks consist of two very short, three letter, words the differences far outweigh any similarity to such an extent that the marks are quite dissimilar. I also take into account that the applicant has been using its mark, albeit in Australia since 1958, that there is a considerable number of Australians living in the UK, and that the reason for the adoption of the name has been provided. Adopting this composite approach advocated, the conclusions that I have set out above naturally lead me to the view that there is no advantage for the applicants to derive. As far as detriment is concerned, Mr Chacksfield suggested that this would subsist in a reduction in the distinctiveness of the opponent's mark. I do not consider that registration of the applicant's mark could have an impact in this respect, be it to the distinctiveness of the mark or the reputation it enjoys. The opposition under Section 5(3) therefore fails.

45) Lastly, I turn to the issue of Section 56 of the Act which reads:

"56.-(1) References in this Act to a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark are to a mark which is well-known in the United Kingdom as being the mark of a person who -

(a) is a national of a Convention country, or

- (b) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,

whether or not that person carries on business, or has any goodwill, in the United Kingdom.

References to the proprietor of such a mark shall be construed accordingly.

(2) The proprietor of a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark is entitled to restrain by injunction the use in the United Kingdom of a trade mark which, or the essential part of which, is identical or similar to his mark, in relation to identical or similar goods or services, where the use is likely to cause confusion.

This right is subject to section 48 (effect of acquiescence by proprietor of earlier trade mark).

(3) Nothing in subsection (2) affects the continuation of any *bona fide* use of a trade mark begun before the commencement of this section.”

46) In *Hotel Cipriani*, Mr Justice Arnold also commented that “Section 56 implements in domestic law Article 6bis of the Paris Convention and Article 16 of TRIPs. It provides a remedy for foreign traders whose trade marks are well known in the United Kingdom but do not own goodwill here.” I have already found that the opponent has reputation and goodwill in the UK in respect of “candy sweets” resulting from sales in the UK. This has been taken into account in the grounds of opposition considered. I also note that a likelihood of confusion is a pre-requisite under this ground and in view of my earlier findings in relation to the marks at issue, the opponent is in no stronger position on this ground. The opponent cannot benefit under Section 56 of the Act.

COSTS

47) The opponent has failed on all the grounds pleaded. As such the applicant is entitled to a contribution towards its costs.

Preparing a statement and considering the other side’s statement	£300
Preparing evidence and considering and commenting on the other side’s evidence	£1000
Preparing for and attending a hearing	£900
TOTAL	£2,200

48) I order the opponent to pay the applicant the sum of £2,200. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 12th day of April 2011

**George W Salthouse
For the Registrar,
the Comptroller-General**